HELIOGENESIS S.A.

2016

HELIOGENESIS S.A.

Financial statements
for the year ended 31 December 2016
(in accordance with L.3556/2007, article 4)

The financial statements pages 9 to 37 were approved by the Board of Directors on May 8, 2017.

CHAIRMAN OF THE BOARD	CHIEF ACCOUNTANT
GEORGIOS PAPAIOANNOU ID: AB 649791	ACCOUNTING SOLUTIONS S.A. Reg. No.: 928/08 NIKOLAOS ZAMANIS Reg. No.: A' 08257

Contents

BOARD OF DIRECTORS REPORT

(in accordance with Law 3556/2007, article 4)

Dear Shareholders,

According to the article 43α paragraph 3 of Commercial Law 2190/1920 as replaced from article 35 of P.D 409/86, we submit to the General Assembly this report, for the achievements of the year ended December 31, 2016.

A. GENERAL

The overall image of the company in terms of organization, infrastructure and growth prospects for the coming years remains positive.

The annual energy production of the company has been steadily higher, compared to the predicted production included in the original business plan of the particular project of the company, for every year of production so far mainly due to the higher than expected irradiation and plant availability.

With respect to the operational expenses, the company has already agreed and put to place a program to effectively control our operating costs, by improving the financial terms of all contracts relating to the management of the company.

B. MAIN EVENTS ON THE COMPANY'S OPERATIONS

I. Operations of 2016

The energy production during 2016 was 1.7% lower compared to that of the previous year due to lower overall irradiation.
With respect to the invoicing price of the energy produced, the Decision of the Ministry of Development Competitiveness and Shipping with Protocol No. 3296 - 25/01/2012, approved a subsidy of €4.552.000 regarding the construction of a photovoltaic power plant in the location "Riganes" in the municipality of Farsala in the prefecture of Larissa, given however that the above mentioned subsidy payment has not been disbursed to Heliogenesi SA and according to the provision of law No. 4046/2012 that includes relative provisions for the redefinition of billing information for operating RES and CHP power stations, the per kWh kWh tariff was reduced from EUR 0.409/kwh to EUR 0.34/kwh. This new tariff was enforced for the energy produced from April 2014onwards.

II. Main risks and uncertainties for 2017

The main risks and uncertainties for the company in the coming period are:
• Financial Risk: The interest rates depend on international economic conditions of credit liquidity in the economy. In order to hedge itself from floating interest rates, the company has implemented a SWAP agreement for the main portion of its loan obligations while for the remaining amounts, which are subject to floating rates, the current low EURIBOR rates have a positive contribution to the overall cost of the company's loan obligations.
• Liquidity Risk: Due to the current economic crisis, the company relies on a specific cash flow program to be able to have at all times sufficient bank credit and cash reserves.

With regards to the accounting treatment of the actions above, given that the risk of non-recovery of accruals under contract by the Greek government is minimal, despite the known delays in the payment of its obligations, the company does not form any provisions.
The company does not take positions in derivatives and other financial instruments which are not related to the main object of activity or trying to record profit by predicting the course of capital markets.

III. Estimations and perspectives for 2017

The company's net debt and attendant financial costs are expected to decline in 2017 due to the regular debt repayments of the carried out by the company.

IV. Board of Directors

The Board of Directors service is ending on December 31, 2018 and constitutes from the following:

1. George Papaioannou	Chairman of the Board
2. Evgenios Dendrinos	Vice president and CEO
3. Dionisia Kavvatha	Member of the Board
4. Rekounioti Panagiota	Member of the Board
5. Maria Karra	Member of the Board
6. Power Development Projects Hellas Ltd	Member of the Board

The Chairman of the Boards Mr. George Papaioannou and the Vice President and CEO Mr. Evgenios Dendrinos represent the Company jointly for every issue, signing under the corporate name.

V. Subsequent events

- The Board of Directors has proposed the distribution of gross dividend to the shareholders amounting to EUR eight hundred thousand (EUR 800,000).
- There were no further events, following the issue of the financial statements that require reporting

C. FINANCIAL STATEMENTS PRESENTATION

Total sales for the year 2016 amounted to 2,485,302.08 € versus 2,536,938.56 € for 2015, reduced by 2,04%.
Gross margin for 2016 was 66.09% of total sales versus 67.15% for 2015.

Profits before TAX were 44.42% of total sales and amounted to 1,103,850.74 € versus 1,183,450.60 € for 2015 or 46.65% as percent of total sales.

Profits after tax for 2016 were 31.50% of total sales amounting to 782,885.47€ reduced compare to 829.679,62 € for 2015 or 32.70% of total sales.
The EBIT margin, earnings before interest and tax, for the company as whole was at the satisfactory level of 58.91% of total sales amounting to 1,464,095.44 € reduced versus 63.82% for 2015 or 1,618,969.22 €.

Finance cost amounted to 360,244.70 € for 2016, decreased compared to 435,518.62€ for 2015.

The total debt of the company will continue to decrease in 2017 in accordance with the repayment schedule of the relevant loans.

Trade and other receivables were increased by 616,194.04 € driven by:
α) Net increase of trade receivables of 415,813.73€ due to an increase in the days of repayment of the invoices issued to LAGIE.
β) Increase by 200,716.51 € of advances related to tax and decrease of prepaid expenses by 336.20 €.

Current liabilities not related to borrowing (to suppliers and other liabilities) increased during the year and amounted to 222,570.42 € from 104,470.78 € at the end of 2015.

Non-current net long-term borrowings at the end of 2016 reduced to 6,580,409.22€ versus 7,231,375.16€ for the previous year. The decrease in long-term debt is primarily due to the repayment of overdue amortization.

The Company's capital structure was reduced in 2016, with equity amounting to 4,290,910.79€ versus 4,338,193.17€ for 2015.
"Non-current liabilities" increased to the amount of 164,806.65 € at the end of 2016 compared to 155,845.53 € at the end of 201, due to depreciation of forecasted dismantling expenses of the photovoltaic park located at Farsala at the end of its operations.

I. Basic economic ratios
Basic economic ratios are presented as follows:

(000 EURO)

a) Ratios of economic structure

- Current Assets / Total Assets	:	3,375	/	12,217	=	27.62 %
- Equity / Total liabilities	:	4,291	/	7,926	=	54.14 %
- Equity / Non current assets	:	4,291	/	8,735	=	49.12 %
- Current Assets / Current liabilities	:	3,375	/	717	=	470.71 %

b) Profitability ratios

- Net results / Equity	:	1,104	/	4,291	=	25.73 %
- Gross profit/ Sales	:	1,643	/	2,485	=	66.12 %

Independent Auditor's Report

(Translated from the original in Greek)

To the Shareholders of
HELLIOGENESIS PRODUCTION AND DISTRIBUTION OF ELECTRICAL POWER AE

Report on the Financial Statements

We have audited the accompanying Financial Statements of HELLIOGENESIS PRODUCTION AND DISTRIBUTION OF ELECTRICAL POWER AE (the "Company") which comprise the Balance Sheet as of 31 December 2016, the Statement of financial position, the statement of profit or loss and other comprehensive income, the statement of changes in equity, the statement of cash flows and the notes thereon for the year then ended.

Management's responsibility for the Financial Statements

Management is responsible for the preparation and fair presentation of these Financial Statements in accordance with the International Financial Reporting Standards as adopted by the EU. This responsibility includes: designing, implementing and maintaining internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatements, whether due to fraud or error, selecting and applying appropriate accounting policies and making accounting estimates that are reasonable in the circumstances.

Auditor's responsibility

Our responsibility is to express an opinion on these Financial Statements based on our audit. We conducted our audit in accordance with International Standards on Auditing. Those Standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance whether the financial statements are free from material misstatements.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Company's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Independent Auditor's Report

(Translated from the original in Greek)

To the Shareholders of
HELLIOGENESIS PRODUCTION AND DISTRIBUTION OF ELECTRICAL POWER AE

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We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Opinion

In our opinion, the Financial Statements give a true and fair view of the financial position of the Company as of 31 December 2016 and of its financial performance for the year then ended, in accordance with the International Financial Reporting Standards as adopted by the EU.

Report on other legal and regulatory requirements

Taking under consideration the fact that the management of the Company is responsible for the preparation of the Board of Directors Report, within the scope set by article 2 paragraph 5 (part B) of L. 4336/2015, we note the following

α) In our opinion the contents of the Board of Directors Report are consistent and correspond to the legal requirements set by article 43a of CL 2190/1920 and are consistent to the contents of the accompanying Financial Statements as of 31 December 2016.

β) Due to our knowledge regarding the Company HELLIOGENESIS PRODUCTION AND DISTRIBUTION OF ELECTRICAL POWER AE as a result of our audit work, there are no material misstatements that came to our attention within the Board of Directors Report as of 31 December 2016.

NETWORK

AUDIT SERVICES AE
CERTIFIED AUDITORS
4 Zallogou st., 153 43 Agia Paraskevi
SOEL Reg. No. 162

Athens, 9 May 2017

Audit Services AE

Marios Georgiou, Certified Auditor Accountant
AM SOEL 12951

HELIOGENESIS S.A.

Financial statements

for the year ended 31 December 2016

(in accordance with International Financial Reporting Standards)

Statement of financial position for the year ended 31 December 2016

	Notes	2016	2015
ASSETS			
Non-current assets			
Property, plant and equipment	6	8.735.077,94	9.341.880,28
Deferred tax assets	11	106.841,68	105.180,45
		9.447.060,73	**9.447.060,73**
Current assets			
Trade and other receivables	13	2.227.022,04	1.610.828,00
Cash and short-term deposits	8	1.147.625,22	1.628.352,50
		3.374.647,26	**3.239.180,50**
Total assets		**12.216.566,88**	**12.686.241,23**
EQUITY AND LIABILITIES			
Issued capital	9	622.240,00	622.240,00
Share premium		2.517.859,68	2.517.859,68
Statutory reserve	12	183.126,18	143.981,91
Cash flow hedge reserve	12	(510.696,91)	(480.529,06)
Retained earnings		1.478.381,84	1.534.640,64
Total equity		**4.290.910,79**	**4.338.193,17**
LIABILITIES			
Non-current liabilities			
Interest-bearing loans and borrowings	10	6.408.797,41	7.045.462,33
Derivative financial liabilities	14	635.323,42	592.833,50
Other provisions and liabilities	15	164.806,65	155.845,53
Total Non-current liabilities		**7.208.927,48**	**7.794.141,36**
Current liabilities			
Trade and other payables	15	222.570,42	104.470,78
Income tax and other taxes payable	15	410.190,19	365.467,92
Derivative financial liabilities	14	83.968,00	83.968,00
Total Current liabilities		**716.728,61**	**553.906,70**
Total liabilities		**7.925.656,09**	**8.348.048,06**
Total equity and liabilities		**12.216.566,88**	**12.686.241,23**

The accompanying notes are an integral part of these financial statements.

Income statement for the year ended 31 December 2016

	Notes	2016	2015
Sales	1	2.485.302,08	2.536.938,56
Cost of sales	1	(842.780,09)	(833.352,60)
Gross profit		**1.642.521,99**	**1.703.585,96**
Administrative expenses	2	(183.701,72)	(90.932,24)
Other income – expenses (net)	3	5.275,17	6.315,50
Operating income (Loss)		**1.464.095,44**	**1.618.969,22**
Finance cost (net)	4	(360.244,70)	(435.518,62)
Profit (Loss) before tax		**1.103.850,74**	**1.183.450,60**
Income tax expense	5	(320.965,27)	(353.770,98)
Profit / (Loss) for the year		**782.885,47**	**829.679,62**
Depreciation for the year	6 - 7	606.802,35	606.802,35

Statement of comprehensive income

		2016	2015
Profit / (Loss) for the year		**782.885,47**	**829.679,62**
Other comprehensive income			
Cash flow hedge		(719.291,42)	(676.801,50)
Income tax effect		208.594,51	196.272,44
Other comprehensive income for the year, net of tax	12	**(510.696,91)**	**(480.529,06)**
Total comprehensive income for the year, net of tax		**272.188,56**	**349.150,56**

The accompanying notes are an integral part of these financial statements.

Statement of cash flows for the year ended 31 December 2016

	Notes	2016	2015
Operating activities			
Profit / (Loss) for the year		782,885.47	829,679.62
Non-cash adjustment to reconcile profit / (loss) before tax to net cash flows:			
Income tax	5	320,965.27	353,770.98
Depreciation and impairment of property, plant and equipment	6	606,802.35	606,802.35
Finance costs	4	360,244.70	435,518.62
		2,070,897.79	**2,225,771.57**
Working capital adjustments:			
Increase / (Decrease) in trade and other receivables and prepayments		(305,889.61)	272,579.72
Increase / (Decrease) in trade and other payables (except from borrowings)		(147,482.53)	(292,393.84)
		(453,372.14)	**(19,814.12)**
Net cash flows from operating activities		**1,617,525.65**	**2,205,957.45**
Finance costs (interest & other)		(360,244.70)	(435,518.62)
Income tax paid	5	(310,304.43)	(346,040.01)
Net cash flows used in investing activities (a)		**946,976.52**	**1,424,398.82**
Investing activities			
Proceeds of Fixed Assets Disposal		0.00	0.01
Movements in provisions		8,961.12	8,473.88
		8,961.12	**8,473.89**
Financing activities			
Dividends paid	18	(800,000.00)	(540,000.00)
Proceeds from borrowings		(636,664.92)	(718,848.44)
Net cash flows from/(used in) financing activities (c)		**(1,436,664.92)**	**1,254,848.44**
Net increase / (decrease) in cash and cash equivalents (a) + (b)+(c)		**(480,727.28)**	**178,024.27**
Cash and cash equivalents at 1 January		1,628,352.50	1,450,328.23
Cash and cash equivalents at 31 December	8	**1,147,625.22**	**1,628,352.50**

The accompanying notes are an integral part of these financial statements.

Statement of changes in equity for the year ended 31 December 2016

	Paid Capital	Share Premium	Hedging Reserves	Legal Reserves	Profits carried forward	Total
As at December 31st 2014	**622,240**	**2,517,859.68**	**(588,362.45)**	**102,497.93**	**1,286,445.00**	**3,940,680.16**
Other comprehensive income	0.00	0.00	107,833.39		0.00	107,833.39
Profit / (Loss) for the year				41,483.98	788,195.64	829,679.62
Total comprehensive income	**0.00**	**0.00**	**107,833.39**	**41,483.98**	**788,195.64**	**937,513.01**
Dividends					(540,000.00)	(540,000.00)
As at December 31st 2015	**622,240**	**2,517,859.68**	**(480,529.06)**	**143,981.91**	**1,534,640.64**	**4,338,193.17**
Other comprehensive income	0.00	0.00	(30,167.85)	0.00	0.00	(30,167.85)
Profit / (Loss) for the year	0.00	0.00	0.00	39,144.27	743,741.20	782,885.47
Total comprehensive income	**0.00**	**0.00**	**(30,167.85)**	**39,144.27**	**743,741.20**	**752,717.62**
Dividends	0.00	0.00	0.00	0.00	(800,000.00)	(800,000.00)
As at December 31st 2016	**622,240.00**	**2,517,859.68**	**(510,696.91)**	**183,126.18**	**1,478,381.84**	**4,290,910.79**

The accompanying notes are an integral part of these financial statements.

NOTES TO THE FINANCIAL STATEMENTS

A. CORPORATE INFORMATION

A.1 General information

These financial statements include the financial statements of HELIOGENESIS PRODUCTION AND TRADE OF ELECTRIC POWER SA (the Company).

The accompanying financial statements of HELIOGENESIS S.A. (the Company), were approved by Board of Directors on 31.03.2016 and are under approval of the Shareholder's General Assembly that will be held on 28.04.2016

HELIOGENESIS S.A. was incorporated in 2007 in Greece with a 40 years operation period, as a production and trading of electricity power Company.

The registered office is located at 10 Merlin Street, Athens Municipality.

A.2 Company's main operations

- Production and trading of electricity power from renewable energy sources and from its photovoltaic systems.
- Trading, installation, operation and management of electricity production systems from renewable energy sources and from its photovoltaic systems.
- Consulting services in relation to the above.
- Issuance of related licenses for and on Company's account, or of third parties.
- Ensuring the related grants and subsidies from private, government and international bodies and from European Union on the name and for the company or third parties.

B. BASIS OF PREPARATION

The accompanying financial statements, of the Company for the period from 1st of January through to December 31st 2016 have been prepared in accordance with the International Financial Reporting Standards (IFRS) as issued by the International Accounting Standards Board (IASB), and the relevant Interpretations, as issued by the International Financial Reporting Interpretations Committee (IFRIC), as they have been adopted by the European Union and are effective until December 31, 2016. There are no Standards that were adopted earlier to the initial date of their application.
The financial statements of the Company have been prepared on a historical cost basis, except for derivatives valuated on a fair present value basis, and on a going concern basis.The preparation of the Company's financial statements in accordance with IFRS requires the use of specific accounting judgments, estimates and assumptions. Additionally, it requires from management to make judgments during the implementation process of the accounting policies of the Company. The judgments, estimates and assumptions are based on the management's best knowledge in relation to the current circumstances and are analyzed below, in note C1. The accounting policies and processes have been consistently applied to all presented financial years.

The accompanying financial statements are presented in Euro, unless otherwise stated.

C. Summary of significant accounting policies

C.1. Significant accounting judgments, estimates and assumptions

The preparation of the Company's financial statements requires management to make judgments, estimates and assumptions that affect the reported amounts of revenues, expenses, assets and liabilities, and the disclosure of contingent liabilities, at the end of the reporting period. However, uncertainty about these assumptions and estimates could result in outcomes that require a material adjustment to the carrying amount of the asset or liability affected in future periods.
In the process of applying the Company's accounting policies, management has made the following judgments, which have the most significant effect on the amounts recognized in the financial statements:

(a) Income taxes and additional taxes for unaudited tax years

Estimated provision for income tax in accordance with IAS 12 is based on taxes to be charged by tax authorities and includes current income tax, provision for any additional taxes that will probably be charged after future tax audit and recognition of any future tax benefits. The amount of tax that will be actually paid may differ from what has been provided and recorded to the financial statements. Further information is provided in note 5.

(b) Provision for environmental rehabilitation and dismantling of equipment

The Company provides for environmental rehabilitation and dismantling of equipment at the time the photovoltaic park's operation stops. Company's management reviews periodically in estimation of the adequacy of this provision. Further details are analyzed in Note 15.

(c) Interest rate risk

The Company provides for environmental rehabilitation and dismantling of equipment at the time the photovoltaic park's operation stops. Company's management reviews periodically in estimation of the adequacy of this provision. Further details are analyzed in Note 15.

C.2 Functional and presentation currency (IAS 21)

Financial statements are presented in Euro, which is the Company's functional currency. Transactions in foreign currencies are recorded at the functional currency after retranslated using the rates at the date the transaction. All differences arising on settlement or translation of monetary items are taken to the income statement with the exception of monetary items that are adjusted to its present values. These are considered as part of the present value and are recognized accordingly.

C.3. Property, plant and equipment (IAS 16)

The management applies the basic method (initial purchase cost less accumulated depreciation and/or accumulated impairment losses), for categories of the operating assets, in accordance to IAS 16.

Such cost includes all costs directly associated with the acquisition of property, plant and equipment or the amount attributed to that asset when initially recognized, including the cost of materials used, financial costs until the date of starting of its operation and all other related costs, direct or indirect.

Subsequent costs are included in the asset's carrying amount or recognized as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the Company and the cost of the item can be measured reliably. All repairs and maintenance are charged to the income statement during the financial period in which they are incurred.

Gains and losses on disposals are determined by comparing proceeds with carrying amount and are included in the income statement.

Depreciation is calculated on a straight-line basis over the estimated useful lives of the assets as follows:

Buildings / Photovoltaic station	20 years
Machinery	20 years
Furniture and other equipment	5 – 6 years

Assets with cost below EUR 1.500,00 are fully depreciated during the year of its acquisition due to not significance.

The assets' residual values and useful lives are reviewed, and adjusted if appropriate, at each financial statements date. An asset's carrying amount is written down immediately to its recoverable amount if the asset's carrying amount is greater than its estimated recoverable amount.

C.4. Intangible assets (IAS 38)

Expenses within the scope of IAS 38.18 are capitalized (i.e. software licenses). All other intangible assets that were out of scope of IAS 38.18 have been written off.

C.5. Impairment of intangible assets

Intangible assets with indefinite useful lives are not amortized, but are tested for impairment annually. The assessment of indefinite life is reviewed annually to determine whether the indefinite life continues to be supportable.

Net selling price is the amount obtainable from the sale of an asset in an arm's length transaction in which the parties have full knowledge and participate voluntarily, after deducting the costs of disposal of the asset, while value in use is the present value of estimated future cash flows expected to arise from the continuing use of an asset and from its disposal at the end of its useful life.

At each reporting date the management assess whether there is any indication of impairment of an asset under IAS 36, according to which it is ensured that the assets are accounted for at a value not exceeding the recoverable amount, where recoverable amount of an asset is the higher of fair value (less costs to sell) and value in use.

This evaluation also takes into account information from internal and external sources. Impairment of assets does not apply to items of deferred tax assets and financial assets falling under IAS 39 and in current assets classified as held for sale. Any impairment loss is recognized directly in the Income Statement.

C.6. Financial instruments Initial recognition and subsequent measurement (IAS 39)

The standard is analyzing policies for the recognition and measurement of financial instruments, financial liabilities and certain contracts for the acquisition or sale non-financial instruments. Acquisition and sale of investments are recognized at the time of the transaction which is the date when the Company is obliged to acquire or sale the asset. Investments are initially recognized at fair value adding direct transaction costs, except those assets that are measured at fair value through income statement. Investments are derecognized when the

right to cash flows from investments expires or transfers and the Company has substantially transferred all risks and rewards related to the ownership.
The Company's financial instruments are classified in the following categories based on the substance of the contract and the reason of their acquisition.

i) Financial assets/liabilities at fair value through income statement

Financial assets and liabilities that cover the following assumptions:

• Financial assets /liabilities that are acquired for commercial reasons (including derivatives, except those categorized as effective hedging instruments, those acquired or made for sale or acquire back and finally those that constitute part of the investment portfolio from recognized financial instruments).

• At the initial recognition it is determined by the Company as an asset that is valued at fair value, with recognition of changes in the income statement. The realized and not realized profit or loss that result from the changes in fair value of the financial assets, are recognized through the income statement for the year.

ii) Trade and other receivable

Trade and other receivable include non-derivative financial assets with fixed or determined payments that could be traded in active markets. Trade and other receivable include the following:

- advances for services,
- receivables from taxes, as imposed by tax authorities,
- any other receivable, not resulted by an official agreement resulting to a Company's right to receive cash or other financial assets.

Trade and other receivables, are initially measured at the transaction cost and subsequently measured at amortized cost using the effective interest rate method.
Trade receivables and other are tested for impairment periodically. In cases where the collection of the receivable is considered default, based on the respective contractual terms, then provision for such impairment is made. The amount of impairment is determined from the difference between the carrying amount of receivables and the present value of the estimated future cash flows, which are discounted by using the effective interest rate. Any impairment losses are recognized directly to the income statement.

iii) Held-to-maturity investments

Non-derivative financial assets with fixed or determinable payments and fixed maturities are classified as held-to-maturity when the Company has the positive intention and ability to hold them to maturity.
After initial measurement, held-to-maturity investments are measured at amortized cost using the effective interest rate method.

iv) Available for-sale financial investments

Available-for-sale financial investments include non-derivative financial assets under this category or are not classified to any other category.
After initial measurement, available-for-sale financial investments are subsequently measured at fair value with unrealized gains or losses recognized as other comprehensive income in the available-for-sale reserve until the investment is derecognized, at which time the cumulative gain or loss is recognized in other operating income,

or the investment is determined to be impaired. Impairment losses that have been recognized in other comprehensive income are not reversed through profit & loss.
The fair value of financial instruments that are traded in active markets at each reporting date is determined by reference to quoted market prices or dealer price quotations (bid price for long positions and ask price for short positions), without any deduction for transaction costs.
For financial instruments not traded in an active market, the fair value is determined using appropriate valuation techniques, such as using recent arm's length market transactions, reference to the current fair value of another instrument that is substantially the same, a discounted cash flow analysis or other valuation models.

Financial instruments not traded in an active market have been classified as available for sale financial assets and their fair value could not be reliably determined are valued at cost. At each financial statements date the Company estimates if there is any objective indication that these financial assets could be impaired. If an impairment is evidenced the cumulative impairment loss is transferred to income statement.

C.7. Financial assets and liabilities (IAS 32)

The specific standard is referred to the recognition and measurement of financial assets and liabilities under the scope of IAS 39.

Financial instruments: Recognition and measurement.

The specific standard is referred to the classification of financial assets, financial liabilities and investments and the classification of relative interest, dividends, losses and profits and the conditions under which the financial assets and financial liabilities should be netted off. A financial instrument is determined as every contract that creates on the same time a financial asset for an entity and a financial liability or an investment for another entity.

Financial asset is every asset that relates to:

(a) cash and cash equivalents including cash and bank deposits
(b) investments to other entities ,
(c) contractual rights :

(i) to deliver cash or other financial asset from another entity or
(ii) the exchange of financial assets or liabilities with another entity possibly in favor of another entity or

(d) a contact that could or will settle the instruments of the entity and are:

(i) non derivative for which the company is obliged to or could be obliged to obtain a fluctuated quantity of its own instruments or
(ii) a derivative that could or will be settled except the exchange of certain amount in cash or other financial asset with a certain amount of own instruments. For this purpose in its own instruments are not included means as the contracts for the future delivery or receipt of its own instruments.

Financial liabilities are liabilities related to:

(a) contractual right :

(i) to deliver cash or other financial asset to another entity or
(ii) the exchange of financial assets or liabilities with another entity possibly against the other entity or

(b) a contact that could or will settle the instruments of the entity and are:

(i) non derivative for which the company is obliged to or could be obliged to deliver a fluctuated quantity of its own instruments or
(ii) a derivative that could or will be settled except the exchange of certain amount in cash or other financial asset with a certain amount of own instruments. For this purpose in its own instruments are not included means as the contracts for the future delivery or receipt of its own instruments.

Instruments are every contract that demonstrates a right over the remaining amount, if the assets are deducted from its liabilities. Fair value is the amount with an asset could be exchanged or a liability could be settled between two parties who acts with their own will and are completely aware of the market conditions, under a transaction that is taking place on a commercial base.

C.8. Provisions (IAS 37)

Provisions are recognized when:

(a) The Company has a present obligation (legal or constructive) as a result of a past event
(b) it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation
(c) a reliable estimate can be made of the amount of the obligation

Provisions are measured at expected value that is required to determine the present obligation, using the most reliable evidence that is available at financial statements date, including the risks and uncertainties specific to the present obligation, using the method of effective interest discount rate.
Contingent liabilities are not recognized in the financial statements, but are disclosed, unless the possibility of future cash outflows is insignificant. Contingent assets are not recognized in the financial statements, but are disclosed if the cash inflow is probable.

C.9. Share capital (IAS 33)

Expenses realized for the issue of shares are shown in equity as a deduction from the proceeds and net of any taxes. Expenses realized for the issue of shares for the acquisition of other companies are included in its cost of acquisition.

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Expenses realized for the issue of shares are shown in equity as a deduction from the proceeds and net of any taxes. Expenses realized for the issue of shares for the acquisition of other companies are included in its cost of acquisition.

C.11. Income & deferred taxes (IAS 12)

Taxes charged to the period consist of current and deferred taxes, i.e. taxes and tax relieves related to the financial benefits incurring within the period but have been charged or are going to be charged from the tax authorities to different periods.
Current income taxes include short-term liabilities or receivables attributable to the tax authorities related to payable taxes on the period's taxable income and any additional prior period's taxes.
Current taxes are calculated according to effective tax rates and tax laws prevailing in the relevant periods, based on taxable profits for the year.

Deferred taxes are calculated with the liability method in all temporary tax differences as of preparation date of the financial statements occurring between the tax base and the book value of the assets and liabilities. Deferred tax assets and liabilities are determined using tax rates (and laws) that have been enacted or substantially enacted by the financial statements date and are expected to apply when the related deferred income tax asset is realized or the deferred income tax liability is settled. In case it is not possible to determine the time of reversal of the temporary tax differences, the tax rate used is that of the fiscal year following that of the financial statements. Deferred tax assets are recognized only to the extent that is likely that taxable profit will be generated in the future, which will generate the deferred tax asset.
Most of the changes in the deferred assets or liabilities are recognized as part of the tax expenses or income in the income statement for the year.
Changes in the assets or liabilities affecting temporary tax differences and are directly recorded in equity, and cause the slight change in the deferred tax receivables or liabilities to be debited against the equity account.

C.12 Recognition of revenue (IAS 18)

Revenue includes the fair value of sale of goods and rendering of services, net from VAT, discounts and sale returns.
Revenue is recognized as follows:

(a) Sale of goods:

Revenue from sales of goods is recognized to the income statement, if significant risks and rewards have been transferred to the buyer and the receipt of cash is granted.

(b) Sale of services:

Sales of services are recognized, on an accrual basis, in the income statement of the accounting period in which the services are rendered, by reference to completion of the specific transaction assessed on the basis of the actual service provided as a proportion of the total services to be provided.

(c) Interest income is recognized on an accrual basis using the effective interest rate method.

C.13. Leases (IAS 17)

In case of leased assets where the lessor substantially transfers all risks and rewards to the Company, the lease is classified as a finance lease. At the commencement of the lease term, the Company recognizes finance leases as assets and liabilities in their statements of financial position at amounts equal to the fair value of the leased property or, if lower, the present value of the minimum lease payments, each determined at the inception of the lease. Lease payments are apportioned between the finance charge, which is recognized in the income statement, and the reduction of the outstanding liability, which is recognized to the balance sheet. The finance charge is allocated to each period during the lease term so as to produce a constant periodic rate of interest on the remaining balance of the liability.
A lease is classified as an operating lease if the lessor substantially retains all risks and rewards. Any payments made for operating leases, including prepayments, (net of any incentives provided to the lessor) are recognized in the income statement, using the straight-line method through the leasing period.

Leased assets under a finance lease are classified as property, plant and equipment in the financial statements and are depreciated over their estimated useful life. Income from rentals is recognized using a straight line method over the lease period.

The Company has not entered to any financial lease contract.

C.14. Borrowing Costs (IAS 23)

While calculating the effective interest rate, the Company estimates the cash flows by taking into account the contractual terms behind the financial instrument (for example, prepayments) but not the future losses. The estimation includes all expenses and items paid or received among counterparties which are considered part of the effective interest rate, any issuance fees and additional charges or discounts.

Borrowing costs include:

- Interest for current bank loans and overdraft accounts.
- Depreciation of deep-discounted bonds,
- Depreciation of other expenses incurred related to loans,
- Financial costs from financial leases, under the scope of IAS 17.

All borrowing costs that are directly attributable to the acquisition, construction or production of a qualifying asset must be capitalized.

D. FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES

Company's business activities and the general economic environment exhibits a variety of risks that the management is requested to respond by weighting the cost of the possible negative effects from these risks. Company's policies for the risk management are applied in order to recognize and analyze all Company's risks and to impose limits of risk taking and perform audits for towards that. The Company manages its risk management policies periodically, in order to embody the changes in the market's environment and the Company's business activities.

D.1 Interest rate risk

Credit risk is the risk that counterparty will not meet its obligations under a financial instrument or customer contract, leading to a financial loss. The Company is exposed to a specific credit risk from its operating activities, as its sales are made to Greek State. At the same time, the risk from its financing activities, including deposits with banks and financial institutions is eliminated as the Company seeks to have always appropriate and agreed credit lines with banks.

D.2 Credit risk

Credit risk is the risk that counterparty will not meet its obligations under a financial instrument or customer contract, leading to a financial loss. The Company is exposed to a specific credit risk from its operating activities, as its sales are made to Greek State. At the same time, the risk from its financing activities, including deposits with banks and financial institutions is eliminated as the Company seeks to have always appropriate and agreed credit lines with banks.

D.3 Foreign currency risk

Company's transactions are made only in Euro.

New standards, amendments to standards and interpretations: Certain new standards, amendments to standards and interpretations have been issued that are mandatory for periods beginning during the current financial year and subsequent years. The Group's evaluation of the effect of these new standards, amendments to standards and interpretations is as follows:

Standards and Interpretations effective for the current financial year

IAS 19R (Amendment) "Employee Benefits"

These narrow scope amendments apply to contributions from employees or third parties to defined benefit plans and simplify the accounting for contributions that are independent of the number of years of employee service, for example, employee contributions that are calculated according to a fixed percentage of salary.

IFRS 11 (Amendment) "Joint Arrangements"

This amendment requires an investor to apply the principles of business combination accounting when it acquires an interest in a joint operation that constitutes a 'business'.

IAS 16 and IAS 38 (Amendments) "Clarification of Acceptable Methods of Depreciation and Amortisation

This amendment clarifies that the use of revenue-based methods to calculate the depreciation of an asset is not appropriate and it also clarifies that revenue is generally presumed to be an inappropriate basis for measuring the consumption of the economic benefits embodied in an intangible asset.

IAS 16 and IAS 41 (Amendments) "Agriculture: Bearer plants"

These amendments change the financial reporting for bearer plants, such as grape vines and fruit trees. The bearer plants should be accounted for in the same way as self-constructed items of property, plant and equipment. Consequently, the amendments include them within the scope of IAS 16, instead of IAS 41. The produce growing on bearer plants will remain within the scope of IAS 41.

IAS 27 (Amendment) "Separate financial statements"

This amendment allows entities to use the equity method to account for investments in subsidiaries, joint ventures and associates in their separate financial statements and clarifies the definition of separate financial statements.

IAS 1 (Amendments) "Disclosure initiative"

These amendments clarify guidance in IAS 1 on materiality and aggregation, the presentation of subtotals, the structure of financial statements and the disclosure of accounting policies.

IFRS 10, IFRS 12 and IAS 28 (Amendments) "Investment entities: Applying the consolidation exception"

These amendments clarify the application of the consolidation exception for investment entities and their subsidiaries.

Annual Improvements to IFRSs 2012

The amendments set out below describe the key changes to certain IFRSs following the publication of the results of the IASB's 2010-12 cycle of the annual improvements project.

IFRS 2 "Share-based payment"

The amendment clarifies the definition of a 'vesting condition' and separately defines 'performance condition' and 'service condition'.

IFRS 3 "Business combinations"

The amendment clarifies that an obligation to pay contingent consideration which meets the definition of a financial instrument is classified as a financial liability or as equity, on the basis of the definitions in IAS 32 "Financial instruments: Presentation". It also clarifies that all non-equity contingent consideration, both financial and non-financial, is measured at fair value through profit or loss.

IFRS 8 "Operating segments"

The amendment requires disclosure of the judgements made by management in aggregating operating segments.

IFRS 13 "Fair value measurement"

The amendment clarifies that the standard does not remove the ability to measure short-term receivables and payables at invoice amounts in cases where the impact of not discounting is immaterial.

IAS 16 "Property, plant and equipment" and IAS 38 "Intangible assets"

Both standards are amended to clarify how the gross carrying amount and the accumulated depreciation are treated where an entity uses the revaluation model.

IAS 24 "Related party disclosures"

The standard is amended to include, as a related party, an entity that provides key management personnel services to the reporting entity or to the parent of the reporting entity.

Annual Improvements to IFRSs 2014

The amendments set out below describe the key changes to four IFRSs.

IFRS 5 "Non-current assets held for sale and discontinued operations"

The amendment clarifies that, when an asset (or disposal group) is reclassified from 'held for sale' to 'held for distribution', or vice versa, this does not constitute a change to a plan of sale or distribution, and does not have to be accounted for as such.

IFRS 7 "Financial instruments: Disclosures"

The amendment adds specific guidance to help management determine whether the terms of an arrangement to service a financial asset which has been transferred constitute continuing involvement and clarifies that the additional disclosure required by the amendments to IFRS 7, 'Disclosure – Offsetting financial assets and financial liabilities' is not specifically required for all interim periods, unless required by IAS 34.

IAS 19 "Employee benefits"

The amendment clarifies that, when determining the discount rate for post-employment benefit obligations, it is the currency that the liabilities are denominated in that is important, and not the country where they arise.

IAS 34 "Interim financial reporting"

The amendment clarifies what is meant by the reference in the standard to 'information disclosed elsewhere in the interim financial report'.

Standards and Interpretations effective for subsequent periods

IFRS 9 "Financial Instruments" and subsequent amendments to IFRS 9 and IFRS 7 (effective for annual periods beginning on or after 1 January 2018)

IFRS 9 replaces the guidance in IAS 39 which deals with the classification and measurement of financial assets and financial liabilities and it also includes an expected credit losses model that replaces the incurred loss impairment model used today. IFRS 9 establishes a more principles-based approach to hedge accounting and addresses inconsistencies and weaknesses in the current model in IAS 39. The Group is currently investigating the impact of IFRS 9 on its financial statements.

IFRS 15 "Revenue from Contracts with Customers" (effective for annual periods beginning on or after 1 January 2018)

IFRS 15 has been issued in May 2014. The objective of the standard is to provide a single, comprehensive revenue recognition model for all contracts with customers to improve comparability within industries, across industries, and across capital markets. It contains principles that an entity will apply to determine the measurement of revenue and timing of when it is recognised. The underlying principle is that an entity will recognise revenue to depict the transfer of goods or services to customers at an amount that the entity expects to be entitled to in exchange for those goods or services. The Group is currently investigating the impact of IFRS 15 on its financial statements.

IFRS 16 "Leases" (effective for annual periods beginning on or after 1 January 2019)

IFRS 16 has been issued in January 2016 and supersedes IAS 17. The objective of the standard is to ensure the lessees and lessors provide relevant information in a manner that faithfully represents those transactions. IFRS 16 introduces a single lessee accounting model and requires a lessee to recognise assets and liabilities for all leases with a term of more than 12 months, unless the underlying asset is of low value. IFRS 16 substantially carries forward the lessor accounting requirements in IAS 17. Accordingly, a lessor continues to classify its leases as operating leases or finance leases, and to account for those two types of leases differently. The Group is currently investigating the impact of IFRS 16 on its financial statements. The standard has not yet been endorsed by the EU.

IAS 12 (Amendments) "Recognition of Deferred Tax Assets for Unrealised Losses" (effective for annual periods beginning on or after 1 January 2017)

These amendments clarify the accounting for deferred tax assets for unrealised losses on debt instruments measured at fair value. The amendments have not yet been endorsed by the EU.

IAS 7 (Amendments) "Disclosure initiative" (effective for annual periods beginning on or after 1 January 2017)

These amendments require entities to provide disclosures that enable users of financial statements to evaluate changes in liabilities arising from financing activities. The amendments have not yet been endorsed by the EU.

IFRS 2 (Amendments) "Classification and measurement of Shared-based Payment transactions" (effective for annual periods beginning on or after 1 January 2018)

The amendment clarifies the measurement basis for cash-settled, share-based payments and the accounting for modifications that change an award from cash-settled to equity-settled. It also introduces an exception to the principles in IFRS 2 that will require an award to be treated as if it was wholly equity-settled, where an employer is obliged to withhold an amount for the employee's tax obligation associated with a share-based payment and pay that amount to the tax authority. The amendments have not yet been endorsed by the EU.

IFRS 4 (Amendments) "Applying IFRS 9 *Financial instruments* with IFRS 4 *Insurance contracts*" (effective for annual periods beginning on or after 1 January 2018)

The amendments introduce two approaches. The amended standard will: a) give all companies that issue insurance contracts the option to recognise in other comprehensive income, rather than profit or loss, the volatility that could arise when IFRS 9 is applied before the new insurance contracts standard is issued; and b) give companies whose activities are predominantly connected with insurance an optional temporary exemption from applying IFRS 9 until 2021. The entities that defer the application of IFRS 9 will continue to apply the existing financial instruments standard—IAS 39. The amendments have not yet been endorsed by the EU.

IAS 40 (Amendments) "Transfers of Investment Property" (effective for annual periods beginning on or after 1 January 2018)

The amendments clarified that to transfer to, or from, investment properties there must be a change in use. To conclude if a property has changed use there should be an assessment of whether the property meets the definition and the change must be supported by evidence. The amendments have not yet been endorsed by the EU.

IFRIC 21 "Foreign currency transactions and advance consideration" (effective for annual periods beginning on or after 1 January 2018)

The interpretation provides guidance on how to determine the date of the transaction when applying the standard on foreign currency transactions, IAS 21. The Interpretation applies where an entity either pays or receives consideration in advance for foreign currency-denominated contracts. The interpretation has not yet been endorsed by the EU.

Annual Improvements to IFRSs 2014 (2014 – 2016 Cycle) (effective for annual periods beginning on or after 1 January 2017)

The amendments set out below describe the key changes to two IFRSs. The amendments have not yet been endorsed by the EU.

IFRS 12 "Disclosures of Interests in Other Entities"

The amendement clarified that the disclosures requirement of IFRS 12 are applicable to interest in entities classified as held for sale except for summarised financial information.

IAS 28 "Investments in associates and Joint ventures"

The amendements clarified that when venture capital organisations, mutual funds, unit trusts and similar entities use the election to measure their investments in associates or joint ventures at fair value through profit or loss (FVTPL), this election should be made separately for each associate or joint venture at initial recognition.

Note 1: Sales and Cost of Sales

Sales are analyzed as follows:

	2016	2015
Sales of electricity power	2,485,302.08	2,536,938.56
Sales	**2,485,302.08**	**2,536,938.56**

Cost of sales is analyzed as follows:

	2016	2015
Insurance	(31,465.16)	(30,097.11)
Rentals	(18,009.93)	(18,312.02)
Repairs and maintenance	(181,446.22)	(172,000.00)
Other third party fees	(5,056.43)	(6,141.12)
Depreciation	(606,802.35)	(606,802.35)
Total	**(842,780.09)**	**(833,352.60)**

Note 2: Administrative expenses

Administrative expenses are analyzed as follows:

	2016	2015
Third party fees & expenses	(83,663.54)	(81,700.81)
Rentals	(6,288.72)	(4,560.00)
Other third party fees	(2,621.51)	(1,471.43)
Taxes other than income taxes	(91,127.95)	(3,200.00)
Total	**(183,701.72)**	**(90,932.24)**

- The variance in taxes other than income taxes is attributable to the extraordinary special solidarity levy on producers of electricity , calculated on the price of electricity sales that took place during 2016 and amounts to 89.470,88€.

Note 3: Other income – expenses

Other income - expenses are analyzed as follows:

	2016	2015
Sub- letting income	100.00	100.00
Other income	5,175.17	6,215.50
Total other income	**5,275.17**	**6,315.50**

Note 4: Finance income and finance cost

Finance income and finance cost are analyzed as follows:

	2016	2015
Finance cost		
Interest and other relating expenses	(360,244.70)	(435,518.62)
Total Finance cost	**(360,244.70)**	**(435,518.62)**
Finance cost (net)	**(360,244.70)**	**(435,518.62)**

Note 5: Income tax

Income tax is analyzed as follows:

	2016	2015
Income tax	(310,304.43)	(315,918.85)
Deferred tax	(10,660.84)	(37,852.13)
Total	**(320,965.27)**	**(353,770.98)**

	2016	2015
Profit (Loss) before tax	1,103,850.74	1,183,450.60
Tax rate applicable in Greece	29.00%	29.00%
Proportionate tax ; 26% (2012: 20%)	(320,116.71)	(343,200.67)
Permanent differences	(848.55)	(951.73)
Effect from the change in tax rate	0.00	(9,618.58)
Total income tax	**(320,965.27)**	**(353,770.98)**

Deferred tax assets and liabilities have been calculated with the tax rate in effect during the fiscal year, ie 29%.

Unaudited Financial Statements by the Greek TAX Authorities

From the fiscal year that ended on December 31st 2011 and onwards, according to law 4147/2013 (article 65A), as in force (and as per the provisions of Art. 82 of Law 2238/1994), the Greek Societe Anonymes and limited liability Companies whose Financial Statements need to be audited should of could issue "Annual Tax Certificate", which is issues, following the conduct of a TAX audit, from a legal auditor or the auditing firm that audits the yearly financial statements.

The Company has been audited by the Greek TAX authorities for the Fiscal Year that ended on December 31st 2009. With respect to the unaudited Fiscal Year that ended 31/12/2010, the five year prescription period has been exceeded.

It should be noted that the TAX authorities, as per relevant decisions of the Ministry of Finance as well as the N.S.K can audited the aforementioned Fiscal Years provided that the TAX return form and or the form of withholding taxes etc. have not been filled within the legally provided time-frame, in which case the above mentioned prescription period is extended to 15 years (according to the provisions of par. 5 of Art. 84 of K.F.E. with regards to 15 yearlong prescription). The Management of the Company believes that it is not probable that extra taxes will be applied for the Fiscal Year that ended 31/12/2010.

The Fiscal Years 31/12/2011 to 31/12/2015 have been audited by the Auditing Firm elected as per Code N. 2190/1920 in accordance with Art. 82 of Law 2238/1994 and Article 65A N.4174 / 2013and the relevant certificates of tax compliance we issued without any reservations.

The TAX Audit for the Fiscal Year that ended 31/12/2016, which was conducted by the Auditing Firm, is in progress and the relevant TAX certificate is expected to be issued following the publication of the attached financial statements. Should by the finalization of the TAX Audit, additional tax obligations arise, the Management of the Company appreciates that those will not materially affect the financial statements.

Note 6: Property, plant and equipment

Property, plant and equipment as at December 31, 2016 are analyzed as follows:

	Land and Buildings	Machinery and other equipment	Furniture and other equipment	Total
Cost or valuation				
As at January 1, 2015	315,239.93	11,988,087.35	4,478.63	12,307,805.91
Disposal	0.00	0.00	0.00	0.00
As at December 31, 2015	315,239.93	11,988,087.35	4,478.63	12,307,805.91
Accumulated depreciation and impairment:				
As at January 1, 2015	(59,438.99)	(2,295,205.73)	(4,478.55)	(2,359,123.27)
Depreciation	(15,762.00)	(591,040.35)	0.00	(606,802.35)
As at December 31, 2015	(75,200.99)	(2,886,246.08)	(4,478.55)	(2,965,925.62)
Net book value as at December 31, 2015	240,038.94	9,101,841.27	0.08	9,341,880.29
Cost or valuation				
As at January 1, 2016	315,239.93	11,988,087.35	4,478.63	12,307,805.91
Additions	0.00	0.00	0.00	0.00
As at December 31, 2016	315,239.93	11,988,087.35	4,478.63	12,307,805.91
As at January 1, 2016	(75,200.99)	(2,886,246.08)	(4,478.55)	(2,965,925.62)
Depreciation	(15,762.00)	(591,040.35)	0.00	(606,802.35)
As at December 31, 2016	(90,962.99)	(3,477,286.43)	(4,478.55)	(3,572,727.97)
Net book value as at December 31, 2016	224,276.94	8,510,800.92	0.08	8,735,077.94

- There are mortgages or pledges on the Company's property, plant and equipment in favor of its loans.
- Fully depreciated items relate to furniture and other equipment of total amount 4,478.63 €.
- In the cost of buildings an amount of 117,839.83 € was capitalized, concerning the provision for dismantling of equipment after the agreement's expiration date.
- According to IAS 23 "Borrowing Costs" an amount of 167,280.15 € was capitalized as an increase to the cost of the photovoltaic park. An amount of 84,772.70 € concern interest for 2010 and 82.507,45 € for 2011.
- The management of the company is of the view that as of December 31, 2016 there are no indications of impairment for the tangible assets.

Note 7: Intangible assets

Intangible assets are analyzed as follows:

	Software	Total
Cost		
As at January 1,2015	10,000.00	10,000.00
Additions	0.00	0.00
As at December 31, 2015	10,000.00	10,000.00
Accumulated amortization		
As at January 1,2015	-10,000.00	-10,000.00
Amortization for the period	0,00	0,00
As at December 31, 2015	-10,000.00	-10,000.00
Net book value as at December 31, 2015	0.00	0.00

	Software	Total
Cost		
As at January 1, 2016	**10,000.00**	**10,000.00**
Additions	0.00	0.00
As at December 31, 2016	**10,000.00**	**10,000.00**
Accumulated amortization		
As at January 1,2016	**-10,000.00**	**-10,000.00**
Amortization for the period		
As at December 31, 2016	**-10,000.00**	**-10,000.00**
Net book value as at December 31, 2016	**0.00**	**0.00**

Note 8: Cash and short-term deposits.

Cash and short-term deposits are analyzed as follows:

	2016	2015
Cash in hand	464.55	951.88
Cash at banks	1,147,160.67	1,627,400.62
Total	**1,147,625.22**	**1,628,352.50**

Cash at banks earns interest at floating rates based on monthly bank deposit rates.

There are no deposits in foreign currencies. Interest income on bank deposits were accounted for on an accrual basis and are included in the finance cost in the accompanying income statement.

Note 9: Issued capital and share premium

The Company's issued capital as at December 31, 2016, is divided into 62,224 authorized ordinary shares (December 31, 2015: 62.224 ordinary shares), of € 10 par value each.

Note 10: Interest-bearing loans and borrowings

Interest-bearing loans and borrowings are analyzed as follows:

	2016	2015
Non-Current borrowings		
Bond loans	6,580,409.22	7,231,375.16
Finance cost	(171,611.81)	(185,912.83)
Total Non-Current borrowings	**6,408,797.41**	**7,045,462.33**
Total borrowings	**6,408,797.41**	**7,045,462.33**

The term of the loans are:

More than 5 years	6,408,797.41	7,045,462.33
	6,408,797.41	**7,045,462.33**

Company's loans have been granted form a German bank and are stated in Euro. Amounts payable up to 1 year after the financial statements date are classified as current borrowings and the amounts payable after 1 year are classified as non-current.

Subsequently, for the implementation of the construction project for the photovoltaic part located at Farsala, the Company based on the final agreement between HELIOGENESIS S.A. and creditor banks as it was defined on June 25, 2010 were entered to bond loan agreements on June 30, 2010 for the financing of the project.

Furthermore, the Company entered into a bond loan facility agreement with the creditor banks as follows:

- Bond loan facility agreement of 5.436.000 €. The bond is repayable in 18 months and bears interest of 6 month EURIBOR + spread 3%. Its repayment starts on March, 15 2012 with 6 month installments.
- Bond loan facility agreement of 4.152.000 € long term duration of 16 years and bears interest of 6 month EURIBOR + spread 3% Its repayment starts on March, 15 2012 with 6 month installments.

The above bank loan agreements provide certain commitments for the Company and meeting certain indicators of financial performance, starting from the year ended December 31, 2011.
The Company provides for accrued interest expense and charges the related expense in the income statement (Note 4).

Issuance expenses related to the bond loan of 602.166,06 € were valued at amortized cost using the effective interest method.

Note 11: Deferred tax

Deferred taxes are recognized with the liability method in all temporary tax differences as of preparation date of the financial statements occurring between the tax base and the book value of the assets and liabilities.

Deferred tax is analyzed as follows:

	2016	2015
Deferred tax assets	208,594.51	196,272.44
Deferred tax liabilities	(101,752.83)	(91,091.99)
	105,180.45	**153,482.08**
Deferred tax assets		
More than 12 months	0.00	0.00
Up to 12 months	208,594.51	196,272.44
	208,594.51	**196,272.44**
Deferred tax liabilities		
Over 12 months	0.00	0.00
Up to 12 months	101,752.83	91,091.99
	101,752.83	**91,091.99**

Deferred tax movement is analyzed as follows:

Deferred tax liabilities:

	Depreciation/amortization	Provisions	Change in TAX rate	Total
As at 1/1/2015	**(214,772.39)**	**161,532.53**	**(53,239.82)**	**(214,772.39)**
Income tax (expense)/profit	53,108.53	(84,817.60)	(6,143.06)	(37,852.13)
As at 31/12/2015	**(161,663.86)**	**76,714.98**	**(6,143.06)**	**(91,091.94)**
Income tax (expense)/profit	40,418.78	(51,079.62)	0.00	(10,660.84)
As at 31/12/2016	**(121,245.08)**	**25,635.36**	**(6,143.06)**	**(101,752.78)**

Deferred tax liabilities:

	Other	Total
As at 1/1/2015	**206,721.94**	**206,721.94**
Income tax (expense)/profit	0.00	0.00
(Debit) / credit of net position	(10,449.50)	(10,449.50)
At 31/12/2015	**196,272.44**	**196,272.44**
Income tax (expense)/profit	**0.00**	**0.00**
(Debit) / Credit of net position	12,322.07	12,322.07
As at 31/12/2016	**208,594.51**	**208,594.51**

Deferred tax (expense) / income in the income statement is based on the following temporary differences:

	2016	2015
Depreciation	40,418.78	53,108.53
Change in TAX rate	0.00	(6,143.06)
Accrued interest expense	(51,079.62)	(84,817.60)
Total	**(10,660.84)**	**(37,852.13)**

Note 12: Statutory and cash flow hedge reserves.

Statutory and cash flow hedge reserves are analyzed as follows:

	Statutory reserves	Cash flow hedge reserves	Total
As at January 1, 2015	102,497.93	(588,362.45)	(485,864.52)
Other	41,483.98	107,833.39	149,317.37
As at December 31, 2015	**143,981.91**	**(480,529.06)**	**(336,547.15)**
As at January 1, 2016	143,981.91	(480,529.06)	(336,547.15)
Other	39,144.27	(30,167.85)	8,976.42
As at December 31, 2016	**183,126.18**	**(510,696.91)**	**(327,570.73)**

Statutory reserves: Under Greek corporate law, corporations are required to transfer a minimum of 5% of their annual net profit as reflected in their statutory books to a legal reserve until such a reserve equals one third of the outstanding share capital. This reserve cannot be distributed during the corporation's existence, except from the amount exceeding the one third of share capital, as it concerns a voluntary reserve.

Cash flow hedge reserve: It is related to the financing of the construction of the photovoltaic park located at Farsala. The Company has entered to an interest rate swap agreement. The effective portion of cash flow hedging was recognized in equity. The ineffective portion was recognized immediately in the income statement.

Note 13: Trade and other receivables

Trade and other receivables are analyzed as follows:

Current Assets	**2016**	**2015**
Trade receivables	1,865,145.06	1,449,331.33
Trade receivables net	**1,865,145.06**	**1,449,331.33**
Other receivable	361,876.98	161,496.67
Total	**361,876.98**	**161,496.67**
Total Receivables	**2,227,022.04**	**1,610,828.00**

The ageing analysis of trade receivables are mainly due to LAGIE and BAYWARE HELLAS, are analyzed as follows:

Receivable days	**31/12/2016**	**31/12/2015**
0 – 30 days	155,182.44	172,898.04
31 – 60 days	133,218.22	200,054.48
61 – 90 days	165,456.73	161,775.86
91 –120 days	210,871.56	251,850.78
121 – 150 days	286,825.79	316,774.44
151 – 180 days	323,486.18	345,976.71
181 + days	590,104.14	0.02
Total	**1,865,145.06**	**1,449,331.33**

"Other receivables" are analyzed as follows:

Advance payment for income tax 2016/15	346,040.01	145,323.50
Prepaid land rentals for 2016	15,836.97	16,173.17
	361,876.98	**161,496.67**

The total amount will be netted off during 2017.

Note 14: Derivative financial liabilities

	2016	**2015**
Non-current liabilities		
Total	**0.00**	**0.00**
Current liabilities		
Total	**0.00**	**0.00**
Long term liabilities		
Interest rate swaps	635,323.42	592,833.50
Total	**635,323.42**	**592,833.50**
Current liablities		
Interest rate swaps	83,968.00	83,968.00
Total	**83,968.00**	**83,968.00**

Note 15: Trade and other payables

Trade and other payables are analyzed as follows:

	31/12/2016	31/12/2015
Suppliers	128,954.85	1,792.79
Other payables	187.97	879.16
Accrued expenses	93,427.60	101,798.84
Total	**222,570.42**	**104,470.79**

The current TAX liabilities are analyzed as follows:

In EUR	31/12/2016	31/12/2015
Income tax	388,641.59	346,040.01
VAT	18,155.00	18,784.31
Tax on third party fees	3,390.00	640.00
Stamp on rentals	3.60	3.60
Total	**410,190.19**	**365,467.92**

The total liabilities are analyzed as follows:

In EUR	31/12/2016	31/12/2015
Long Term	164.806,65	155.845,53
Short Term	222.570,42	104.470,79
Total	**387.377,07**	**260.316,32**

- Trade payables are not an interest bearing account and usually it is settled in 30 days period.
- The item "Other Creditors" recorded liabilities to OTE and VECTOR PARTNERS AE.
- "Other provisions and liabilities" are related to estimated cost of dismantling of equipment of the photovoltaic park located at Farsala, in current values. The amount of this provision is recognized at present values, that was calculated over a 20 years period with interest rate of 5,75%, equal to the Company's interest on borrowings and is analyzed as follows:

Dismantling of equipment	220,000.00 €
Amount recognized on Present Value	117,839.93 €
Finance cost	242,655.69 €
Total provision	**360,495.62 €**

The movement is analyzed as follows:

Prediction of decommissioning 31/12/2015	155,845.53
Interest Cost 2016	8,961.12
Prediction of decommissioning 31/12/2016	164,806.65

Note 16: Related parties

There is no parent company for HELIOGENESIS S.A. as a legal entity, as the share capital as at December 31, 2015 was majorly owned by individuals.

HELIOGENESIS S.A. is supplied with services from related companies as part of normal business activities. These related companies are under the same management or / and same shareholders with HELIOGENESIS S.A

Related parties balances as of December 31rst, 2015 are analyzed as follows:

	2016		2015	
	Asset	**Liability**	**Asset**	**Liability**
A. Companies				
HELIOGENESIS EPE	0.00	762.16	0,00	762.16
	0.00	**762.16**	**0,00**	**88.20**
B. Board of Directors and management:	**0.00**	**0.00**	**0,00**	**0.00**

Related parties transactions are analyzed as follows:

	2015		2015	
	Revenues	**Purchases**	**Revenues**	**Purchases**
A. Companies				
HELIOGENESIS EPE	0.00	0.00	0.00	0.00
	0.00	**0.00**	**0.00**	**0.00**
B. Board of Directors and management:				
Rekounioti Panagiota	0.00	0.00	0.00	17,638.06
Board of Directors Fees	0.00	0.00	0.00	0.00
	0.00	**0.00**	**0.00**	**17,638.06**

Open balances as at December 31st, 2016 are not guaranteed and will be settled in cash.

Note 17: Contingent Liabilities – Commitments

There are no contingent liabilities or commitments of the Company, which have not been properly disclosed in the financial statements of the Company.

Note 18: Dividend Distribution

The ordinary general meeting of shareholders of the Company for the previous year, which was held on 28.04.2016, approved the dividend payment of Euro eight hundred thousand (800,000).

Note 19: Subsequent events

Based on the decision of company's Board of Directors dated 08/05/2017 it was proposed the distribution of a gross dividend to shareholders amounting to Euro eight hundred thousand (800,000).

Appendix I

HELIOGENESIS S.A.

Registration number GEMI : 7468201000

Registered office : 10, Merlin Street, Athens Municipality, pc 10671

Financial statements and notes for the year ended December 31, 2016

(publised based on L.4308/14 article 1 par. 5 & 5 for companies who prepare its financial statements, consolidated or not, in accordance with International Financial Reporting Standards)

The following notes , as stated in the financial statements, target to give general information for the financial position and the income statement of "HELIOGENESIS S A". As a result, we recomment to the reader before making any investing decision or other transaction with the Company, to visit the Company's internet site, where the financial statements and the independent auditor's report are published

Company's internet site www.heliogenesis.eu
Date of approval of the financial statements May 8, 2017
Competent Prefecture Prefecture of Athens
Board of Directors
Chairman of the Board Papaioannou George
Vice president and CEO Evgenios Dendrinos
Member Maria Karra
Member Rekouniati Panagiota
Member Power Development Project Hellas ETE
Member Kavvatha Dionysia

Certified Auditors Accountant - Marios Georgiou
Audit company Audit Services AE
Type of independent auditor's report: Unqualified

STATEMENT OF FINANCIAL POSITION (Amounts in €)

	Jan 1st - Dec 31, 2016	Jan 1st - Dec 31, 2015
ASSETS		
Property plant and equipment	8.735 077,94	9 341.880,29
Intangible assets	0,00	
Other non current financial assets	106.841,68	105 180,45
Trade and other receivables	1 865 145,06	1 449.331,33
Other current financial assets	361.876,98	161.496,67
Cash and short-term deposits	1.147.625,22	1.628.352,50
TOTAL ASSETS	12.216.566,88	12.686.241,24
EQUITY AND LIABILITIES		
Issued capital	622 240,00	622 240,00
Share premium	2.517.859,68	2.517.859,68
Other equity accounts	1.150.811,11	1.198 093,49
Total equity (a)	4.290 910,79	4.338 193,17
Non-current interest-bearing loans and borrowings	6 408 797,41	7.045 462,33
Other provisions and liabilities	800.130,07	748.679,03
Trade and other payables	222 570,42	104.470,79
Other current liabilities	494 158,19	449.435,92
Total liabilities (b)	7.925 656,09	8 348.048,07
TOTAL EQUITY AND LIABILITIES (c) = (a) + (b)	12.216.566,88	12.686.241,24

INCOME STATEMENT (Amounts in €)

	Jan 1st - Dec 31, 2016	Jan 1st - Dec 31, 2015
Sales	2.485.302,08	2 536 938,56
Cost of sales	(842.780,09)	(833.352,60)
Gross profit	1.642.521,99	1.703.585,96
Administrative expenses	(183.701,72)	(90.932,24)
Other income – expenses (net)	5.275,17	6.315,50
Operating income (Profit)	1.464.095,44	1.618.969,22
Finance cost (net)	(360 244,70)	(435.518,62)
Profit (Loss) before tax	1.103.850,74	1.183.450,60
Income tax expense	(320 965,27)	(353.770,98)
Profit / (Loss) for the year (a)	782.885,47	829.679,62
Attributable to:		
Owners of the parent	782.885,47	829.679,62
	782.885,47	829.679,62
Other comprehensive income for the year, net	(30.167,85)	107.833,39
Total comprehensive income for the year, net o	752.717,62	937.513,01
Attributable to:		
Owners of the parent	752.717,62	937.513,01
	752.717,62	937.513,01

STATEMENT OF CHANGES IN EQUITY (Amounts in €)

	Jan 1st - Dec 31, 2016	Jan 1st - Dec 31, 2015
Total equity as at January 1, 2016 & 2015	752.717,62	937.513,02
Total comprehensive income	5 090 910,79	4 878.193,17
	5 843 628,41	5.815 706,19
Dividents distribution	4.290 910,79	4 338 193,17
Total equity as at December 31, 2013 & 2012	10.134.539,20	10.153.899,36

STATEMENT OF CASH FLOWS (Amounts in €) - Indirect method

	Jan 1st - Dec 31, 2016	Jan 1st - Dec 31, 2015
Operating activities		
Profit / (Loss) for the year	782 885,47	829 679,62
Non-cash adjustment to reconcile profit / (loss) before tax to net cash flows:		
Income tax	320.965,27	353.770,98
	606.802,35	606.802,35
Amortisation and impairment of intangible assets		
Finance income		
Finance costs	360 244,70	435.518,62
	2.070.897,79	2.225.771,57
Working capital adjustments:		
Increase / (Decrease) in trade and other receivables and prepayments	(305.889,61)	272 579,72
Increase / (Decrease) in trade and other payables υποχρεώσεων (except from borrowings)	(147.482,53)	(292 393,84)
Finance costs	(360 244,70)	(435 518,62)
Income tax paid	(310 304,43)	(346.040,01)
	(1.123.921,27)	(801.372,75)
Net cash flows used in investing activities (a)	946.976,52	1.424.398,82
Investing activities		
Movements in provisions	8 961,12	8 473,89
Net cash flows from investing activities (b)	8.961,12	8.473,89
Financing activities		
Dividents Distribution	(800 000,00)	(540 000,00)
Proceeds from borrowings	(636 664,92)	(714.848,44)
Net cash flows from/(used in) financing activities ©	-1.436.664,92	-1.254.848,44
Net increase / (decrease) in cash and cash equivalent	(480.727,28)	178.024,27
Cash and cash equivalents at 1 January	1 628.352,50	1 450.328,23
Cash and cash equivalents at 31 December	1.147.625,22	1.628.352,50

Additional information:

1. The Company has not been audited by tax authorities for the year 2010.
2. Company's financial statements are not used for consolidation to other companies
3. There are no mortgages or pledges on the Company's property, plant and equipment in favor of its loans.
4. As at the date of financial statements issuance there is no litigation against the Company.
5. The Company does not occupy any personel.
6. The income tax presented in the Income Statement above, is analysed as follows

	Jan 1st - Dec 31, 2016	Jan 1st - Dec 31, 2015
Income tax for the year	(310 304,43)	(315 918,85)
Deferred tax	(10 660,84)	(37.852,13)
	(320.965,27)	(353.770,98)

Athens, April 30,2017

CHAIRMAN OF THE BOARD

GEORGE PAPAIOANNOU

VICE PRESIDENT AND CEO

EVGENIOS DENDRINOS

CHIEF ACCOUNTANT

ACCOUNTING SOLUTIONS S.A. Reg No 928/08
NIKOLAOS ZAMANIS Reg No A' 08257