Company Registration Number: 05610284

HELLENIC PETROLEUM FINANCE PLC
ANNUAL REPORT AND FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2022

HELLENIC
PETROLEUM FINANCE

CONTENTS

OFFICERS AND PROFESSIONAL ADVISERS

Directors	Andreas Shiamishis Vasileios Tsaitas Christian Thomas (resigned 10 February 2022) Christina Stampoultzi Panos Shiatis Nita Savjani Kenneth Howard Prince-Wright
Company Registration Number	05610284
Company Secretary	TMF Corporate Administration Services Limited
Registered Office	C/O TMF Group 8th Floor, 20 Farringdon Street London, United Kingdom EC4A 4AB
Independent Auditors	Ernst & Young LLP 16 Bedford Street Belfast BT2 7DT

STRATEGIC REPORT

Hellenic Petroleum Finance PLC (the "Company" and "HPF") is a wholly owned subsidiary of HELLENiQ ENERGY Holdings S.A. (formerly Hellenic Petroleum Holdings S.A.), (the "Parent Company"), which is incorporated in Greece. In the context of the corporate transformation of the HELLENiQ ENERGY Group (the "Group", formerly Hellenic Petroleum Group), on January 3, 2022, a demerger was approved by way of hive-down of its refining, supply and trading of oil products and petrochemicals sector and the establishment of a new company which was incorporated under the name "Hellenic Petroleum single member Sociétée Anonyme Refining, Supply and sales of oil products and petrochemicals" with the trade name "Hellenic Petroleum R.S.S.O.P.P. S.A.". The new corporate name of the Demerged Entity which is the sole Shareholder of the Beneficiary Entity, was "Hellenic Petroleum Holdings Sociétée Anonyme" with the trade name: "Hellenic Petroleum Holdings S.A.", which was later in the year renamed to "HELLENiQ ENERGY Holdings S.A., while the shares of the Demerged Entity remain listed on the Main Market of the Athens Stock Exchange. The impact on intercompany lending as a result of the restructure is further described in Note 15 of the financial statements.

The Group has centralised treasury operations, which coordinate and control the funding and cash management activities of all group companies. Within this framework, HPF was established in November 2005 in the UK to act as the central treasury vehicle of the Group. The principal activity of the Company is to raise finance in the international debt capital markets for the purposes of funding the activities of companies within the Group, in line with the Group's business strategy.

The ability of the Company to service its liabilities – principally interest and capital on the issued Loan Notes – is dependent on other Group Companies, to pay capital and interest on the inter-group loans provided by the Company. The appropriateness of the use of the Going Concern in the preparation of the Financial Statements of the Company is therefore highly dependent on the respective analysis performed for the Group and this is detailed later within the strategic report.

The profit for the year and the Company's financial position at the end of the year are shown in the attached financial statements. The profit for the year was €7,159,841 (2021: profit €4,171,871) which is transferred to retained earnings.

Financing:

The Company's activities are closely monitored and controlled by the directors on a regular basis, in line with the strategic and investment plans of the Group. Hellenic Petroleum Finance PLC sources funds from international debt capital markets, through Eurobonds listed in the Luxembourg stock exchange, for the optimal management of its debt liabilities.

The Group raises its borrowing from a number of sources, including the Company and Greek and International banks. At 31 December 2022, the Company accounted for €0.6 billion of a total of €2.8 billion in total Group borrowings (see Note 18 of the Group's annual financial statements). It should be noted that as at 31 December 2022 the Group had cash reserves of €0.9 billion (see Note 13 of the Group's annual financial statements). Additional information on the overall Group's business and the financial statements of Parent and Group are also available through the Group's website (www.helleniqenergy.gr).

Details of the Company's interest-bearing loans and borrowings are set out in Note 13, and summarised below:

- In October 2016 the Company issued a 5-year Eurobond denominated in Euro with a notional amount of €375 million.

- In July 2017, the Company issued an additional €74.53 million guaranteed notes due 14 October 2021, which were consolidated and form a single series with the €375 million guaranteed notes.

- In October 2019 the Company issued a Eurobond denominated in Euro with a notional amount of €500 million. The notes mature in October 2024. Part of the proceeds of the issue were used for the partial prepayment of the €449.53 million Eurobond maturing in October 2021 through a tender offer process which was completed in October 2019 during which notes of nominal value of €248.4 million were accepted. The premium cost and other expenses for the tender offer was €24.6 million, included in other expenses of the statement of comprehensive income for the year ended on 31 December 2019.

STRATEGIC REPORT (continued)

- The consolidated single series notes of €449.53 million consisting of the October 2016 notes of €375 million and the July 2017 notes of €74.53 million were partially prepaid in October 2019 with the proceeds of the new Eurobond issue of €500 million. The balance of the notes as at 31 December 2019 and 31 December 2020 was €201 million, which was fully repaid in October 2021 upon maturity.
- On October 12, 2020 the Company issued an additional amount of €99.9 million which were consolidated and form a single series with the €500 million Eurobond guaranteed notes maturing in October 2024.

Since incorporation and up to the date of signing the financial statements, the Company has raised a total of €4,147 million. As at 31 December 2022 the indebtedness balance outstanding amounted to €596 million. The Company's indebtedness is guaranteed by HELLENiQ ENERGY Holdings S.A. (Parent Company) and Hellenic Petroleum R.S.S.O.P.P. S.A., following the demerger by way of hive-down as mentioned above.

Loans granted

Details on the Company's loan receivables are set out in Notes 9 and 15 and summarised below:

- Significant repayments: HELPE R.S.S.O.P.P. S.A. repaid €125 million during the current year.
- Significant drawdowns: An amount of €116 million was granted to HELLENiQ Renewables Single Member SA (formerly Hellenic Petroleum Renewable Energy Sources S.A.). Total credit limit was increased from €200 million to €400 million with maturity in December 2027.
- A loan agreement with the subsidiary of the Group EKO Cyprus Ltd (formerly HELPE Cyprus Ltd), of total credit limit of €100 million had no withdrawn amount as at 31 December 2022 and matured in March 2023 without being rolled-over.

Going Concern – The Company

At 31 December 2022, Hellenic Petroleum Finance PLC had net current assets of €121,237,839 (2021: net current assets of €3,873,314). The Company's receivables are predominantly intercompany loans, the recovery of which is used to enable the Company to satisfy its obligations under its borrowings consisting of Eurobonds. Loans provided by the Company reflect the maturity of the loans raised from the capital markets by the Company. Also, the Company may ask the counterparties to repay either part of their loans or the whole loan for restructuring purposes among the Group companies and always after considering the counterparty's ability to repay the respective amount at a given point in time. The borrower must repay the loan on demand by the lender at any time. All loans shall, if not demanded previously, be repaid after a number of years specified in each agreement (see also Note 9). The Company is therefore reliant on the wider HELLENiQ ENERGY Group to repay its borrowings as they become due. In addition, the Parent Company and Hellenic Petroleum R.S.S.O.P.P. S.A. have provided a guarantee for the repayment of the Eurobonds.

The Directors have obtained a joint letter of support from the Parent Company and a fellow subsidiary. This letter states that HELLENiQ ENERGY Holdings S.A. and Hellenic Petroleum R.S.S.O.P.P. S.A. will provide financial support to Hellenic Petroleum Finance PLC for a period until 30 June 2024.

The Directors of Hellenic Petroleum Finance PLC have performed an assessment of the ability of HELLENiQ ENERGY Holdings S.A. and Hellenic Petroleum R.S.S.O.P.P. S.A. to honour the letter of support that has been provided. They have obtained detailed projections of Group cash flow forecasts and assessed the underlying key assumptions including industry macros (e.g., prices, benchmark refining margins), operating levels (production and sales volumes), Group liquidity plan and other cash flow elements such as dividend payments which are discretionary. This assessment included sensitising the assumptions to reflect a number of scenarios considering the prevailing uncertain economic conditions in Europe as well as globally, particularly in the Energy sector.

In the base case forecasts, the Directors' have assumed that all term loans will be renewed while the 2024 Eurobond loans will be repaid on maturity dates.

In sensitising assumptions applied in the group cash flow forecast the directors also assessed the likeliness of a worst-case scenario whereby the Group would face challenges in renewing or extending its existing available facilities. In response to this scenario the directors' considered mitigating circumstances that would maintain

STRATEGIC REPORT (continued)

liquidity in such a scenario.

In arriving at a set of mitigations against the worst-case scenario, the directors considered additional committed and uncommitted facilities secured post year end but noted that these do not include consideration of the very strong trading, profitability and cash generation recorded in FY23 year to date. The Directors also believe based on relationships with existing banks and the historic record of successful extensions to available facilities, coupled with strong FY23 performance year to date, that this worst-case scenario is remote.

At the date of authorizing these Financial Statements the Company directors are satisfied that the financial performance of the Group is satisfactory with actual KPIs outperforming forecast key assumptions and therefore, fully supports the ability to honour the letter of support that has been provided.

Through this analysis, the Company's directors have satisfied themselves that the Company can continue its operational existence through to 30 June 2024 and beyond. The directors consider that the going concern assumption is appropriate and have prepared the financial statements on a going concern basis. This assumes that the Company will have adequate resources to continue its operational existence through meeting its liabilities as they come due.

In the section below we have documented the directors' assessment of the wider group which enables the Parent Company to provide financial support to the Company.

Going Concern – The Group

The Group's consolidated financial statements for the year ended 31 December 2022 were approved by its board of directors on 24 February 2023. The Group's operating results in 2022 reported a net profit of €895 million (2021: €341 million net profit). The Group's activities are primarily centred on Downstream Refining (incl. Petrochemicals) & Marketing of petroleum products, electricity generation through renewable sources; with secondary activities relating to exploration of hydrocarbons and through its investments in Elpedison B.V., DEPA Commercial and DEPA International Projects, the Group also operates in the natural gas sector and in electricity generation (through gas- fired units) and trading. As such, the Group is exposed to a variety of financial and commodity markets' risks including foreign exchange and commodity price, credit, liquidity, cash flow and interest-rate risk. In line with international best practices and within the context of local markets and legislative framework, the Group's overall risk management policies aim at reducing possible exposure to market volatility and/or mitigating its adverse effects on the financial position of the Group to the extent possible.

The Group's business activities, together with factors which the Group's directors consider are likely to affect its development, financial performance and financial position are set out in the director's report of the Group's Annual Report. The most significant financial and operational risks and uncertainties that may have an impact upon the Group's performance and their mitigation are outlined in Note 3 of the Group's Annual Report, including liquidity risk, market risk, credit risk and capital risk to these consolidated financial statements.

The Group continues to execute its strategic transformation plan towards green energy and alternative energy sources as an enabler of delivering on its climate objectives, diversifying its profitability sources and increasing the share of more stable cash flows.

The future financial performance of the Group is dependent upon the wider economic environment in which it operates. The factors that particularly affect the environment and therefore the performance of the Group include macroeconomic conditions and supply and demand for crude oil and oil products that affect their pricing and consequently benchmark refining margins which is a key determinant of profitability, in the short term, as well as energy transition in the medium to long term. Furthermore, geopolitical developments, especially in the region can have an impact on the supply/demand balances and therefore the pricing of crude and oil products and refining margins, as well as natural gas and electricity pricing, as well as compliance costs associated arising principally from EU Emissions Trading System (ETS), which together will affect variable operating expenditure.

The aforementioned factors are to an extent independent from each other but at the same time are not mutually exclusive as such their parallel occurrence could impact the financial performance of the Group in opposite directions.

STRATEGIC REPORT (continued)

In 2022 demand for oil products grew in line with the post pandemic global economic recovery leading to higher benchmark margins. At the same time the cost of electricity and natural gas adversely affected the cost base for refining and profitability.

In general, factors that adversely affect the demand for oil products such as negative macroeconomic conditions, supply and demand for crude oil that result in price increases or increase in the cost elements of refining oil products such as cost of natural gas, electricity and costs from EU ETS, are detrimental to Group profitability.

Conversely, ample supply of crude oil and/ or a higher demand for oil products would lead to higher benchmark margins and profitability.

In general, the key factors that impact the Group's operations are summarised as follows:

Currency: The Group's business is naturally hedged against a functional currency risk at the gross margin level. All petroleum industry transactions are referenced to international benchmark quotes for crude oil and oil products in USD. All international purchases and sales of crude oil and products are conducted in USD and all sales into local markets are either in USD prices or converted to local currency for accounting and settlement reasons using the USD reference on the date of the transaction. In addition, the Group's majority of operating expenses transactions are conducted in Euro. As a result, the Group's operations are mainly exposed to the risk of foreign exchange caused by fluctuating the dollar exchange rate against the Euro. The strengthening of the US Dollar against the Euro has a positive effect on the Group's financial results while in the opposite event, both the financial results and balance sheet items (net position of inventory, investments, receivables, trade payables and other liabilities in US dollar) would be valued at lower levels.

Prices: The Group is exposed to the risk of fluctuations in prevailing market prices. Commodity price risk management is supervised by the Group's supply and trading department. Non-commodity price risk management is carried out by the Group's finance department under policies approved by the Group's board of directors. Group finance identifies and evaluates financial risks in close co-operation with the Group's operating units.

Continuous crude oil supplies**:** The Group procures crude oil from a number of suppliers, including national oil companies and international traders primarily in, but not limited to, the Middle East, North Africa and Black Sea region. The process of sourcing of crude oil is coordinated by the Group's supply and trading department in line with production plans. Following the developments in Ukraine, and the imposition of economic sanctions against the Russian Federation, the Group has successfully substituted its crude oil and intermediary feedstock supply originating from the Russian Federation with equivalent quantities and grades from other sources. The Group's three coastal refineries' location, the flexibility provided by the configuration and technology of each refinery provide access to a wide range of feedstock sourcing opportunities, which enables the Group to respond to supply shortages of certain crude grades without materially affecting its operations and financial performance.

Financing of operations**:** The key priorities of the Group are the management of the 'Assets and Liabilities' maturity profile, funding in accordance with its strategic investment plan and the liquidity risk management for its operational needs. The vast majority of the Group's borrowings are committed credit facilities with financial institutions and debt capital markets. As of 31 December 2022, approximately 81% of total debt (about 80% as at 31 December 2021), is financed by committed credit lines while the remaining debt is being financed by short term revolving credit facilities (bilateral lines).

At 31 December 2022, the Group held cash of €900 million and has a positive operating working capital position. Its total loans and borrowings amount to €2,842 million, €2,308 million relate to committed term facilities and €534 million to uncommitted short-term revolving facilities on demand. Of its total borrowings, an amount of €875 million of term loans and €534 million of uncommitted short-term revolving facilities fall due up to 30 June 2024.

Group management expects that all committed borrowings maturing within the next 18 months from the balance sheet date will be refinanced with similar terms. €250 million of borrowings have been refinanced until the publication of the Company's financial statements, while for the remaining borrowings maturing within the next 18 months from the balance sheet date discussions are planned to commence in the near term and Group management is confident that such discussions will conclude successfully.

STRATEGIC REPORT (continued)

Moreover, as part of its long term funding strategy, Group management is able to raise funds from debt capital markets through the issuance of listed bonds. Should further funding be required, the Group can draw from committed term facilities limits of €370 million without further approvals as well as from uncommitted facilities €375 million, subject to approvals from the respective financial institutions. In the 12-month period ending 31 December 2022, the Group successfully refinanced €900 million of maturing committed facilities at lower margins whilst improving the maturity profile of its debt liabilities.

Based on their assessment, taking into account the above and also their financial forecasts over the 18 months post balance sheet date, Management is satisfied that the Group has sufficient liquidity to meet its current liabilities and working capital requirements and there is a reasonable expectation that the Group has adequate resources to continue in operational existence for period until 30 June 2024.

PRINCIPAL RISKS AND UNCERTAINTIES
The management of the business and the implementation of the Company's strategy are subject to a number of risks. The key business risks affecting the Company are credit, liquidity and interest rate risk. The management of those risks has been detailed in Note 3 of the financial statements. Additional information on the overall Group business is also available through the HELLENiQ ENERGY Holdings S.A. website (www.helleniqenergy.gr).

KEY PERFORMANCE INDICATORS
The key performance indicators of the business are the net interest income, calculated as interest income less interest expense (including amortisation of debt issue expenses and issue discount) and the net interest margin, calculated as the percentage of net interest to the interest income. During 2022, the Company recorded net interest income of €9,207,612 (2021: 5,440,355) and net interest margin of 39.34% (2021: 19.69%). The increase in net interest income is in line with higher Euribor rates which form part of the total interest rate the Company applies to its loans and the decrease in interest expense due to the repayment of the €201 million Eurobond in October 2021.

SECTION 172 STATEMENT
Section 172 of the Companies Act 2006 as amended by the Companies Regulations 2018 requires directors to explain how they have taken into consideration the interests of stakeholders in their decision making. The directors continue to have regard to the interests of the Company's shareholders and other stakeholders, including the impact of its activities on the community, the environment, and the Company's reputation, when making decisions.

In the management of its subsidiaries, the Group defines the measurement of success as long-term value creation for the benefit of both the immediate entity and the wider Group. The Company engages in raising finance in the international capital markets for the purposes of funding the activities of the refining and renewables segments' companies and other entities within the Group in line with the Group's business strategy.

The Company's strategy, objectives and ongoing operations provide limited scope for further activities beyond the original purpose the Company has been set up to achieve. Consequently, the directors' role in the Company's strategies and operations becomes more centred on periodic and ongoing monitoring to ensure that the Company's objectives have not deviated from the original purpose. A key principle applied by the directors is to always consider whether the decisions they contemplate lead to positive long-term increase in the value of the Company for the benefit of the shareholder, being the Parent Company.

The Company being a financing entity with no employees and limited operations of the business, has no direct impact on the community and the environment, consequently are not applicable in the directors' ongoing monitoring processes. The indirect impact on the community and the environment only relates to the fact that it operates within the Group, which belongs to the oil & gas industry.

- **Directors' Training**

The Group's Legal Directorate and the Compliance Unit support the Group in operating sustainably and consistently with its values, which include leading with integrity and building enduring relationships. The Group's Legal and Compliance teams provide advice, guidance and support to management and work closely with them in assuring legal and regulatory compliance.

The Group's Code of Conduct, sets out the expectations for the Company's directors, similar to all other directors of the companies within the Group, the Parent company's leadership and employees in terms of responsibility and

STRATEGIC REPORT (continued)

ethical behaviour.

New directors of the Company that are also employed by and/or participate in the board of directors of other companies within the Group, are provided soon after joining with a short induction in order to help them grasp the fundamentals of the Company and advise them on their rights and duties as directors. The Group makes available the necessary resources to develop and update the knowledge and qualifications of the directors of the Company (with role in the Group), including training programs covering the 2006 Companies Act as well as Anti-Bribery, Anti-trust, Anti-Fraud and Anti-Theft matters.

- **Board Composition**

The Company's Board, which currently comprises of 6 directors, collectively has a broad range of skills, knowledge and industry experience including general management, finance and legal to enable the Company to meet the needs of its business and for the directors to each carry out their role and statutory duties to a high standard. The Board's collective experience enables the directors to consider a broad range of stakeholders in their deliberations and decision-making and align the decisions to the corporate purpose of the Company in providing financing to other companies within the Group.

- **Stakeholder Engagement**

The principal activity of the Company is to act as a financing company for other entities in the Group, which includes the provision of financing to subsidiaries and fellow Group companies. The Company's key stakeholders are its shareholder, creditors and other Group companies to which it provides support. As part of the Group, the Board must consider how the decisions made on behalf of the Company affect both the shareholder and the other Group companies to ensure the success of the Company and value creation for the shareholder. The Group's treasury activities are coordinated through a central function that manages the financial risks and secures funding for the Group. On behalf of the Company, the Group frequently engages with its creditors, including financial institutions and capital markets as part of the Group's financial risk management processes, to ensure that the Company's levels of borrowings are appropriate for its needs.

- **Principal Decisions**

The Company's Board collectively has the necessary skills and experience required to identify the impacts of its decisions on the Company's stakeholders, and where relevant, the likely consequences of the decisions in the long-term.
In line with the Companies Regulations 2018 and the sole purpose of the Company during the financial year under review, the following principal decision was made:

- Review and authorisation of the annual financial statements of Hellenic Petroleum Finance PLC for the year ended 31 December 2022.

On behalf of the Board

Vasileios Tsaitas
Director
17 May 2023

DIRECTORS' REPORT

The directors present their report and the audited financial statements of the Company for the year ended 31 December 2022. The comparative period is the year ended 31 December 2021.

GENERAL INFORMATION
The Company is a public limited company limited by shares, incorporated in England and Wales on 2 November 2005. It is domiciled in the UK and is a wholly owned subsidiary of HELLENiQ ENERGY Holdings S.A., previously known as Hellenic Petroleum Holdings S.A. (the "Parent Company"), a company incorporated in Greece. The Company's secretary and registered office are shown on page 2.

ENVIRONMENTAL EFFICIENCY
The Company is a low energy user, meaning it consumes less than 40MWh per annum.

FUTURE DEVELOPMENTS
The €599.9 million Eurobond matures on 4 October 2024. The directors are currently considering future group funding requirements.

GOING CONCERN
Regarding the going concern assessment and the use of going concern basis in the preparation of the Company's financial statements, there is an extensive reference in the Strategic Report.

STAKEHOLDERS ENGAGEMENT
Regarding the stakeholder engagement in order to foster the Company's business relationships, there is an extensive reference in the Strategic Report.

DIVIDENDS
The directors have not recommended a dividend for the current year (2021: €nil).

POST BALANCE SHEET EVENTS
Please refer to Note 16.

DIRECTORS
The directors who served the Company during the year and up to the date of signing the financial statements were as follows:
- Andreas Shiamishis
- Vasileios Tsaitas
- Christina Stampoultzi
- Nita Savjani
- Kenneth Howard Prince-Wright
- Panos Shiatis
- Christian Thomas (until 15 February 2022)

Where certain directors were employed by and/or participated in the board of directors of other member companies of the Group, they received no emoluments from any other member of the Group, in their capacity as directors of the Company. For directors' emoluments from the Company refer to Notes 7 and 15.

CORPORATE GOVERNANCE
The directors have been charged with governance in accordance with the Articles of Association of the Company. The Company has in place policies and procedures that have been designed for safeguarding assets against unauthorised use or disposition, for maintaining proper accounting records, and for the reliability and usefulness of financial information used within the business or for publication. Such procedures are designed to manage rather than eliminate the risk of failure to achieve business objectives whilst enabling the directors to comply with their regulatory obligations.

Due to the nature of the securities that have been issued, the Company is largely exempt from the disclosure requirements of the Financial Conduct Authority pertaining to the Disclosure and Transparency Rules (DTR) as detailed in DTR 7.1, audit committees and 7.2, corporate governance statements (save for DTR 7.2.5 a requiring description of the features of the internal control and risk management systems), which would otherwise require the Company respectively, to have an audit committee in place and include a corporate governance statement in the report of the directors. Specifically, in relation to internal controls the Company has set up an appropriate

DIRECTORS' REPORT (continued)

system of internal controls based on the limited risks associated with the operation of the company and focused on areas such as cash management/ payments, maintaining accurate accounting records and the preparation of financial statements. The system of internal controls provides for adequate segregation of duties and levels of authorities and review and forms part of the overall Group's centralised controls framework. In terms of risk management systems, the company's operations are largely performed by the centralised treasury function and all transactions are captured and monitored through the systems in place by the respective Group function.

The directors are therefore satisfied that there is no requirement for an audit committee or a supervisory body entrusted to carry out the functions of an audit committee or to publish a corporate governance statement.

FINANCIAL RISK MANAGEMENT

The management of the business and the execution of the Company's strategy are subject to a number of risks which are formally reviewed by the Board and appropriate practices are put in place to monitor and mitigate them.

Please also refer to Note 3.

STATEMENT OF DIRECTORS' RESPONSIBILITIES

The directors are responsible for preparing the Annual Report and the financial statements in accordance with applicable law and regulation.

Company law requires the directors to prepare financial statements for each financial year. Under that law the directors have prepared the financial statements in accordance with international accounting standards in conformity with the requirements of the Companies Act 2006. Under company law, the directors must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the Company and of the profit or loss of the company for that period. Under the Financial Conduct Authority's Disclosure and Transparency Rules, financial statements are required to be prepared in accordance with UK-adopted international accounting standards ("IFRSs"). In preparing the financial statements, the directors are required to:

- select suitable accounting policies in accordance with IAS 8 Accounting Policies, Changes in Accounting Estimates and Errors and then apply them consistently;
- make judgements and accounting estimates that are reasonable and prudent;
- present information, including accounting policies, in a manner that provides relevant, reliable, comparable and understandable information;
- provide additional disclosures when compliance with the specific requirements in IFRSs is insufficient to enable users to understand the impact of particular transactions, other events and conditions on the group and company financial position and financial performance;
- prepare the financial statements on the going concern basis, unless it is inappropriate to presume that the company will continue in business.

The directors are responsible for keeping adequate accounting records that are sufficient to show and explain the Company's transactions and disclose with reasonable accuracy at any time the financial position of the Company and enable them to ensure that the financial statements comply with the Companies Act 2006. The directors are also responsible for safeguarding the assets of the Company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

Under applicable law and regulations, the directors are also responsible for preparing a strategic report and a directors' report that comply with that law and those regulations. The directors of the ultimate Parent Company are responsible for the maintenance and integrity of the ultimate Parent Company's website.

The directors confirm, to the best of their knowledge:

- that the financial statements, prepared in accordance with international accounting standards in conformity with the requirements of the Companies Act 2006, give a true and fair view of the assets, liabilities, financial position and profit of the Company;
- that the Annual Report, including the strategic report includes a fair review of the development and performance of the business and the position of the Company, together with a description of the principal risks and uncertainties that they face; and

DIRECTORS' REPORT (continued)

STATEMENT OF DISCLOSURE OF INFORMATION TO AUDITORS

- that they consider the Annual Report, taken as a whole, is fair, balanced and understandable and provides the information necessary for shareholders to assess the company's position, performance, business model and strategy.

In accordance with Section 418 of the Companies Act 2006, each director in office at the date of approval of the Directors' Report confirms:

(a) so far as the director is aware, there is no relevant audit information of which the Company's auditors are unaware; and

(b) he has taken all the steps that one ought to have taken as a director in order to make oneself aware of any relevant audit information and to establish that the Company's auditors are aware of that information.

This confirmation is given and should be interpreted in accordance with the provisions of section 418(2) of the Companies Act 2006.

On behalf of the Board

Vasileios Tsaitas
Director
17 May 2023

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF HELLENIC PETROLEUM FINANCE PLC

Opinion

We have audited the financial statements of Hellenic Petroleum Finance Plc for the year ended 31 December 2022 which comprise the Statement of Comprehensive Income, the Statement of Financial Position, the Statement of Changes in Equity, the Statement of Cash Flows and the related notes 1 to 16, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and UK adopted international accounting standards.

In our opinion, the financial statements:

- give a true and fair view of the company's affairs as at 31 December 2022 and of its profit for the year then ended;
- have been properly prepared in accordance with UK adopted international accounting standards; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the Auditor's responsibilities for the audit of the financial statements section of our report. We are independent of the company in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC's Ethical Standard as applied to listed entities, and we have fulfilled our other ethical responsibilities in accordance with these requirements.

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

Conclusions relating to going concern

In auditing the financial statements, we have concluded that the directors' use of the going concern basis of accounting in the preparation of the financial statements is appropriate. Our evaluation of the directors' assessment of the company's ability to continue to adopt the going concern basis of accounting included:

- We obtained management's going concern assessment for the Company which noted that financial support was required from the company's immediate and ultimate parent (HELLENiQ ENERGY Holdings S.A. (the 'Group')) and that a letter of support had been received to this effect;
- Our consideration over the ability of the company's immediate and ultimate parent, to honour the commitment provided in the letter of support to the company for the period to 30 June 2024. This involved obtaining Group management's assessment of the Group's going concern position assessed to 30 June 2024. Each of the below procedures are with regard to the group going concern assessment that has been updated in support of the timing of the issuance of the company's financial statements;
- We challenged the appropriateness of the going concern assessment period, taking into consideration events after the going concern period which may have an impact;
- We tested the mathematical accuracy of the cash flow forecast model;
- We performed an assessment of management's historical forecasting accuracy through comparison of actual results against the budgeted results for the financial year ending 31 December 2022;

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF HELLENIC PETROLEUM FINANCE PLC (continued)

Conclusions relating to going concern (continued)

- We challenged management in respect of the key assumptions used in the going concern assessment, in particular refining margins and forecast volumes through comparison to analyst reports and prior volumes achieved;

- We included an experienced energy sector audit team member with knowledge of refinery margin modelling, likely future pricing and market trends, to support the audit team in our evaluation of the trading cash flow assumptions applied by management;

- We agreed available facilities to underlying signed and fully executed agreements and the extent of drawings thereunder to external confirmations at 31 December 2022;

- In addition, for those new facilities secured by the Group post the balance sheet date, we obtained the signed and fully executed agreements;

- We performed a critical challenge of the appropriateness and completeness of the sensitivities and stress test applied by management;

- We developed our own downside sensitivities in relation to trading performance in the forecast period;

- In respect to the downside sensitivities and stress test performed by management and the further sensitivity tests modelled by EY, we performed and/or noted the following:

    - Whilst management's cashflow forecasts anticipate a level of refinancing to occur during the going concern review period, based on the financing history of the Group and its relations with financial institutions, we further tested the forecasts by developing additional downside liquidity sensitivities. These sensitivities stress tested the liquidity of the Group by assuming that facilities which expire during the going concern review period, including €0.6bn which renew from quarter two of 2023 through to quarter four of 2023, would not be renewed or replaced.

    - We adjusted our stress test to overlay additional headroom due to improved results in quarter one of 2023 versus the downward trading stress test and the introduction of a minimal liquidity buffer given the increase in working capital requirements caused by increased input costs.

    - We considered plausible and controllable mitigating actions which could be incorporated into a downside forecast scenario such as reinstatement of uncommitted dividend outflows, deferment of significant discretionary planned capital spend and deferment of planned early repayment of certain debt.

    - After applying the aforementioned downside sensitivities and controllable mitigating actions we revisited the forecasts to understand the headroom position.

- We obtained supporting documentation to evaluate the plausibility of management's mitigation plans considering actions delivered to date;

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF HELLENIC PETROLEUM FINANCE PLC (continued)

Conclusions relating to going concern (continued)

- We considered the results of other audit procedures and other knowledge obtained in the audit and whether it was consistent with or contradicted management's assumptions;

- We have considered events immediately after the end of the going concern period which included the repayment of the Eurobond which matures in October 2024 and confirmed that the company has sufficient available reserves and facilities to make such a repayment; and

- We have evaluated the adequacy of disclosures in respect of going concern in the Company's financial statements. This involved comparison of the specific knowledge obtained through our detailed work and knowledge of the wider energy sector.

Key observations

We observed that the improvement in the group refining margins in early 2022 remained buoyant, and as forecast, have improved the headroom of the Group such that an opportunity has arisen for the group to invest in clean energy projects in line with its climate change ambitions. In management's reverse stress test, even with the inclusion of a working capital minimum liquidity, and an assumption that facilities maturing in the going concern period are not replaced, sufficient headroom remains available during the going concern period once the plausible mitigating items are considered.

Going concern has also been determined a key audit matter.

Based on the work we have performed, we have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on the company's ability to continue as a going concern for a period up to 30 June 2024.

Our responsibilities and the responsibilities of the directors with respect to going concern are described in the relevant sections of this report. However, because not all future events or conditions can be predicted, this statement is not a guarantee as to the company's ability to continue as a going concern.

Overview of our audit approach

Key audit matters	• Recoverability of loans receivable from group companies and accrued interest income
Materiality	• Overall materiality of €3.1m which represents 0.5% of total assets.

An overview of the scope of our audit

Tailoring the scope

Our assessment of audit risk, our evaluation of materiality and our allocation of performance materiality determine our audit scope for the company. This enables us to form an opinion on the financial statements. We take into account size, risk profile, the organisation of the company and effectiveness of controls, the potential impact of climate change in the business environment when assessing the level of work to be performed. All audit work was performed directly by the audit engagement team.

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF HELLENIC PETROLEUM FINANCE PLC (continued)

Changes from the prior year

There have been no changes in scope from the prior year.

Climate change

The company has determined there is no material impact from climate change known about now or that could arise in the future. The company itself is a low energy user, by virtue of the nature of its operations and hence climate risks are assessed to be more applicable at the group level, and therefore considered by the ultimate parent company. We have also considered any climate impact on the parent company considering the reliance on the parent company to support the going concern basis of preparation adopted in the financial statements and concluded that no material impact is expected during the going concern period considered by the directors.

Key audit matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the financial statements of the current period and include the most significant assessed risks of material misstatement (whether or not due to fraud) that we identified. These matters included those which had the greatest effect on: the overall audit strategy, the allocation of resources in the audit; and directing the efforts of the engagement team. These matters were addressed in the context of our audit of the financial statements as a whole, and in our opinion thereon, and we do not provide a separate opinion on these matters.

Risk	Our response to the risk	Key observations communicated to the Audit Committee
Recoverability of loans receivable from group companies (31 December 2022 - €610.0m, 31 December 2021 - €600.6m) and accrued interest income (31 December 2022 - €7.5m, 31 December 2021 - €5.9m) *Refer to Accounting policies in Note 3 of the Financial Statements (pages 30 to 32); and Note 9,10 and 13 of the Financial Statements (page 35 to 37).* The company's ability to service and redeem Eurobonds depends upon the parent and sister companies' ability to service and repay the intercompany loan receivables and accrued interest income balances. The valuation of these balances was the most significant assessed risk of material misstatement. Management has concluded that the intercompany balance is recoverable based on the underlying financial performance and position of	We obtained an understanding and evaluated the design of controls over the company's process for recording, reporting and assessing the recoverability of intercompany loans receivable and related accrued interest receivable. We obtained management's assessment of the recoverability of loans receivable from group companies together with the associated accrued interest income and agreed it to underlying documentation. This included validation of assumptions and consideration of any contradictory evidence. We performed a circularisation procedure to confirm the outstanding balances with counterparties. We have obtained evidence to support the financial position and performance of the entities from whom the intercompany receivable is recoverable. We have considered this evidence independently of management, applying appropriate challenge, in order to conclude whether or not management's assessment that this balance is recoverable, is reasonable. This process has included examination of evidence to support the fact pattern of past repayments, assessment of the latest financial position of each counterparty, payments received after the balance sheet date and calculation of any expected credit losses. The latest financial position relates to the actual results as of 31 December 2022 and the forecasts to 30 June 2024.	We concur with the Directors' assessment that all loans remain recoverable. We have identified a difference from our procedures on expected credit losses regarding the non-recognition of a provision of €0.4m (2021: €0.4m). As this is considered immaterial by management and those charged with governance the difference has remained on our schedule of unadjusted differences. We have identified a difference from our procedures on expected credit losses regarding the non-recognition of a provision of €0.4m (2021: €0.4m). As this is considered immaterial by management and those charged with governance the difference has remained on our schedule of unadjusted differences. We have concluded that the disclosures in respect of the recoverability of

Risk	Our response to the risk	Key observations communicated to the Audit Committee
HELLENiQ ENERGY Holdings S.A. The risk is similar in the current year due to the quantum of group debt repayments due for repayment within the going concern period.	We confirmed through assessment of the Group's financial position (as discussed in respect of going concern earlier in our report) that the Group has the ability to support repayment of the company's external debt in line with the scheduled maturity dates. We have read the financial statement disclosures with respect to the description of applicable accounting policies, identification of critical accounting estimates and also the notes to the financial statements and confirmed that they are in line with required disclosures and adequately documented.	intercompany loan receivables in the financial statements are appropriate.

Our application of materiality

We apply the concept of materiality in planning and performing the audit, in evaluating the effect of identified misstatements on the audit and in forming our audit opinion.

Materiality

The magnitude of an omission or misstatement that, individually or in the aggregate, could reasonably be expected to influence the economic decisions of the users of the financial statements. Materiality provides a basis for determining the nature and extent of our audit procedures.

We determined materiality for the company to be €3 million (2021: €3 million), which is 0.5% (2021: 0.5%) of total assets. We believe that total assets provide us with a consistent year on year basis for determining materiality and is the most relevant performance measure to the users of the financial statements.

During the course of our audit, and at completion, we reconfirmed that the initial calculation of materiality was appropriate.

Performance materiality

The application of materiality at the individual account or balance level. It is set at an amount to reduce to an appropriately low level the probability that the aggregate of uncorrected and undetected misstatements exceeds materiality.

On the basis of our risk assessments, together with our assessment of the company's overall control environment, our judgement was that performance materiality was 75% (2021: 75%) of our planning materiality, namely €2.3m (2021: €2.3m). We have set performance materiality at this percentage due to the design of company controls and low incidence of misstatements in prior periods.

Reporting threshold

An amount below which identified misstatements are considered as being clearly trivial.

We agreed with those charged with governance that we would report to them all uncorrected audit differences in excess of €0.15m (2021: €0.15m), which is set at 5% of planning materiality, as well as differences below that threshold that, in our view, warranted reporting on qualitative grounds.

We evaluate any uncorrected misstatements against both the quantitative measures of materiality discussed above and in light of other relevant qualitative considerations in forming our opinion.

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF HELLENIC PETROLEUM FINANCE PLC (continued)

Other information

The other information comprises the information included in the annual report, other than the financial statements and our auditor's report thereon. The directors are responsible for the other information contained within the annual report.

Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in this report, we do not express any form of assurance conclusion thereon.

Our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements, or our knowledge obtained in the course of the audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether this gives rise to a material misstatement in the financial statements themselves. If, based on the work we have performed, we conclude that there is a material misstatement of the other information, we are required to report that fact.

We have nothing to report in this regard.

Opinions on other matters prescribed by the Companies Act 2006

In our opinion, based on the work undertaken in the course of the audit:

- the information given in the strategic report and the directors' report for the financial year for which the financial statements are prepared is consistent with the financial statements; and

- the strategic report and directors' report have been prepared in accordance with applicable legal requirements.

Matters on which we are required to report by exception

In the light of the knowledge and understanding of the company and its environment obtained in the course of the audit, we have not identified material misstatements in the strategic report or directors' report.

We have nothing to report in respect of the following matters in relation to which the Companies Act 2006 requires us to report to you if, in our opinion:

- adequate accounting records have not been kept, or returns adequate for our audit have not been received from branches not visited by us; or

- the financial statements are not in agreement with the accounting records and returns; or

- certain disclosures of directors' remuneration specified by law are not made; or

- we have not received all the information and explanations we require for our audit.

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF HELLENIC PETROLEUM FINANCE PLC (continued)

Responsibilities of directors

As explained more fully in the directors' responsibilities statement set out on page 10, the directors are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the directors determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the directors are responsible for assessing the company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the directors either intend to liquidate the company or to cease operations, or have no realistic alternative but to do so.

Auditor's responsibilities for the audit of the financial statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance but is not a guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

Explanation as to what extent the audit was considered capable of detecting irregularities, including fraud

Irregularities, including fraud, are instances of non-compliance with laws and regulations. We design procedures in line with our responsibilities, outlined above, to detect irregularities, including fraud. The risk of not detecting a material misstatement due to fraud is higher than the risk of not detecting one resulting from error, as fraud may involve deliberate concealment by, for example, forgery or intentional misrepresentations, or through collusion. The extent to which our procedures are capable of detecting irregularities, including fraud is detailed below. However, the primary responsibility for the prevention and detection of fraud rests with both those charged with governance of the company and management.

- We obtained an understanding of the legal and regulatory frameworks that are applicable to the company and determined that the most significant are those that relate to the Companies Act 2006, UK Adopted International Accounting Standards, Anti-Money Laundering legislation and the relevant tax compliance regulations applicable for companies registered in the United Kingdom.

- We understood how Hellenic Petroleum Finance PLC is complying with those frameworks by making inquiries of management, group internal audit, those responsible for legal and compliance procedures and the group general counsel. We corroborated our inquiries through our review of minutes of Board of Directors meetings, the review of reports issued by the group internal audit function and the review of various correspondence, such as those with tax authorities, examined in the context of our audit and noted that there was no contradictory evidence.

- We assessed the susceptibility of the company's financial statements to material misstatement, including how fraud might occur by meeting with management to understand where they considered there was susceptibility to fraud. We performed specific procedures to respond to the fraud risk of inappropriate recognition of interest income. Our procedures also included a risk–based sample of journal entries that may have been posted with the intention of overriding internal controls to manipulate revenue. These procedures were designed to provide reasonable assurance that the financial statements were free from fraud or error.

- Based on this understanding we designed our audit procedures to identify non-compliance with such laws and regulations. Our procedures involved journal entries testing, with a focus on journals meeting our defined risk criteria based on our understanding of the business; inquiries of group legal counsel, group internal audit and senior management of the company.

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF HELLENIC PETROLEUM FINANCE PLC (continued)

A further description of our responsibilities for the audit of the financial statements is located on the Financial Reporting Council's website at https://www.frc.org.uk/auditorsresponsibilities. This description forms part of our auditor's report.

Use of our report

This report is made solely to the company's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006. Our audit work has been undertaken so that we might state to the company's members those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the company and the company's members as a body, for our audit work, for this report, or for the opinions we have formed.

Lindsay Russell (Senior statutory auditor)
for and on behalf of Ernst & Young LLP, Statutory Auditor
Belfast

STATEMENT OF COMPREHENSIVE INCOME

		For the year ended 31 December	
		2022	**2021**
	Note	**€**	**€**
Interest income	**15**	23,403,850	27,635,050
Interest expense	**6**	(14,196,238)	(22,194,695)
Net interest income		**9,207,612**	**5,440,355**
Administrative expenses	**7**	(234,736)	(568,352)
Net foreign exchange gains / (losses)		410	(247)
Profit before income tax		**8,973,286**	**4,871,756**
Income tax expense	**8**	(1,813,445)	(699,885)
Profit for the year from continuing operations		**7,159,841**	**4,171,871**
Total comprehensive income for the year		**7,159,841**	**4,171,871**

The notes on pages 24 to 40 form an integral part of these financial statements.

STATEMENT OF FINANCIAL POSITION

		As at 31 December	
		2022	**2021**
	Note	**€**	**€**
ASSETS			
Non-current assets			
Loans and receivables	**3, 9, 15**	494,395,110	600,588,110
Deferred Tax Asset	**8**	662,769	2,476,213
		495,057,879	**603,064,323**
Current assets			
Loans and receivables	**3,9,15**	123,112,162	–
Prepayments and accrued income	**10**	16,201	5,904,420
Cash and cash equivalents	**11**	215,946	106,184
Income Tax Receivable		972,462	972,462
		124,316,771	**6,983,066**
Total Assets		**619,374,650**	**610,047,389**
EQUITY AND LIABILITIES			
EQUITY			
Ordinary shares	**12**	10,000,000	10,000,000
Retained earnings		10,373,108	3,213,267
Total equity		**20,373,108**	**13,213,267**
LIABILITIES			
Non current liabilities			
Interest bearing loans and borrowings	**13**	595,922,609	593,724,370
		595,922,609	**593,724,370**
Current liabilities			
Interest payable and other liabilities	**14**	3,078,933	3,109,752
		3,078,933	**3,109,752**
Total liabilities		**599,001,542**	**596,834,122**
Total equity and liabilities		**619,374,650**	**610,047,389**

These financial statements on pages 24 to 40 were approved by the Board of directors on 17 May 2023 and signed on its behalf by:

Vasileios Tsaitas
Director

The notes on pages 24 to 40 form an integral part of these financial statements.
Company Registration Number: 05610284

STATEMENT OF CHANGES IN EQUITY

For the year ended 31 December 2022

	Ordinary Shares €	Retained Earnings €	Total Equity €
Balance at 1 January 2021	**10,000,000**	**(958,604)**	**9,041,396**
Total comprehensive income / (expense) for the year	-	4,171,871	4,171,871
Balance at 31 December 2021 and 1 January 2022	**10,000,000**	**3,213,267**	**13,213,267**
Total comprehensive income / (expense) for the year	-	7,159,841	7,159,841
Balance at 31 December 2022	**10,000,000**	**10,373,108**	**20,373,108**

The notes on pages 24 to 40 form an integral part of these financial statements.

STATEMENT OF CASH FLOWS

		For the year ended 31 December	
	Note	2022 €	2021 €
Profit / (loss) before income tax		**8,973,286**	**4,871,756**
adjustments for:			
Amortisation of deferred borrowing costs	**6**	1,214,618	1,400,289
Finance income - net		(10,422,229)	(6,840,644)
Net changes in asset / liabilities relating to operating activities			
Decrease / (increase) in prepayments	**10**	6,275	(13,675)
Increase / (decrease) in other payables	**14**	(30,820)	(144,723)
Cash flows (used in) operating activities		**(258,870)**	**(726,997)**
Income tax received / (paid)		-	-
Net cash used in operating activities		**(258,870)**	**(726,997)**
Cash flow from investing activities			
Loans granted to related parties	**15**	(147,805,000)	(170,270,110)
Loan repayments received from related parties	**15**	138,410,000	365,402,000
Interest received	**10,15**	21,761,632	28,249,674
Net cash generated from / (used in) investing activities		**12,366,632**	**223,381,564**
Cash flow from financing activities			
Repayments of borrowings	**13**	-	(201,089,000)
Interest paid		(11,998,000)	(21,801,089)
Net cash (used in) / generated from financing activities		**(11,998,000)**	**(222,890,089)**
Net (decrease) / increase in cash and cash equivalents		**109,762**	**(235,522)**
Cash and cash equivalents at the beginning of the year	**11**	106,184	341,706
Cash and cash equivalents at the end of the year	**11**	**215,946**	**106,184**

The notes on pages 24 to 40 form an integral part of these financial statements.

NOTES TO THE FINANCIAL STATEMENTS

1. GENERAL INFORMATION

Hellenic Petroleum Finance PLC was incorporated as a public limited company in England and Wales on 2 November 2005 and is a wholly owned subsidiary of HELLENiQ ENERGY Holdings S.A., a company incorporated in Greece. The Company engages in raising finance in the international capital markets for the purposes of funding the activities of other companies within the Group in line with the Group's business strategy.

2. ACCOUNTING POLICIES

Basis of preparation
Having consulted with the Parent Company's directors and taking into account all the relevant information available to them including the investment plans, business strategy and financial position of the Group, and as described in detail below **("Going Concern")**, as well as the written support obtained from the Parent Company in order to further support the Company in meeting its liabilities as and when they fall due, the directors consider the financial position of the Company to be satisfactory, and expect the business to continue until 30 June 2024 and for the foreseeable future.

Going Concern – The Company

At 31 December 2022, Hellenic Petroleum Finance PLC had net current assets of €121,237,839 (2021: net current assets of €3,873,314). The Company's receivables are predominantly intercompany loans, the recovery of which is used to enable the Company to satisfy its obligations under its borrowings consisting of Eurobonds. Loans provided by the Company reflect the maturity of the loans raised from the capital markets by the Company. Also, the Company may ask the counterparties to repay either part of their loans or the whole loan for restructuring purposes among the Group companies and always after considering the counterparty's ability to repay the respective amount at a given point in time. The borrower must repay the loan on demand by the lender at any time. All loans shall, if not demanded previously, be repaid after a number of years specified in each agreement (see also Note 9). The Company is therefore reliant on the wider HELLENiQ ENERGY Group to repay its borrowings as they become due. In addition, the Parent Company and Hellenic Petroleum R.S.S.O.P.P. S.A. have provided a guarantee for the repayment of the Eurobonds.

The Directors have obtained a joint letter of support from the Parent Company and a fellow subsidiary. This letter states that HELLENiQ ENERGY Holdings S.A. and Hellenic Petroleum R.S.S.O.P.P. S.A. will provide financial support to Hellenic Petroleum Finance PLC for a period until 30 June 2024.

The Directors of Hellenic Petroleum Finance PLC have performed an assessment of the ability of HELLENiQ ENERGY Holdings S.A. and Hellenic Petroleum R.S.S.O.P.P. S.A. to honour the letter of support that has been provided. They have obtained detailed projections of Group cash flow forecasts and assessed the underlying key assumptions including industry macros (e.g., prices, benchmark refining margins), operating levels (production and sales volumes), Group liquidity plan and other cash flow elements such as dividend payments which are discretionary. This assessment included sensitising the assumptions to reflect a number of scenarios considering the prevailing uncertain economic conditions in Europe as well as globally, particularly in the Energy sector.

In the base case forecasts, the Directors' have assumed that all term loans will be renewed while the 2024 Eurobond loans will be repaid on maturity dates.

In sensitising assumptions applied in the group cash flow forecast the directors also assessed the likeliness of a worst-case scenario whereby the Group would face challenges in renewing or extending its existing available facilities. In response to this scenario the directors' considered mitigating circumstances that would maintain liquidity in such a scenario.

In arriving at a set of mitigations against the worst-case scenario, the directors considered additional committed and uncommitted facilities secured post year end but noted that these do not include consideration of the very strong trading, profitability and cash generation recorded in FY23 year to date. The Directors also believe based on relationships with existing banks and the historic record of successful extensions to available facilities, coupled with strong FY23 performance year to date, that this worst-case scenario is remote.

At the date of authorizing these Financial Statements the Company directors are satisfied that the financial performance of the Group is satisfactory with actual KPIs outperforming forecast key assumptions and therefore, fully supports the

NOTES TO THE FINANCIAL STATEMENTS (continued)

2. ACCOUNTING POLICIES (continued)

ability to honour the letter of support that has been provided.

Through this analysis, the Company's directors have satisfied themselves that the Company can continue its operational existence through to 30 June 2024 and beyond. The directors consider that the going concern assumption is appropriate and have prepared the financial statements on a going concern basis. This assumes that the Company will have adequate resources to continue its operational existence through meeting its liabilities as they come due.

In the section below we have documented the directors' assessment of the wider group which enables the Parent Company to provide financial support to the Company.

Going Concern – The Group

The Group's consolidated financial statements for the year ended 31 December 2022 were approved by its board of directors on 24 February 2023. The Group's operating results in 2022 reported a net profit of €895 million (2021: €341 million net profit). The Group's activities are primarily centred on Downstream Refining (incl. Petrochemicals) & Marketing of petroleum products, electricity generation through renewable sources; with secondary activities relating to exploration of hydrocarbons and through its investments in Elpedison B.V., DEPA Commercial and DEPA International Projects, the Group also operates in the natural gas sector and in electricity generation (through gas- fired units) and trading. As such, the Group is exposed to a variety of financial and commodity markets' risks including foreign exchange and commodity price, credit, liquidity, cash flow and interest-rate risk. In line with international best practices and within the context of local markets and legislative framework, the Group's overall risk management policies aim at reducing possible exposure to market volatility and/or mitigating its adverse effects on the financial position of the Group to the extent possible.

The Group's business activities, together with factors which the Directors consider are likely to affect its development, financial performance and financial position are set out in the director's report of the Group's Annual Report. The most significant financial and operational risks and uncertainties that may have an impact upon the Group's performance and their mitigation are outlined in Note 3 of the Group's Annual Report, including liquidity risk, market risk, credit risk and capital risk to these consolidated financial statements.

The Group continues to execute its strategic transformation plan including the establishment of a material 2nd pillar in New Energy as an enabler of delivering on its climate objectives, diversifying its profitability sources and increasing the share of more stable cash flows.

The future financial performance of the Group is dependent upon the wider economic environment in which it operates. The factors that particularly affect the environment and therefore the performance of the Group include macroeconomic conditions and supply and demand for crude oil and oil products that affect their pricing and consequently benchmark refining margins which is a key determinant of profitability, in the short term, as well as energy transition in the medium to long term. Furthermore, geopolitical developments, especially in the region can have an impact on the supply/demand balances and therefore the pricing of crude and oil products and refining margins, as well as natural gas and electricity pricing, as well as compliance costs associated arising principally from EU Emissions Trading System (ETS), which together will affect variable operating expenditure.

The aforementioned factors are to an extent independent from each other but at the same time are not mutually exclusive as such their parallel occurrence could impact the financial performance of the Group in opposite directions.

In 2022 demand for oil products grew in line with the post pandemic global economic recovery leading to higher benchmark margins. At the same time the cost of electricity and natural gas adversely affected the cost base for refining and profitability.

In general, factors that adversely affect the demand for oil products such as negative macroeconomic conditions, supply and demand for crude oil that result in price increases or increase in the cost elements of refining oil products such as cost of natural gas, electricity and costs from EU ETS, are detrimental to Group profitability.

NOTES TO THE FINANCIAL STATEMENTS (continued)

2. ACCOUNTING POLICIES (continued)

Conversely, ample supply of crude oil and/ or a higher demand for oil products would lead to higher benchmark margins and profitability.

In general, the key factors that impact the Group's operations are summarised as follows:

Currency: The Group's business is naturally hedged against a functional currency risk at the gross margin level. All petroleum industry transactions are referenced to international benchmark quotes for crude oil and oil products in USD. All international purchases and sales of crude oil and products are conducted in USD and all sales into local markets are either in USD prices or converted to local currency for accounting and settlement reasons using the USD reference on the date of the transaction. In addition, the Group's majority of operating expenses transactions are conducted in Euro. As a result, the Group's operations are mainly exposed to the risk of foreign exchange caused by fluctuating the dollar exchange rate against the Euro. The strengthening of the US Dollar against the Euro has a positive effect on the Group's financial results while in the opposite event, both the financial results and balance sheet items (net position of inventory, investments, receivables, trade payables and other liabilities in US dollar) would be valued at lower levels.

Prices: The Group is exposed to the risk of fluctuations in prevailing market prices. Commodity price risk management is supervised by the Group's supply and trading department. Non-commodity price risk management is carried out by the Group's finance department under policies approved by the board of directors. Group finance identifies and evaluates financial risks in close co-operation with the Group's operating units.

***Continuous crude oil supplies*:** The Group procures crude oil from a number of suppliers, including national oil companies and international traders primarily in, but not limited to, the Middle East, North Africa and Black Sea region. The process of sourcing of crude oil is coordinated by the Group's supply and trading department in line with production plans. Following the developments in Ukraine, and the imposition of economic sanctions against the Russian Federation, the Group has successfully substituted its crude oil and intermediary feedstock supply originating from the Russian Federation with equivalent quantities and grades from other sources. The Group's three coastal refineries' location, the flexibility provided by the configuration and technology of each refinery provide access to a wide range of feedstock sourcing opportunities, which enables the Group to respond to supply shortages of certain crude grades without materially affecting its operations and financial performance.

***Financing of operations*:** The key priorities of the Group are the management of the 'Assets and Liabilities' maturity profile, funding in accordance with its strategic investment plan and the liquidity risk management for its operational needs. The vast majority of the Group's borrowings are committed credit facilities with financial institutions and debt capital markets. As of 31 December 2022, approximately 81% of total debt (about 80% as at 31 December 2021), is financed by committed credit lines while the remaining debt is being financed by short term revolving credit facilities (bilateral lines).

At 31 December 2022, the Group held cash of €900 million and has a positive operating working capital position. Its total loans and borrowings amount to €2,842 million, €2,308 million relate to committed term facilities and €534 million to uncommitted short-term revolving facilities on demand. Of its total borrowings, an amount of €875 million of term loans and €534 million of uncommitted short-term revolving facilities fall due up to 30 June 2024.

Group management expects that all committed borrowings maturing within the next 18 months from the balance sheet date will be refinanced with similar terms. €250 million of borrowings have been refinanced until the publication of the Company's financial statements, while for the remaining borrowings maturing within the next 18 months from the balance sheet date discussions are planned to commence in the near term and Group management is confident that such discussions will conclude successfully.

Moreover, as part of its long-term funding strategy, Group management is able to raise funds from debt capital markets through the issuance of listed bonds. Should further funding be required, the Group can draw from committed term facilities limits of €370 million without further approvals as well as from uncommitted facilities €375 million, subject to approvals from the respective financial institutions. In the 12-month period ending 31 December 2022, the Group successfully refinanced €900 million of maturing committed facilities at lower margins whilst improving the maturity profile of its debt liabilities.

Based on their assessment, taking into account the above and also their financial forecasts over the 18 months post

NOTES TO THE FINANCIAL STATEMENTS (continued)

2. ACCOUNTING POLICIES (continued)

balance sheet date, Management is satisfied that the Group has sufficient liquidity to meet its current liabilities and working capital requirements and there is a reasonable expectation that the Group has adequate resources to continue in operational existence for period until 30 June 2024.

The financial statements have been prepared on a going concern basis under the historical cost convention and in accordance with international accounting standards in conformity with the requirements of the Companies Act 2006 and the UK-adopted international accounting standards.

A summary of the most important accounting policies which have been used for the preparation of these financial statements is set out below. These policies have been applied consistently for the years presented, unless otherwise stated. The preparation of financial statements, in accordance with IFRS, requires the use of certain critical accounting estimates. It also requires management to exercise its judgment in the process of applying accounting policies. The areas involving a higher degree of judgment or complexity, or areas where assumptions and estimates are significant to the financial statements are disclosed in Note 4 "Critical accounting estimates and judgements". These estimates are based on management's best knowledge of current events and actions; actual results ultimately may differ from those estimates.

Changes in accounting policies and disclosures

The Company applied for the first-time certain standards and amendments, which are effective for annual periods beginning on or after 1 January 2022. The Company has not early adopted any other standard, interpretation or amendment that has been issued but is not yet effective. No new or amended standards had an impact on the entity's financial statements.

Standards issued but not yet effective and not early adopted

There are no standards issued but not yet effective that are expected to have an impact on the financial statements.

Foreign currency translation

(a) Functional and presentational currency

The Company transacts in Euros ("€") and GB Pounds ("£"). Items included in the financial statements are measured in Euros; which is the Company's functional and presentational currency and all values are rounded to the nearest Euro (€), except when otherwise indicated.

(b) Transactions and balances

Foreign currency balances are translated into the functional currency using the exchange rates prevailing at the dates of the transactions. Foreign exchange gains and losses resulting from the settlement of such transactions and from the translation of monetary assets and liabilities denominated in foreign currencies at year end, are recognised in the statement of comprehensive income.

Interest income and interest expense

Interest income and interest expense is recognised on an accrual basis using the effective interest method. The effective interest method is a method of calculating the amortised cost of a financial asset or a financial liability and of allocating the interest income or interest expense over the relevant period. The effective interest rate is the rate that exactly discounts estimated future cash payments or receipts through the expected life of the financial instrument or, when appropriate, a shorter period to the net carrying amount of the financial asset or financial liability. When calculating the effective interest rate, the Company estimates cash flows considering all contractual terms of the financial instrument (for example, prepayment options) but does not consider future credit losses. The calculation includes all fees and commissions paid or received between parties to the contract that are an integral part of the effective interest rate, transaction costs and all other premiums or discounts.

NOTES TO THE FINANCIAL STATEMENTS (continued)

2. ACCOUNTING POLICIES (continued)

Current and deferred taxation
The income tax expense or credit for the period, is the tax estimated on the current period's taxable income based on the applicable income tax rate, as well as additional taxes for prior years. Tax is recognised in the statement of comprehensive income.

Current income tax assets and liabilities are measured at the amount expected to be recovered from or paid to the taxation authorities. The current income tax charge is calculated on the basis of the tax laws enacted or substantively enacted at the end of the reporting period in the country where the Company operates and generates taxable income.

Deferred income tax is provided in full, using the liability method, on temporary differences arising between the tax bases of assets and liabilities and their carrying amounts in the financial statements. Deferred income tax is not recognized if it arises from initial recognition of an asset or liability in a transaction, other than a business combination, that at the time of the transaction does not affect either accounting or taxable profit or loss. Deferred income tax is determined using tax rates (and laws) that have been enacted or substantially enacted by the end of the reporting period and are expected to apply when the related deferred income tax asset is realised or the deferred income tax liability is settled.

Deferred tax assets are recognised only if it is probable that future taxable amounts will be available to utilise those deductible temporary differences and losses. Deferred income tax assets are reviewed at each financial position date and reduced to the extent that it is no longer probable that sufficient taxable profit will be available to allow all or part of the deferred income tax asset to be utilised.

Deferred tax assets and liabilities are offset when there is a legally enforceable right to offset current tax assets against current tax liabilities and when the deferred income tax assets and liabilities relate to income taxes levied by the same taxation authority on either the taxable entity or different taxable entities, where there is an intention to settle the balances on a net basis.

Financial Instruments
Financial assets are classified, at initial recognition, as subsequently measured at amortised cost, fair value through other comprehensive income (OCI), and fair value through profit or loss. The classification of financial assets at initial recognition depends on the financial asset's contractual cash flow characteristics and the business model for managing them.

The business model for managing financial assets refers to how the Company manages its financial assets in order to generate cash flows. The business model determines whether cash flows will result from collecting contractual cash flows, selling the financial assets, or both.

At 31 December 2022 and 2021, the Company had no financial assets at fair value through profit or loss or at fair value through other OCI.

Financial assets at amortised cost
The Company measures financial assets at amortised cost if both of the following conditions are met: a) the financial asset is held within a business model with the objective to hold financial assets in order to collect contractual cash flows and b) the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

Financial assets at amortised cost are subsequently measured using the effective interest (EIR) method and are subject to impairment. Gains and losses are recognised in profit or loss when the asset is derecognised, modified or impaired.

Loans and receivables are held to collect contractual cash flows and give rise to cash flows representing solely payments of principal and interest. These are now classified and measured as instruments at amortised cost in accordance with IFRS 9.

The Company recognises an allowance for expected credit losses (ECLs) for all debt instruments not held at fair value through profit or loss. ECLs are based on the difference between the contractual cash flows due in accordance with the

NOTES TO THE FINANCIAL STATEMENTS (continued)

2. ACCOUNTING POLICIES (continued)

contract and all the cash flows that the Company expects to receive, discounted at an approximation of the original effective interest rate. The expected cash flows will include cash flows from the sale of collateral held or other credit enhancements that are integral to the contractual terms.

ECLs are recognised in two stages. For credit exposures for which there has not been a significant increase in credit risk since initial recognition, ECLs are provided for credit losses that result from default events that are possible within the next 12-months (a 12-month ECL). For those credit exposures for which there has been a significant increase in credit risk since initial recognition, a loss allowance is required for credit losses expected over the remaining life of the exposure, irrespective of the timing of the default (a lifetime ECL). For financial assets that are credit impaired, a loss allowance is required for credit losses expected over the remaining life of the exposure, irrespective of the timing of the default (a lifetime ECL) and interest income is calculated based on the gross carrying amount of the financial asset less ECL.

Borrowings
Borrowings are recognised initially at fair value, net of transaction costs incurred. Borrowings are subsequently measured at amortised cost; any difference between the proceeds (net of transaction costs) and the redemption value is recognised in the statement of comprehensive income over the period of the borrowings using the effective interest rate method.

Fees paid on the establishment of loan facilities are recognised as transaction costs of the loan. To the extent that it is probable that some or all of the facility will be drawn down, the fee is deferred until the draw-down occurs and recognized over the life of the loan using the effective interest method. To the extent that there is no evidence that it is probable that some or all of the facility will be drawn down, the fee is capitalised as a pre-payment for liquidity services and amortised over the period of the facility to which it relates.

Borrowings are derecognised when the obligation specified in the contract is discharged, cancelled or expired. The difference between the carrying amount of a financial liability that has been extinguished or transferred to another party and the consideration paid, including any noncash assets transferred or liabilities assumed, is recognised in profit or loss as other income or finance costs.

Borrowings are classified as current liabilities unless the Company has an unconditional right to defer settlement of the liability for at least 12 months after the end of the reporting period. At the end of the reporting period payable amounts of bank overdrafts are included within borrowings in current liabilities on the statement of financial position. In the statement of cash flows, bank overdrafts are shown within financing activities.

In cases where an existing borrowing of the Company is renegotiated, this might result in modification or an exchange of borrowings with the lenders that could be carried out in a number of ways. Whether a modification or exchange of borrowings represents a settlement of the original debt, or merely a renegotiation of that debt, determines the accounting treatment that should be applied by the borrower. When the terms of the existing borrowings are substantially different from the terms of the modified or exchanged borrowings, such a modification or exchange is treated as an extinguishment of the original borrowing and any difference arising is recognised in profit and loss.

The Company considers the terms to be substantially different if either the discounted present value of the future cash flows under the new terms, including any costs or fees incurred, using the original effective interest rate, is at least 10% different from the discounted present value of the remaining cash flows of the original borrowing or there is a substantial change in the terms from a qualitative perspective. Qualitative factors may include:

- the currency in which the borrowing is denominated
- the interest rate (that is fixed versus floating rate)
- changes in covenants

Cash and cash equivalents
Cash and cash equivalents include cash in hand, deposits held at call with banks, other short-term highly liquid investments such as marketable securities and time deposits with original maturities of three months or less.

NOTES TO THE FINANCIAL STATEMENTS (continued)

2. ACCOUNTING POLICIES (continued)

Share capital
Ordinary shares are classified as equity. Incremental costs directly attributable to the issue of new shares or options are shown in equity as a deduction from the proceeds, net of tax.

Other liabilities
Liabilities for other amounts payable are carried at cost which is the fair value of the consideration to be paid in the future for services received.

3. FINANCIAL RISK MANAGEMENT

The management of the business and the execution of the Company's strategy are subject to a number of risks primarily the key financial risks set out below. Risks are formally reviewed by the Board and appropriate processes are put in place to monitor and mitigate them.

Financial risk management
The main purpose of the Company is to raise finance in the international capital markets for the purpose of funding the activities of the Group's companies in line with Group's business strategy. The Company's activities expose it to a variety of financial risks, which the Directors consider to be principally credit risk, liquidity risk, interest rate risk and foreign exchange risk. The financial instruments of the Company include loans receivables, cash and other liquid resources, interest-bearing borrowings and various receivables and payables that arise directly from its operations.

<u>(a) Credit risk</u>
The principal credit risk to the Company is that the borrowers will not be able to meet their obligations as they fall due. The risk is minimised by the fact that the loans are provided to the refining and renewable segments' companies and other entities of the Group, the credit quality of which is continuously monitored and assessed by the Company. None of the loans granted are either past due or impaired. Refer also to Note 9.

<u>(b) Liquidity risk</u>
Prudent liquidity risk management entails maintaining sufficient cash reserves and financial headroom through committed credit facilities. The Company maintains flexibility in its funding through the use of committed credit facilities and, moreover, by granting loans to the Group companies which are payable on demand or have a maturity period less than those of the related borrowings. The €599.9 million Eurobond matures on 4 October 2024.

The table below analyses the Company's financial assets and liabilities into relevant maturity groupings based on the remaining period at the balance sheet to the contractual maturity date. The amounts disclosed are the contractual undiscounted cash flows expected to be paid or received. Accrued interest at year end for loans receivable and borrowings is separately presented.

NOTES TO THE FINANCIAL STATEMENTS (continued)

3. FINANCIAL RISK MANAGEMENT (continued)

Loans receivable are repayable on demand and have no standard interest rate margin (Note 9). Therefore, the receivable amounts below do not include the expected interest receivable amount.

As at 31 December 2022	Less than 1 year €	Between 1 to 5 years €	Total €
Loan receivable from Group companies	115,588,000	494,395,110	609,983,110
Accrued interest income	7,524,162	-	7,524,162
Total	**123,112,162**	**494,395,110**	**617,507,272**
Debt issued and other borrowings	9,064,423	611,898,000	620,962,423
Interest payable and other liabilities	3,078,933	-	3,078,933
Total	**12,143,356**	**611,898,000**	**624,041,356**

As at 31 December 2021	Less than 1 year €	Between 1 to 5 years €	Total €
Loan receivable from Group companies	-	600,588,110	600,588,110
Accrued interest income	5,881,944	-	5,881,944
Total	**5,881,944**	**600,588,110**	**606,470,054**
Debt issued and other borrowings	9,064,423	623,896,000	632,960,423
Interest payable and other liabilities	3,109,752	-	3,109,752
Total	**12,174,175**	**623,896,000**	**636,070,175**

Further details regarding the Company's loans receivable are provided in Note 9 and for borrowings in Note 13.

The amounts included as borrowings in the table above do not correspond to the balance sheet amounts, as they are contractual (undiscounted) cash flows, which include capital and interest.

(c) Interest rate risk

Interest rate risk exists where assets and liabilities have interest rates set under a different basis or which settle at different dates. The Company minimises its exposure to interest rate risk by ensuring that the interest rate characteristics of floating rate assets and, where applicable, floating rate liabilities are similar and by adjusting, if necessary, the interest rate on its financial assets in order to match that of any fixed rate liabilities. At 31 December 2022, the Company had total borrowings amounting to €599 million (2021: €597 million) of fixed coupons Eurobonds.

NOTES TO THE FINANCIAL STATEMENTS (continued)

3. FINANCIAL RISK MANAGEMENT (continued)

Re-pricing analysis
The following table indicates the interest rate re-pricing profile of the Company's assets and liabilities.

Assets and liabilities are allocated into time bands according to their re-pricing date for variable interest rate instruments, or according to their maturity date for fixed rate instruments. The re-pricing of the variable interest rate of loan receivables from Group Companies is reviewed on an ad-hoc basis and at least annually to match the liabilities so that the Company meets its obligations as they fall due. For further details regarding the terms and conditions of the loan receivables' agreements refer to Note 9.

As at December 2022	**Total**	**Less than 1 year**	**Between 1 to 2 years**	**Between 2 to 5 years**
	€	**€**	**€**	**€**
Assets				
Loans receivable from Group companies	609,983,110	115,588,000	494,395,110	-
Accrued interest income	7,524,162	7,524,162	-	-
Total assets	**617,507,272**	**123,112,162**	**494,395,110**	**-**
Liabilities				
Borrowings	598,120,084	-	598,120,084	-
Accrued interest expense	2,933,577	2,933,577	-	-
Total liabilities	**601,053,661**	**2,933,577**	**598,120,084**	**-**
Total interest sensitivity gap	**16,453,611**	**120,178,585**	**(103,724,974)**	**-**

As at December 2021	**Total**	**Less than 1 year**	**Between 1 to 2 years**	**Between 2 to 5 years**
	€	**€**	**€**	**€**
Assets				
Loans receivable from Group companies	600,588,110	-	-	600,588,110
Accrued interest income	5,881,944	5,881,944	-	-
Total assets	**606,470,054**	**5,881,944**	**-**	**600,588,110**
Liabilities				
Borrowings	597,136,463	-	-	597,136,463
Accrued interest expense	2,933,577	2,933,577	-	-
Total liabilities	**600,070,040**	**2,933,577**	**-**	**597,136,463**
Total interest sensitivity gap	**6,400,014**	**2,948,367**	**-**	**3,451,647**

NOTES TO THE FINANCIAL STATEMENTS (continued)

3. FINANCIAL RISK MANAGEMENT (continued)

Effective interest rates
The weighted average effective interest rates were as follows:

	2022	2021
Loans receivable		
- Euro floating	3.81%	3.65%
Loans payable		
- Euro fixed	2.37%	2.93%

Interest rate sensitivity
The Company's sensitivity to interest rates is limited principally, as it raises borrowing at fixed rates and applies interest rates to the loans granted to other members of the Group that comprise of the fixed borrowing cost plus margin and where applicable EURIBOR. The directors therefore consider that there is no risk arising from changes to the benchmark interest rate.

(d) Foreign exchange risk
The Company's foreign currency risk exposure is managed by having back-to-back currency loans and assets. The Company does not face any significant foreign exchange risk.

(e) Capital risk management
The Company's principal objective when managing capital is to raise financing in the international capital markets for the purpose of funding the activities of the Group's Companies in line with the Group's business strategy. In order to maintain or adjust its capital structure, the Company may adjust the amount of dividends paid to shareholders or issue new shares.

Consistent with the industry convention, the Group monitors capital structure and indebtedness levels on the basis of the gearing ratio. The ratio is calculated as net debt divided by total capital employed. Net debt is calculated as total borrowings (including "current and non-current borrowings" as shown in the statement of financial position) less "Cash & cash equivalents" and, "Investment in equity instruments". Total capital employed is calculated as "Total Equity" as shown in the statement of financial position plus net debt.

The gearing ratios as at 31 December 2022 and 2021 were as follows:

	2022	2021
	€	€
Total Borrowings (Note 13)	595,922,609	593,724,370
Less: Cash and cash equivalents (Note 11)	(215,946)	(106,184)
Net Debt	**595,706,663**	**593,618,186**
Total Equity	20,373,108	13,213,267
Total Capital Employed	**616,079,771**	**606,831,453**
Gearing Ratio	**96.69%**	**97.82 %**

NOTES TO THE FINANCIAL STATEMENTS (continued)

4. CRITICAL ACCOUNTING ESTIMATES AND JUDGEMENTS

The preparation of the financial statements necessarily requires the exercise of judgement both in the application of accounting policies and in the selection of assumptions used in the calculation of accounting estimates. These judgements are reviewed on an on-going basis and are continually evaluated based on historical experience and other factors. There are no critical accounting estimates or critical judgements affecting components of the financial statements for the year ended 31 December 2022:

i) Other estimates

(a) Recoverability of intercompany loans
In assessing the recoverability of intercompany loans, the Company utilizes internal and/or external information where available, to determine the expected credit loss. Probability of Default ratios ("PDs"), are obtained directly by an external provider, in the cases where such information are available, whilst the Loss Given Default ("LGD") is estimated through internal information. The Company estimated if either of the aforementioned key assumptions used increased by 25%, with the other variable held constant, the impact on the expected credit loss on the loans receivable would be €18 thousands for the change in PD and €14 thousands for the change in LGD.

(b) Recoverability of deferred tax assets
Deferred tax assets include certain amounts which relate to carried forward tax losses. The Company makes assumptions on whether these deferred tax assets will be recoverable based on the forecasted taxable income, determined through the differential of cost of borrowings, which is known, and the interest margin applied in its on-lending, that inter-alia includes the cost of borrowings.

5. SEGMENTAL REPORTING

The directors consider that there is only one business segment, which is the provision of finance for fellow Group companies. The directors consider that the analysis of the results of the Company as disclosed in these financial statements is sufficient for the purposes of reporting the activities.

The Company's revenue is comprised of interest income on the loans provided to the Group companies and is generated entirely in the European Union.

6. INTEREST EXPENSE

	2022	2021
	€	€
Interest expense on borrowings	12,981,620	20,794,406
Amortisation of deferred borrowing cost	1,214,618	1,400,289
	14,196,238	**22,194,695**

Interest expense on borrowings for 2021 includes also interest expense from the Eurobond that was repaid in October 2021.

7. ADMINISTRATIVE EXPENSES

	2022	2021
	€	€
Professional fees	21,923	21,923
Fees payable to the Company's auditors for the audit of the Company's financial statements	67,200	60,000
Fees for tax services (not provided by Company auditor)	27,276	13,452
Bank charges	3,171	6,374
Company secretarial and director fees	42,680	39,728
Management fees	60,512	381,490
Legal fees	11,974	45,385
	234,736	**568,352**

The auditors' remuneration for the year ended 31 December 2022 was €56,000 net of VAT (2021: €50,000).

NOTES TO THE FINANCIAL STATEMENTS (continued)

7. ADMINISTRATIVE EXPENSES (continued)

The Company has no employees. Director's remuneration for the year, included in the table above in "Company secretarial and director fees" was €21,722 (2021: €26,879) (Note 15).

Where certain directors were employed by and/or participated in the board of directors of other member companies of the Group, they received no emoluments from any other member of the Group, in their capacity as directors of the Company.

8. INCOME TAX

The tax (charge) / credit relating to profit or loss components of comprehensive income, is as follows:

	2022 €	2021 €
Current tax	-	-
Deferred Tax origination and reversal of temporary differences	(1,704,924)	(925,634)
Adjustment in respect of previous periods	(108,521)	225,749
Income tax (expense) / credit	**(1,813,445)**	**(699,885)**

The standard rate of Corporation Tax in the UK throughout 2022 was 19% (2021: 19%).

Reconciliation of effective tax rate

	2022 €	2021 €
Profit before tax for the year	8,973,286	4,871,756
Tax charge on profit before tax multiplied by the standard rate of corporation tax in the UK of 19% (2021: 19%)	1,704,924	925,634
Adjustment in respect of previous periods	108,521	(225,749)
Total income tax charge / (credit) in the statement of comprehensive income	**1,813,445**	**699,885**

In March 2021, the UK government announced a proposed increase in the tax rate from 19% to 25% with effect from 1 April 2023. Deferred tax at 31 December 2022 has been calculated at 23.5%, being the blended rate for the period ended 31 December 2023 when the temporary differences are expected to reverse.

The movement on the deferred income tax asset / (liability) is as follows:

	2022 €	2021 €
Beginning of the year	**2,476,214**	**3,176,098**
Income statement (charge) / credit	(1,813,445)	(699,885)
End of year	**662,769**	**2,476,213**

The deferred tax asset's closing balance as at 31 December 2022, which is expected to be recovered within the next 12 months from the balance sheet date, is analysed as follows:

	2022 €	2021 €
Tax losses carried forward	662,769	940,620
Disallowed (timing difference) corporate interest carried forward	-	1,535,593
Deferred tax asset	**662,769**	**2,476,213**

NOTES TO THE FINANCIAL STATEMENTS (continued)

9. LOANS AND RECEIVABLES

The loans receivable relates to periodic loans granted to companies within the Group. The loans bear interest at various margins over EURIBOR (2021: margin over EURIBOR). More specifically:

The loan agreements with the counterparties, have similar terms which are summarized below:
- The lender makes available to the borrower an uncommitted loan facility up to an agreed amount.
- The borrower may borrow an amount up to the facility agreement, subject always to the consent of the lender.
- The borrower must repay the loan on demand by the lender at any time. All loans shall if not demanded previously be repaid after a number of years specified in each agreement.
- The borrower pays interest at a rate notified by the lender as determined by reference to the costs of funding of the lender.

At the beginning of the current year, there was a novation of an old loan receivable contract held with the parent company and transferred to the new subsidiary demerged by way of hive-down HELPE R.S.S.O.P.P. S.A. of €115.6 as at 31 December 2022 million (31 December 2021: €222 million (Note 15). The management in applying the criteria of IFRS 9 in derecognizing the old financial instrument and recognizing a new financial instrument with a new counterparty, concluded that there was no material impact to the statement of comprehensive income.

New loans granted after 31 December 2022, as is the case with HELPE R.S.S.O.P.P. S.A. (Note 16), are issued in the form of common bond loans at a margin over EURIBOR.

In substance and taking into consideration that all parties involved in the above agreements are always Group subsidiaries, the maturity of the loans provided by the Company reflect the maturity of the loans raised from the capital markets by the Company. Also, the Company may ask the counterparties to repay either part of their loans or the whole loan for restructuring purposes among the Group companies and always after considering the counterparty's ability to repay the respective amount at a given point in time.

As at 31 December 2022, the carrying amounts of the loan receivables between the Group and the Company are denominated in Euro (Note 15). Loans granted by the Company to Group's companies mirror HPF's credit risk and carry zero interest rate risk, accordingly the fair values of loans and receivables approximate their carrying amount.

At each reporting date, in accordance with the requirements of IFRS 9, the Company performs an assessment regarding the recoverability of the loans receivable (Note 4), taking into account the current probability of default, as well as the estimated loss given default rate for each counterparty and the total amount of the respective loan. Based on the assessment performed at 31 December 2022, the Company concluded that the expected credit losses of these loans were immaterial and no impairment loss was recorded.

10. PREPAYMENTS AND ACCRUED INCOME

	2022	2021
	€	€
Accrued interest income	–	5,881,944
Prepaid expenses	16,201	22,476
	16,201	**5,904,420**

11. CASH AND CASH EQUIVALENTS

	2022	2021
	€	€
Cash at bank	215,946	106,184
	215,946	**106,184**

NOTES TO THE FINANCIAL STATEMENTS (continued)

12. ORDINARY SHARE CAPITAL

The authorised share capital of the Company is split into 6,970,000 ordinary shares of £1 each. The issued share capital consists of 6,970,000 £1 paid ordinary shares.

	Numbers of Shares (authorised and issued)	**Share Capital**	**Total**
	€	**€**	**€**
As at 1 January and 31 December 2021	6,970,000	10,000,000	10,000,000
As at 31 December 2022	**6,970,000**	**10,000,000**	**10,000,000**

The issued share capital is reflected in the financial statements based on the prevailing €/£ exchange rate at the time it was issued, which was 1.435.

The holders of ordinary shares are entitled to receive dividends as declared from time to time and are entitled to one vote per share at meetings of the Company.

13. INTEREST BEARING LOANS AND BORROWINGS

	As at 31 December	
	2022	**2021**
	€	**€**
Non-current borrowings		
Eurobond	598,120,084	597,136,463
Unamortised Eurobond fees	(2,197,475)	(3,412,093)
Non-current borrowings	**595,922,609**	**593,724,370**
Total borrowings	**595,922,609**	**593,724,370**

At 31 December 2022, outstanding borrowings consisted of Notes issued under Eurobond transactions of prior years. There were no significant movements during this period. The Notes are guaranteed by the Parent Company and Hellenic Petroleum R.S.S.O.P.P. S.A. following the demerger by way of hive-down.

Eurobond €599m maturing in October 2024

In October 2019, HPF issued a €500 million five-year 2% Eurobond guaranteed by HELLENiQ ENERGY Holdings S.A. and Hellenic Petroleum R.S.S.O.P.P. S.A. following the demerger by way of hive-down, with the issue price being 99.41 per cent. of the principal amount. The notes mature in October 2024. Part of the proceeds of the issue were used for the partial prepayment of the €449.53 million Eurobond maturing in October 2021 through a tender offer process which was completed in October 2019 during which notes of nominal value of €248.4 million were accepted. On October 5th, 2020, HPF, successfully priced €99.9 million of new notes principal amount, with a yield of 2.42%. These form a single series with HPF's existing notes due October 2024 and were offered through a private placement. The issue of the new notes was subscribed by selected institutional investors, with the European Bank for Reconstruction and Development participating at 75% of the issue.

The Company has not experienced any defaults in relation to payment of principal, interest or other breaches with regards to its borrowings in 2022 or as at the date of approval of these financial statements. The proceeds of the aforementioned facilities have been used to provide loans to the Group's companies.

NOTES TO THE FINANCIAL STATEMENTS (continued)

13. INTEREST BEARING LOANS AND BORROWINGS (continued)

The table below presents the changes in liabilities arising from financing activities for the year ended 31 December 2022.

	1 January 2022	Cash flows – borrowings	Non-cash movements	31 December 2022
	€	€	€	€
Non-current Eurobonds	593,724,370	-	2,198,239	595,922,609
Current Eurobonds	-	-	-	-
Total liabilities from financing activities	**593,724,370**	**-**	**2,198,239**	**595,922,609**

The table below presents the changes in liabilities arising from financing activities for the year ended 31 December 2021.

	1 January 2021	Cash flows – borrowings	Non-cash movements	31 December 2021
	€	€	€	€
Non-current Eurobonds	591,574,386	-	2,149,984	593,724,370
Current Eurobonds	200,717,785	(201,089,000)	371,215	-
Total liabilities from financing activities	**792,292,171**	**(201,089,000)**	**2,521,199**	**593,724,370**

“Non-cash movements” column includes the amortization of deferred borrowing costs and issuance below par.

The carrying amounts and fair value of Euro denominated Eurobonds based on the settlement price on 31 December 2022 are as follows:

	Book value	Fair value
As at December 2022	**€**	**€**
Eurobond €599m – October 2024	595,922,609	580,487,236
Total	**595,922,609**	**580,487,236**
As at December 2021	**€**	**€**
Eurobond €599m – October 2024	593,724,370	610,992,151
Total	**593,724,370**	**610,992,151**

The fair values of the Eurobonds are within level 1 of the fair value hierarchy as their fair value is estimated through quoted prices (unadjusted) in an active market.

No other borrowings existed as at 31 December 2022.

14. INTEREST PAYABLE AND OTHER LIABILITIES

	As at 31 December	
	2022	**2021**
	€	**€**
Accrued interest payable	2,933,577	2,933,577
Other payables	145,356	176,175
	3,078,933	**3,109,752**

NOTES TO THE FINANCIAL STATEMENTS (continued)

15. RELATED PARTY TRANSACTIONS AND BALANCES

The Company has identified the following transactions which are required to be disclosed under the terms of IAS 24 Related Party Disclosures.

During the year the Company provided loans to other members of the Group. At 31 December 2022 and 2021 the following loans were outstanding:

	As at 31 December	
	2022	**2021**
	€	**€**
HELLENiQ ENERGY Holdings S.A. (Parent Company)	-	222,098,000
HELPE R.S.S.O.P.P. S.A. (Fellow subsidiary)	115,588,000	-
Hellenic Petroleum International A.G. (Fellow subsidiary)	213,200,000	213,200,000
Hellenic Fuels and Lubricants S.A. (Fellow subsidiary)	8,000,000	8,000,000
HELLENiQ ENERGY R.E.S. (Fellow subsidiary)	273,195,110	157,290,110
Total	**609,983,110**	**600,588,110**

Borrowings of €222 million to the Parent Company in 2021 were transferred to HELPE R.S.S.O.P.P. S.A. as part of the hive down described in the Strategic Report. During 2022, the subsidiary repaid partially the loan resulting in balance €115,588,000 as at December 31, 2022 and on March 2023 proceeded to fully repay the existing loan under the specific agreement. A new agreement was signed as described in Note 16.

Interest charged on these loans during the year amounted to €23,403,850 (2021: €27,635,050) of which €7,524,162 was outstanding at 31 December 2022 (31 December 2021: €5,881,944).

The following table presents the breakdown of interest income from related entities:

	As at 31 December	
	2022	**2021**
	€	**€**
HELLENiQ ENERGY Holdings S.A. (Parent Company)	-	17,923,334
HELPE R.S.S.O.P.P.SA (Fellow subsidiary)	6,415,289	
Hellenic Petroleum International A.G. (Fellow subsidiary)	8,245,411	6,814,771
Hellenic Fuels and Lubricants S.A. (Fellow subsidiary)	318,770	294,194
HELLENiQ ENERGY R.E.S. (Fellow subsidiary)	8,424,380	2,602,751
Total	**23,403,850**	**27,635,050**

The amount of 31 December 2021 from the Parent Company includes interest income from the loan amount that was partially repaid in October 2021.

Purchases of administrative services in relation to the Company from related parties are portrayed in the table below:

	For the year ended 31 December	
	2022	**2021**
	€	**€**
HELPE International Consulting S.A.	-	322,400
HELLENiQ ENERGY Holdings S.A.	60,512	-
	60,512	**322,400**

The personal director nominated by TMF Global Services (UK) Limited ('TMF') that provides director services to the Company, has not received director emoluments in their personal capacity. The personal directorship fee to TMF

NOTES TO THE FINANCIAL STATEMENTS (continued)

15. RELATED PARTY TRANSACTIONS AND BALANCES (continued)

amounted to €7,742 (2021: €7,680). Additionally, directors acting as personal directors were entitled to a total remuneration of €13,980 (2021: €19,199).

Where certain directors were employed by and/or participated in the board of directors of other member companies of the Group, they received no emoluments from any other member of the Group, in their capacity as directors of the Company.

The smallest and largest group into which the Company is consolidated is HELLENiQ ENERGY Holdings S.A. and is incorporated in Greece. Copies of its financial statements may be obtained from HELLENiQ ENERGY Holdings S.A., Chimarras 8A, Marousi, 15125, Greece or online at the Group's website www.helleniqenergy.gr.

The immediate and ultimate parent undertaking and controlling party is HELLENiQ ENERGY Holdings S.A.

16. EVENTS AFTER THE REPORTING PERIOD

In March 2023 the loan agreement of the Company with HELPE R.S.S.O.P.P S.A. matured and the outstanding amount of €116 million was repaid. In April 2023, a new 5-year €600 million common bond loan agreement was signed and an amount of €120 million was drawn down. There are no other events, after the end of the reporting period and up to the date of approval of the financial statements by the board of directors that have a direct impact on the Company.