HELLENIC TRAIN
FERROVIE DELLO STATO ITALIANE GROUP

FINANCIAL STATEMENTS
AS OF 31 DECEMBER 2022
ACCORDING TO INTERNATIONAL FINANCIAL REPORTING STANDARDS AS ADOPTED BY EUROPEAN UNION

HELLENIC TRAIN- RAILWAY COMPANY SOCIETE ANONYME

Share Capital: € 34.406.509,10 [Fully paid up]

Registered Offices: Petmeza 13 & Syggrou 41, P. C. 117 43, Athens, Greece

Business Registry number: 6780801000

VAT number: EL 999645865

Web address: http://www.hellenictrain.gr/

COMPANY MISSION

The company's mission is to provide a sustainable choice of transportation, environmentally friendly with:

- Safe and reliable schedules
- Reliable information
- Comfort and clean
- Competitive fares
- Friendly customer service
- High standards freight transportation

Hellenic Train's (hereinafter the "Company") vision is to constitute a reliable and high-quality transport services provider in Greece, both for passenger and for freight transportation, and a financially sustainable company.

By way of the absorption of EESSTY S.A., the Company is active in the field of maintenance, repair and reconstruction services for rolling and other railway stock.

CORPORATE BODIES

Board of Directors:	**As elected on 19/09/2022**
Chairman	Dario LO BOSCO
Chief Executive Officer	Maurizio CAPOTORTO
Board member	Marco CAPOSCIUTTI
Board member	Sofia NASI
Board member	Nicola TUFO

MANAGER IN CHARGE OF PREPARING THE COMPANY'S ACCOUNTING DOCUMENTS

Lorenzo GENTILE

INDEPENDENT AUDITING FIRM

KPMG Certified Auditors – Accountants S.A.

INDEX

Management Report according to article 150 of L. 4548/2018

LEGEND AND GLOSSARY

The criteria used to determine the alternative performance indicators adopted within the context of this Management Report, compared to those indicated in the financial statements drawn up according to IFRS, are listed below. The management believes that these indicators are useful for monitoring the Company's performance, and are representative of the economic and financial results generated by the business:

Gross Operating Margin - EBITDA: constitutes an indicator of operating performance, and is attributable only to the core business. It is calculated as the difference between Operating Revenues and Operating Costs.

Operating profit - EBIT: constitutes an indicator of operating performance and is calculated as the algebraic sum of the "EBITDA", Amortisations, Write-downs and Impairments losses (write-backs) and Provisions.

Net operating working capital: calculated as the algebraic sum of the Inventories, Construction Contracts, Current and Non-Current Trade Receivables and Current/Non-Current Trade Payables.

Other net assets: calculated as the algebraic sum of MEF Credits and advances for grants, deferred tax assets, the Other Current and Non-Current Assets and the Other Current/Non-Current Liabilities.

Working capital: calculated as the algebraic sum of the Net Operating Working Capital and the Other Net Assets.

Net non-current assets: calculated as the sum of the Property, Plant and Equipment, Real Estate Investments, Intangible Assets and Shareholdings items.

Other provisions: calculated as the sum of the provision for post-employment benefits (TFR) and other employee benefits, the provision for staff and third party disputes, the other provisions occasionally set aside for minor risks, and deferred tax liabilities.

Net Invested Capital - NIC: calculated as the algebraic sum of the Working Capital, the Net Non-Current Assets, the Other Provisions, and the Net Assets held for sale.

Net financial position - **NFP**: constitutes an indicator of the financial structure, and is calculated as the algebraic sum of bonds, long-term Loans from banks, the current amounts associated with them, short-term loans from banks, current and non-current payables due to other lenders, MEF financial receivables for current fifteen-year contributions, cash and cash equivalents, and current and non-current financial assets.

Equity - EQ: a financial statement indicator calculated as the algebraic sum of the share capital, the reserves, the retained earnings (losses), the current and non-current financial liabilities, and the operating profit.

EBITDA margin: a percentage index of profitability, determined by the ratio between the EBITDA and the Operating Revenues.

EBIT margin - ROS (return on sales): a percentage index of sales profitability. Determined by the ratio between the EBIT and the Operating Revenues.

Degree of financial indebtedness (NFP/EQ): an indicator used to measure the company's indebtedness. Determined by the ratio between the NFP and the Equity.

ROE (return on equity): a percentage index of the return on equity. Determined by the ratio between the Net Profit (NP) and the Average Equity. The Average Equity is calculated as the mathematical average between the value at the start of the period (including the profit for the previous year) and the value at the end of the period (net of the profit at the end of the year).

ROI (return on investment): a percentage index of profitability of the capital invested through the company's core business. Calculated as the ratio between the EBIT and the average NIC (between the start and end of the year).

Net Asset Turnover: an indicator of efficiency, as it expresses the invested capital's ability to "transform itself" into sales revenues. Calculated as the ratio between the Operating Revenues and the average NIC (between the start and end of the year).

Recurring terms

The glossary of the recurring terms used within the context of the Group's operating activities, and found within the Financial Statements, is provided below:

Average load (pkm/tkm): expresses the number of passengers km per train km, or rather the number of people a train can carry on average.

Route: a set of railway lines of particular importance due to the traffic volume and the transport relationships that take place upon them, linking the network's main centres or hubs.

ERA (European Railway Agency): the agency of the European Union (EU), which establishes the mandatory requirements for European railways and manufacturers in the form of technical interoperability specifications applicable to the trans-European rail system. The ERA sets the common safety objectives, methods and indicators, and adheres to the 2004/49/EC Directive, as amended.

ERTMS (European Rail Traffic Management System): the functional and operational integration system of the various railway networks established within the context of the European Union, which, at in terms of operational control, provides for the ETCS system.

ETCS (European Train Control System): a system made up of various national ATC (Automatic Train Control) operating systems. ATC systems are made up of traditional and innovative signalling systems, and can make use of CSR (Continuous Signal Repetition) and CDSR (Continuous Digital Signal Repetition).

GSM-R (Global System for Mobile Communication): European standard for public digital mobile telephony, with a transmission speed of 9.6 Kbps.

Plant: a production unit of a localisable railway company with an identifiable area of jurisdiction on the rail network. They can belong to both the Infrastructure Manager and the transport companies.

Load factor (pkm/seatkm): expresses the so-called filling factor, and therefore measures the saturation of the commercial offering.

Hub: a conventional term for a railway area normally coinciding with a major metropolitan centre with a high density and relative complexity of medium/large stations and other railway systems interconnected by various lines, which represent the continuation of the main itineraries that enter the hub itself, as well as other lines, and are designed to facilitate the circulation management of different traffic streams and alternative routes, or rather service belts and links.

Doubling: the transformation of a single track line into a double track line.

TEN-T: trans-European transport network.

Terminal: an infrastructure suitable for intermodal transport, mostly suitable for the exchange of large load units between carriers, with or without warehouses of modest size.

Tonnes km (tonn km): The product of the tonnes transported multiplied by the km travelled. This unit of measurement therefore corresponds to the sum of the kilometres actually travelled by the tonnes transported within a given period of time (indicator of commercial performance for freight transport).

Combined transport: intermodal transport mainly carried out by rail, waterway or sea, with the initial and terminal routes carried out by road. Combined transport makes use of the railway with specific coded railways cars and lines.

Intermodal transport: transport that makes use of two or more modes of transport (land, rail, sea or river) with the movement of the load units between modes, without dividing the load itself: the load unit can either be a road vehicle or an intermodal transport unit (container, swap body, semi-trailer).

Trains km (tkm): this is the number of train events per kilometre travelled. This unit of measurement therefore corresponds to the sum of the kilometres travelled by all the trains within a given period of time (*performance* indicator referring to the network manager's production).

TEU (Twenty-foot Equivalent Unit): standard measure of volume for the transport of ISO containers, which corresponds to a total encumbrance of about 38 cubic metres.

Passengers km (pkm): number of passengers multiplied by the km travelled. This unit of measurement therefore corresponds to the sum of the kilometres actually travelled by all the passengers of a transport service within a given period of time (indicator of commercial performance for passenger transport).

MAIN RESULTS ACHIEVED IN 2022

		2022	2021
ROE	NP/EQ*	-4,29%	0,27%
ROI	EBIT/IC*	0,00%	0,01%
ROS (EBIT MARGIN)	EBIT/OR	1,37%	4,28%
EBITDA/OPERATING REVENUES (EBITDA MARGIN)	EBITDA/ OR	18,06%	19,20%
NET ASSET TURNOVER (NAT)	OR/IC*	118,54%	120,58%
FINANCIAL INDEBTEDNESS	NFP/EQ	6,94%	3,52%
IC*:		129.826.693	93.204.994
NIC:		163.431.885	96.221.501
EBITDA:		27.786.185	21.579.379
EQ*:		20.933.000	21.015.998
EQ:		20.572.504	21.293.496
OR:		153.897.412	112.382.254
NR:		-883.428	56.985
EBIT:		2.112.246	4.813.662
NFP:		142.859.381	74.928.005
NWC:		-64.530.334	-35.912.398

LEGEND

IC*: Average net invested capital (between the start and end of the year)

NIC: Net invested capital

EBITDA: Gross operating margin

EQ*: Average equity (between the start and end of the year) net of the year-end result

EQ: Equity

OR: Operating revenues

NR: Net result

EBIT: Operating income

NFP: Net financial position

NWC: Net working capital

FOREWORD

On the night of 28/2/2023 at Tempi, an Intercity passenger train collided frontally with a freight train, causing the death of 57 persons including 9 employees of the Company while 181 people were injured. At the date of writing of this Report, whereas the inquiries of the competent authorities are still underway, the facts and evidences at the availability of the Company lead to assess that the accident was due to causes unconnected with the responsibility of the Company's personnel and management. This, in connection with the assessment of the insurance coverages in force, does not configure the need to formulate corrections of these present Financial Statements for year 2022, being that any net financial exposure on the net equity of the Company is expected to not have a significant impact.

In early September of 2023, with the most severe impact during the period from 4 to 7 September, the catastrophic weatherstorm Daniel, caused, among other, significant damages in the railway network of Greece, especially on the line Thessaloniki – Athens, and more specifically on the segments Domokos – Larisa, Larisa – Volos and Kalampaka – Palaiofarsalos. The damages to the railway network have as consequence the impossibility of the Company to perform a significant part of its transportation business. Nonetheless, taking into account the full support of the sole Shareholder Trenitalia S.p.A., and the fact that the largest part of the Company's turnover is object of the PSO Contract dated 14.4.2022, it is assessed that the going concern of the Company is not affected.

MAIN EVENTS OF 2022

During 2022, the Company business in the passenger transportation recorded a significant rebound in turnover thanks to the receding of the negative effects on passenger tendency to move of the Covid-19 pandemic as well as the absence of restrictive measures to circulation (the restriction to maximum passenger allowance on board at the level of 85% of capacity was abolished on May 2022). In this scenario of returning demand of passenger transportation services, the Company rolled out the commercial service of its new fleet of ETR470 trains, adding higher comfort and faster services between Athens and Thessaloniki on top of the existing Intercity services, which nonetheless recorded as well a very important increase in commercial results.

The Company signed a 10-year PSO Contract for the execution of arid lines with the Greek State on 14.4.2022, a contract through which the Company is bound to execute an agreed-upon timetable at tariffs and with discount policies agreed by the Greek State for a contractual compensation equal to 50 million euros per year. The Contract brought several improvements to the previous contractual framework in order for better contractual governance mechanisms to be implemented, improved transparency and clarity, as well as a commitment by the Company to execute a specific investment plan in order to enable a further 5-year extension at the expiration of the original contractual period.

As per the freight transportation business, due mostly to infrastructure capacity limits, 2022 recorded a substantial stability in the volumes and turnover of executed production, which was still focused for its major part in servicing the container traffic moving to and from Greece's most important ports (Pireus, Thessaloniki).

The Company activities and profitability were, though, severely impacted by the inflationary crisis generated over the European and Greek economy by the Russian invasion of Ukraine, a dynamic which led to steep and unexpected increases in the cost of energy first, then of raw and processed materials and then – also through the central interest rate policies of the European Central Bank and of the increases of the Greek minimum legal wage – to services and financial expenditures. In this respect, it is also important to remind that the increases in turnover were mostly generated by increases in production, with proportional increases in the direct cost base as well as the completion of hiring and training of personnel needed to service the new production targets.

Whereas the increasing cost base of the Company did not allow the very significant increase in turnover to be transferred to the Company marginality, the volume increases allowed the Company to increase efficiency in the management of its production factors without holding back its investment plan for the further and continuous expansion of its activities and improvement of its qualitative and efficiency standards. Beyond the aforementioned conclusion of the setup and homologation phase of the new ETR470 fleet, the Company also proceeded to extend its lease of rolling stock from GAIAOSE, conclude its investment in the upgrade of the Thessaloniki depot and proceed in the preparation of its new Commercial Platform which is scheduled for rollout within the first semester of 2024.

HUMAN RESOURCES

The relations between Management and employees, as well as the employee benefits are regulated by applicable Collective Labour Agreements. The Collective Labour Agreement in force has been signed on 30 December 2020, with a duration of two years. In 7th of April 2023, the Collective Labour Agreement has been re-signed, again with a duration of 2 years, hence 2023 – 2024.

Furthermore, in collaboration with OSE S.A., the Company invests in the continuous training of its employees through the Education Center as well as the participation of its executives in specialized seminar programs.

EMPLOYEES AS OF 31.12.2021	**1191**
Hired	139
Exited	102
EMPLOYEES AS OF 31.12.2022	**1228**
AVERAGE WORKFORCE 2021	**1142**
AVERAGE WORKFORCE 2022	**1206**

With regards to the above-mentioned figures and in reference to the procedures that were carried out by Human Resources during 2022, we would like to mention the following:

- 139 hirings (17 Administrative Staff, 44 technicians, 46 train drivers and 30 escorts and 2 Bus Drivers) took place in order to fulfill arisen needs in staff, while 102 dismissals (retirements, deaths, resignations, e.t.c.) took place during the reference period.
- The Company invests in mutually beneficial relationships with its staff and promotes smooth cooperation by investing in the thorough training of its human resources. The amount of the cost of the training programs and the number of employees who participated in them for the year 2022 according to the data observed by HR department are as follows:

Objective of training	Cost of training courses	Number of employees
Employee training	1.219.052,90 €	484

LABOUR AND RESPECT FOR HUMAN RIGHTS

As part of our approach to Corporate Responsibility, we systematically recognize and prioritize labour and human right issues that are linked to our activities and which may have negative effects on our stakeholders as well as on Sustainable Development at National level. The connection of the impact of our activities with the Sustainable Development was made possible, through the United Nations Sustainable Development Goals.

We methodically approach the important labour and human right issues in order to minimize any negative effects that may occur by their improper management and to increase the benefit from their proper management.

Since its foundation, the Company is distinguished for its professional ethics and its timeless values, which define every aspect of its activity, and reveal the Company’s identity to every shareholder, associate and employee and demonstrates its commitment to a standard behavior and continuous efforts for improvement in every field.

The Company pays particular attention as regards the implementation of all corporate governance guidelines as they have been developed internationally. These guidelines mainly focus on providing full and timely information to the investing public and the relevant authorities for any crucial matter concerning major developments or economic issues and as well as the protection of shareholders' rights.

Communication and awareness of all parties involved about our activities, in addition to complying with the mandatory provisions represent our primary concern, because this ensures the required transparency and strengthens the trust towards the Company.

Complying with the above, all employees contribute to the prevention and / or proper management of any case of abuse, corruption or malpractice, and ultimately contribute to the protection of the Company's reputation.

Constant education is a basic pillar of human resource development. There is a widespread perception in the Company, according to which the vision for steady improvement in business and work performance is directly related to the constant improvement of personnel skills.

The Company supports and is committed to the United Nations Universal Declaration of Human Rights and complies with the relevant legislation. Hellenic Train ’s priority is the satisfaction of its employees in terms of career development, remuneration, organization of seminars for further development. The Company examines the non-involvement of its associates in human rights violations.

SAFETY

The Company has developed and monitors strict safety regulations for both passenger and freight transportations, which ensure the safest possible transportation of passengers and freights.

A Railway Company (R.C.) must have a safety certificate in order to gain access to the railway infrastructure. This certificate consists of two parts, the certificate type A and certificate type B and is granted from the National Safety Authority.

Certificate Type A refers that the R.C. has established a Safety Management System (S.M.S.) whereas Certificate Type B confirms that it has received all the necessary measures, in order to respond to the special demands for the safe use of the railway network.

- This obligation derives from Directive (EU) 2016/798, the applicable National legislation (L. 4632/2019 A' 159) and the National Regulations of Bulgaria No. 58/02.08.2006 and No. 59/05.12.2006.
- Regulatory Authority for Railways (R.A.S.) is the regulatory body for the railway transports in Greece. R.A.S. mission is to insure fair and non-discriminatory access to the national infrastructure and services.
- R.A.S. was founded on November 2010 according to law N.3891/2010. R.A.S. and is the National Safety Authority for the Railway Transportations according to law N. 4199/2013 (ΦΕΚ Α 216/11.10.2013.
- In the end of 2022 Hellenic Train updated the safety certificates which are valid until December 2027.

Moreover, in its quality of Entity in Charge of Maintenance (ECM) in conformity with Directive (EU) 2016/798 of the European Parliament and of the Council and Commission implementing Regulation (EU) 2019/779, the Company detains an active certificate for the safety systems in its rolling stock maintenance operations, issued by R.A.S. and valid until 17/11/2027.

The Company's full commitment to the principles of safety is also enforced by the presence in the company's general representation powers of the role of Safety Manager, with unlimited spending powers for the implementation of any work and project that refers to the safety in the context of the rail transport operations.

For more details, please visit Hellenic Train 's website at https://www.hellenictrain.gr/asfaleia

THE ENVIRONMENT

As part of our approach to corporate responsibility, we systematically recognize and prioritize environmental issues that are related to our activities and which may have negative effects on our stakeholders and the general environment, as well as to the Sustainable Development at National level.

We methodically approach the environmental issues that we have identified to minimize the negative effects that may result from their improper management and thus to increase the benefit from proper management.

Continuous improvement of environmental performance ratios, prevention of pollution, the implementation of environmental legislation is a long-term commitment of the Company's Management. For this purpose, the Company applies a continuously evolving System of Integrated Management for the environment, quality, operational safety and generally all its activities.

A summarized view of the main actions taken by the Company management is presented in the following table.

ACTIONS		STATUS		
	Completed in 2021	Completed in 2022	In progress	To be launched in 2023
Development of the Environmental / Energy Management System according to ISO 14001 & 50001	X			
Development of an environmental KPIs control system		X		
Environmental Risk Analysis (ongoing process)		X	X	
Incorporation of environmental contractual terms in all HELLENIC TRAIN contracts (where applicable)	X			
Improvement of maintenance sites according to the environmental audits (ongoing process)		X	X	
Participation to the Climate Change Committee of the Attica Administrative Region			X	
Personnel awareness on environmental issues (ongoing process)		X	X	
Development of environmental management procedures in rolling stock maintenance complexes	X			
Development and observance of Electronic Waste Protocol according to law 4042/2013		X		
Establishment of Energy, Environmental and Social Responsibility Indicators to contribute to FS Group Sustainability Report		X		
Implementation of the Environmental / Energy management System		X		
Consultant Special Advisor for the Monitoring of Health and Safety at Work, Quality, Environment and Energy Legislation				X
Carbon footprint report of the company for the year 2022				X
Energy Report for the year 2022				X
Development of water measurement procedure in rolling stock maintenance complexes		X		

CUSTOMERS

Passenger transportation activity

The economic and operational results achieved in the passenger sector have been strongly influenced by the pandemic, insofar as the passenger transportation business has been one of the most exposed industries to the shock of the crisis worldwide.

The severity of the shock to the demand of passenger services was intensified by the lockdown which was enforced on the whole of the Greek territory until 4/5/2021. The Company ran an adapted, reduced timetable for the duration of the lockdown and then proceeded with a restoral of routes between the months of May and July of the year, according with the network capacity allocated by the Infrastructure Manager.

Passenger satisfaction and quality of the services

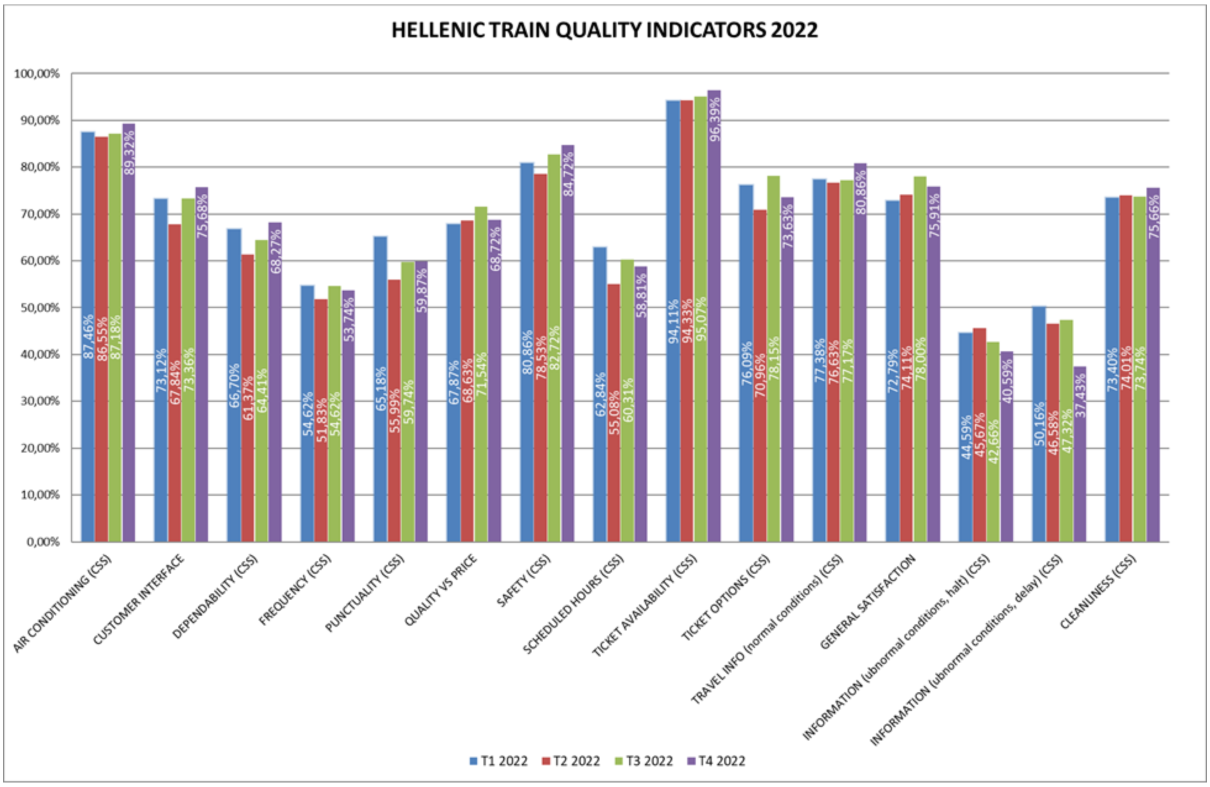
Hellenic TrainSA has established and implemented a complete **system of quality control of passenger services** according to the **European standard EN 13816 2002: "Transportation- Logistics and services - Public passenger transport- Service quality definition, targeting and measurement"**. The implementation of such system is controlled and certified by the independent Certification Body, from 2013 as regards the route Athens - Thessaloniki with Intercity trains, and **from 2017 for the entire network**.

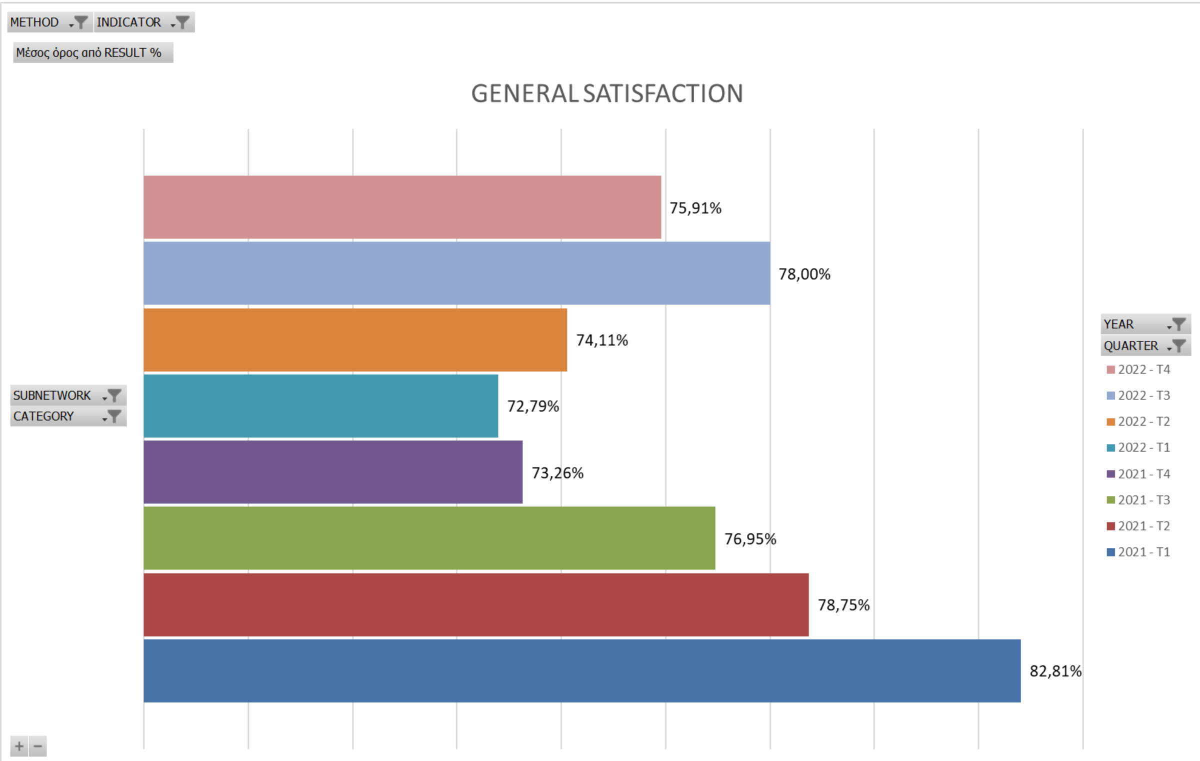
In this context, Hellenic TrainSA has organized and monitored a series of Quality Indicators so to continuously improve the provided services, on the basis of quarterly **passenger satisfaction surveys** and quarterly evaluations carried out using **secret passengers**, conducted by an independent specialized research company.

More specifically, In **the 4th quarter of 2022** the public passenger of Hellenic Train, rating their journey in the more critical Quality Criteria (KPIs):

- **75,91%** state that they are very **satisfied overall (general satisfaction)**,
- evaluate **very well to excellent** the **safety / security** they perceive in their trip at a rate of **84,72%,**
- evaluate **very well** the **cleanliness of vehicles** at a rate of **75,66%,**
- evaluate **very well the travel information** they receive from Hellenic Trainat a rate of **80,86%,**
- note weaknesses in the **punctuality** of the routes so it declared satisfied the **59,87%.**

The total picture of measurements as shown in the following graphs:





Hellenic Trainworks steadily to achieve the quality targets and the satisfaction of its passengers by implementing specific actions and improvement measures. So far, Hellenic Trainaims to continuously improve the Quality Indicators and at the same time maintain them **in positive ratings over 70%**. Cases that do not meet these two conditions are investigated in order to launch appropriate corrective actions.

Freight

The Freight sector maintained a stable activity in line with the previous year, with further possibilities for expansion of volumes and turnover being partially impeded by lack of infrastructural capacity especially in the bordering countries, necessary passage on the South-Eastern European freight corridors.

Whereas the main business line continued to be the servicing of freight to and from the port of Piraeus, strengthened production was achieved from and to the Thessaloniki port.

A particularly important service has been linked to steel and military transport sectors, in particular on the segments of network originating from Alexandroupoli.

ECONOMIC TREND AND FINANCIAL POSITION

Separate reclassified statements, different from those envisaged by the IFRS-EU accounting standards adopted by FS Group, have been prepared (as detailed in the Notes), in order to illustrate the Company's economic and financial results. These reclassified statements contain alternative performance indicators with respect to those deriving directly from the financial statements, which the management considers to be useful for the purpose of monitoring the Company's performance, as well as representative of the economic and financial results generated by the business. The methods for calculating these indicators are indicated in the "Legend and Glossary" section.

Sales turnover for 2022 amounted to € 82.103.990 compared to € 57.739.132 in the corresponding period of 2021, i.e. an increase of approximately 42,20%. This significant increase is mainly due to the rise in passenger sales by 77,97% and to the effects of the undercompensation protection mechanisms of the new PSO Contract (+30,05%). Worth mentioning is also the increase of Other Income (+93,40%) due to the recognition of insurance compensations and the recognition of benefit from the partial return of the leased fleet of rolling stock. The aforementioned factors, led the total income of the Company (including financial income) to increase from € 112.338.791 in 2021 to € 153.897.412 in 2022 (+36,99%).

The total expenses of the Company recorded an increase in 2022 (+38,95%) i.e. from € 90,759,412 in the year 2021 to € 126.111.228 in the year 2022. This change is a function of a series of opposite variations in specific cost items. Personnel costs increased, from € 41.519.356 to €47.756.114 due to the provisions of the Collective Labour Agreement in force and to the increased personnel count, needed to service the increased production volumes. On the energy costs, electricity traction costs increased partially in proportion with the electrified trainkm produced by the Company and significantly due to price factors, from € 7.151.385 in 2021 to €14.889.985 for 2022; on the other hand, the reduced amount of diesel train-kms could not lead to a saving, due to the increases in unitary prices of fuel. Important changes are also recorded in the quantification of infrastructure access charges (from €12.748.163 of 2021, to € 18.240.282 of 2022), due to increase of train km for 2022 and to the apposition of a contingency fund. Security costs and Maintenance costs increased, both linked to the arrival in Greece of new units of rolling stock, for the needs of servicing such new assets led to the activation of new contracts with third parties. Also there was an significant increase to Rent of means of transport connected to the performing of substitutive bus routes over PSO contractual lines where the rail network was temporarily unavailable.

All of the above factors led the Company's EBITDA , from € 21.579.379 to € 27.786.185. Whereas depreciations remained substantially stable, and the positive outcome of legal cases, the increase of provision for doubtful debts, and provisions for obsolescence of inventories resulted in a reduction of the Company's Operating Result (EBIT), which reached € 2,112,246 (up from EBIT of € 4,813,662 recorded in 2021).

Whereas the net financial result has deteriorated with respect to previous year, the net income tax effect absorbed a big part of the negative result before taxes (€ 2.081.567), allowing the Company to close the year 2022 with a negative result after taxes of € (883.428), in comparison with a profit of € 56.985 recorded in 2021.

Amounts in euro	**1/1-31/12/2022**	**1/1-31/12/2021**
Revenues from passenger transportation	65,003,412	36,525,721
Revenues from freight transportation	14,713,000	15,268,213
Revenues from PSO	65,027,965	50,000,000
Revenues from maintenance to thirds	2,299,882	5,612,884
Income of exchange of rolling stock	87,697	332,313
Income from contributions	-	-
Other operating income	647,251	1,322,279
Other income	6,118,207	3,277,380
Total revenues	**153,897,412**	**112,338,791**
Personnel cost	(47,756,114)	(41,519,356)
Spare parts – Consumables	(1,671,626)	(866,104)
Electricity	(14,889,985)	(7,151,385)
Fuel	(11,520,747)	(8,327,313)
Network utilization duties	(18,240,282)	(12,748,163)
Rent of exchange of rolling stock	(1,523,681)	(1,472,586)
Cleaning services	(3,920,784)	(2,174,667)
Maintenance services	(6,083,550)	(2,097,715)
Real Estate Services and utilities (3rd party Security of Real Estate)	(2,665,266)	(2,129,304)
Lease of real estate	(353,218)	(56,497)
Rent of means of transport	(2,322,225)	(317,240)
Other expenses	(15,163,750)	(11,899,080)
Total expenses	**(126,111,228)**	**(90,759,412)**
Gross operating margin (EBITDA)	**27,786,185**	**21,579,379**
Depreciations	(22,994,285)	(19,310,950)
Provisions	(2,679,654)	2,545,233
Operating result (EBIT)	**2,112,246**	**4,813,662**
Net financial result	(4,193,813)	(3,227,802)
Result before taxes	**(2,081,567)**	**1,585,860**
Income taxes	1,198,139	(1,528,875)
Result after taxes	**(883,428)**	**56,985**

INVESTMENTS

On July 23rd of 2019, the purchase contract of 5 trains from Trenitalia has been signed for a total consideration of 47,5 million euros. In 2022, further works performed on the technological and comfort systems of the trains for a consideration of further 10,5 milion euros have been recognized. The fleet, having been consigned during 2021 and completed the homologation process on the Greek rail infrastructure with the Regulatory Authority for Railways (RAS) during early 2022, entered commercial service on May 15th 2022, performing two daily roundtrips between Athens and Thessaloniki with an express service which secured a link between the two major cities of Greece in less than four hours with high comfort and safety standards.

The Company also progressed with the development of a new Commercial Platform based on the solutions already in use from the other passenger transportation companies of the FS Group and customized for the needs of the Greek market, adding further functionalities for a complete user experience and full multichannel interoperability, for an investment value of 1,65 million euros to which further 0,57 million euros have been added as orders of 2022. The development was still in progress at year end and rollout is expected to take place within the first semester of 2024.

RELATED PARTY TRANSACTIONS

Interrelations between HELLENIC TRAIN S.A., FS Italiane Group companies, and between these and other related parties are generally carried according to criteria of fairness, with the aim of ensuring mutual economic convenience, guided by the normal market conditions, which - where appropriate - are even identified with the help of external consultants; inter-company transactions share the common goal of creating efficiency and, therefore, value for FS Italiane Group as a whole.

These processes and transactions take place in compliance with the sector-specific, civil and tax legislation, in compliance with the Group and the Corporate Administrative Accounting Procedures and taking into account the characteristics and the specific aspects of the activities carried out by many of the Group's companies.

The most significant transactions are analyzed in the table below:

Values in Euros

Company's Name	**31/12/2022**					**2022**	
Parent companies	Receivables	Payables	Loans	Acquisition of rolling stock & commercial platform	Finance costs – Loans	Costs	Revenues
FERROVIE DELLO STATO ITALIANE S.p.A.	-	(49.205)	57.556.386	-	545.339	-	-
FS TECHNOLOGY	-	834.600	-	84.600	-	705.450	-
TRENITALIA/CORP S.p.A.	-	50.149.117	-	19.276.980	-	1.455.988	474.947
RFI	-	18.423	-	-	-	37.094	-
MERCITALIA SHUNTING & RAIL	-	-	-	-	-	-	-

MANAGEMENT OUTLOOK

As mentioned in the foreword to this Report, the outlook for 2023 has been dramatically impacted by both the Tempi accident of 28/2 and the Daniel weatherstorm in early September of 2023, and it is still under assessment how the scheduled operations and innovative initiatives for the rest of the year might be affected, being still uncertain how and when the rail infrastructure will be made available for circulation, and to what degree the infrastructure capacity will be made available to railway undertakings.

Taking into account this uncertainty, the management of the Company aims to keep improving, on the side of passenger transportation, the quality of the services rendered, with particular attention to the rollout of new technologies for the customer experience (ticketing, passenger information and after sales management) and to the optimization of the passenger timetable, strengthening the rail service in peripherical lines of Northern and Central Greece.

Taking into account the customer centricity of the Company's approach to its business activities and the non negotiable principles of maximum safety for circulation and technical processes, an important investment plan is being rolled out for the upgrade of its maintenance bases in order to comply with the highest safety standards and in order to ensure to each passenger a safe, comfortable and punctual trip.

With respect to the freight transportation business, a significant expansion of the Company business is expected to be the award of the 30 year concession for the development and management of the Thriassio II freight terminal located in Aspropirgos, strategically located on the freight corridor starting from the Pireus (Ikonio) port and accessing the north-south rail axis of Greece. At the same time the Company will start new services aimed at servicing multi-client transports within the borders, opening a new product line further to the established service of international traffic connecting the Greek ports to Central Europe destinations and adding an important contribution to the resiliency and development of the Greek logistic industry.

Athens, 16/10/2023

Maurizio CAPOTORTO	Prof. Dario LO BOSCO
Chief Executive Officer	Chairman of Board of Directors
HELLENIC TRAIN S.A.	HELLENIC TRAIN S.A.

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Έκθεση Ανεξάρτητου Ορκωτού Ελεγκτή

Προς τους Μετόχους της
Hellenic Train Ανώνυμη Σιδηροδρομική Εταιρεία

Έκθεση Ελέγχου επί των Χρηματοοικονομικών Καταστάσεων

Γνώμη

Έχουμε ελέγξει τις συνημμένες Χρηματοοικονομικές Καταστάσεις της Hellenic Train Ανώνυμη Σιδηροδρομική Εταιρεία (η «Εταιρεία») που αποτελούνται από την Κατάσταση Χρηματοοικονομικής Θέσης της 31 Δεκεμβρίου 2022, τις Καταστάσεις Συνολικού Εισοδήματος, Μεταβολών Ιδίων Κεφαλαίων και Ταμειακών Ροών της χρήσης που έληξε την ημερομηνία αυτή, καθώς και τις Σημειώσεις που περιλαμβάνουν περίληψη σημαντικών λογιστικών αρχών και μεθόδων και λοιπές επεξηγηματικές πληροφορίες.

Κατά τη γνώμη μας, εκτός από τις επιπτώσεις του πρώτου θέματος και τις πιθανές επιπτώσεις του δεύτερου θέματος που περιγράφονται στην ενότητα της έκθεσής μας «Βάση για Γνώμη με Επιφύλαξη», οι συνημμένες Χρηματοοικονομικές Καταστάσεις παρουσιάζουν εύλογα, από κάθε ουσιώδη άποψη, τη χρηματοοικονομική θέση της Hellenic Train Ανώνυμη Σιδηροδρομική Εταιρεία κατά την 31 Δεκεμβρίου 2022, τη χρηματοοικονομική της επίδοση και τις ταμειακές της ροές για τη χρήση που έληξε την ημερομηνία αυτή σύμφωνα με τα Διεθνή Πρότυπα Χρηματοοικονομικής Αναφοράς, όπως αυτά έχουν υιοθετηθεί από την Ευρωπαϊκή Ένωση.

Βάση για Γνώμη με Επιφύλαξη

Από τον έλεγχό μας προέκυψαν τα εξής:

1. Κατά παρέκκλιση των λογιστικών αρχών που προβλέπονται από τα Διεθνή Πρότυπα Χρηματοοικονομικής Αναφοράς, όπως αυτά έχουν υιοθετηθεί από την Ευρωπαϊκή Ένωση, η Εταιρεία αναγνώρισε συμβατικές απαιτήσεις οι οποίες δεν πληρούσαν τα κριτήρια αναγνώρισης του ΔΠΧΑ 15 ύψους ΕΥΡΩ 4 100 χιλιάδων, από το οποίο ποσό ΕΥΡΩ 300 χιλιάδες αφορά προηγούμενες χρήσεις. Κατά συνέπεια, οι Απαιτήσεις και το Σύνολο των Ιδίων Κεφαλαίων εμφανίζονται αυξημένα κατά ΕΥΡΩ 4 100 χιλιάδες αντίστοιχα, ενώ οι Ζημιές της τρέχουσας και προηγούμενης χρήσης εμφανίζονται μειωμένες κατά ΕΥΡΩ 3 800 χιλιάδες και ΕΥΡΩ 300 χιλιάδες αντίστοιχα.

2. Στις Λοιπές Βραχυπρόθεσμες Απαιτήσεις περιλαμβάνονται υπόλοιπα απαιτήσεων από επιχειρήσεις δημόσιας ωφέλειας που προέρχονται από την παροχή υπηρεσιών συντήρησης σιδηροδρομικού τροχαίου υλικού ύψους ΕΥΡΩ 23 εκατομμύρια περίπου, για τα οποίες δεν κατέστη δυνατό να συγκεντρώσουμε επαρκή και κατάλληλα ελεγκτικά τεκμήρια με εναλλακτικά μέσα σχετικά με την πρόοδο ελέγχου και αποδοχής των υπηρεσιών αυτών όπως προβλέπεται από τις σχετικές συμβάσεις καθώς και την συμφωνία του τελικού υπολοίπου από τις αντισυμβαλλόμενες με την Εταιρεία επιχειρήσεις δημοσίας ωφέλειας κατά την

31 Δεκεμβρίου 2022. Κατά συνέπεια, δεν είμαστε σε θέση να εκτιμήσουμε εάν είναι απαραίτητες οποιεσδήποτε προσαρμογές των σχετικών κονδυλίων των Χρηματοοικονομικών Καταστάσεων.

Έμφαση Θέματος

1. Εφιστούμε την προσοχή σας στη Σημείωση 19 και 32 επί των Χρηματοοικονομικών Καταστάσεων, όπου περιγράφεται η βάση υπολογισμού των εξόδων για τέλη πρόσβασης και χρήσης υποδομής για την κυκλοφορία των συρμών της Εταιρείας στο ελληνικό σιδηροδρομικό δίκτυο. Η Εταιρεία εξακολουθεί να επιμετρά τα ανωτέρω τέλη για τις χρήσεις 2020 ως και 2022 με υπολογισμούς που βασίζονται στις Δηλώσεις Δικτύου 2019 και όχι σύμφωνα με τις χρεώσεις που προέρχονται από τον διαχειριστή της εθνικής σιδηροδρομικής υποδομής σύμφωνα με τις σχετικές Δηλώσεις Δικτύου ετών 2020-2022 βάσει εκτίμησης της για απόσυρση ή τροποποίηση των ήδη εκδοθέντων Δηλώσεων Δικτύου 2020 ως και 2022 μετά από τις σχετικές προσφυγές που έχουν κατατεθεί από την Εταιρεία. Στη γνώμη μας δε διατυπώνεται επιφύλαξη σε σχέση με το θέμα αυτό.
2. Εφιστούμε τη προσοχή σας στη σημείωση 38 επί των Χρηματοοικονομικών Καταστάσεων όπου περιγράφεται το γεγονός της σύγκρουσης δυο αμαξοστοιχιών μεταγενέστερα του τέλους χρήσης της Εταιρείας, καθώς και η εκτιμώμενη επίδραση του στην οικονομική θέση της Εταιρείας. Στη γνώμη μας δε διατυπώνεται επιφύλαξη σε σχέση με το θέμα αυτό.

Διενεργήσαμε τον έλεγχό μας σύμφωνα με τα Διεθνή Πρότυπα Ελέγχου (ΔΠΕ), όπως αυτά έχουν ενσωματωθεί στην Ελληνική Νομοθεσία. Οι ευθύνες μας, σύμφωνα με τα πρότυπα αυτά περιγράφονται περαιτέρω στην ενότητα της έκθεσής μας «Ευθύνες Ελεγκτή για τον Έλεγχο των Χρηματοοικονομικών Καταστάσεων». Είμαστε ανεξάρτητοι από την Εταιρεία σύμφωνα με τον Διεθνή Κώδικα Δεοντολογίας για Επαγγελματίες Λογιστές του Συμβουλίου Διεθνών Προτύπων Δεοντολογίας Λογιστών, όπως αυτός έχει ενσωματωθεί στην Ελληνική Νομοθεσία, και τις απαιτήσεις δεοντολογίας που σχετίζονται με τον έλεγχο των χρηματοοικονομικών καταστάσεων στην Ελλάδα και έχουμε εκπληρώσει τις άλλες δεοντολογικές μας υποχρεώσεις σύμφωνα με τις απαιτήσεις της ισχύουσας νομοθεσίας. Πιστεύουμε ότι τα ελεγκτικά τεκμήρια που έχουμε αποκτήσει είναι επαρκή και κατάλληλα να παρέχουν βάση για τη γνώμη μας με επιφύλαξη.

Άλλες Πληροφορίες

Το Διοικητικό Συμβούλιο είναι υπεύθυνο για τις άλλες πληροφορίες. Οι άλλες πληροφορίες περιλαμβάνονται στην Έκθεση Διαχείρισης του Διοικητικού Συμβουλίου, για την οποία γίνεται σχετική αναφορά στην «Έκθεση επί Άλλων Νομικών και Κανονιστικών Απαιτήσεων», αλλά δεν περιλαμβάνουν τις Χρηματοοικονομικές Καταστάσεις και την έκθεση ελέγχου επί αυτών.

Η γνώμη μας επί των Χρηματοοικονομικών Καταστάσεων δεν καλύπτει τις άλλες πληροφορίες και δεν εκφράζουμε με τη γνώμη αυτή οποιασδήποτε μορφής συμπέρασμα διασφάλισης επί αυτών.

Σε σχέση με τον έλεγχό μας επί των Χρηματοοικονομικών Καταστάσεων, η ευθύνη μας είναι να αναγνώσουμε τις άλλες πληροφορίες και, με τον τρόπο αυτό, να εξετάσουμε εάν αυτές είναι ουσιωδώς ασυνεπείς με τις Χρηματοοικονομικές Καταστάσεις ή τις γνώσεις που αποκτήσαμε κατά τον έλεγχο, ή αλλιώς φαίνεται να είναι ουσιωδώς εσφαλμένες. Εάν, με βάση τις εργασίες που έχουμε εκτελέσει, καταλήξουμε στο συμπέρασμα ότι υπάρχει ουσιώδες σφάλμα σε αυτές τις άλλες πληροφορίες, είμαστε υποχρεωμένοι να αναφέρουμε το γεγονός αυτό. Εκτός από τις επακόλουθες επιπτώσεις του πρώτου θέματος και τις πιθανές επακόλουθες επιπτώσεις του δεύτερου θέματος που περιγράφονται στην ενότητα Βάση για γνώμη με επιφύλαξη της έκθεσής μας, επί των σχετικών γνωστοποιήσεων στην Έκθεση του Διοικητικού Συμβουλίου, δεν έχουμε τίποτα να αναφέρουμε σχετικά με το θέμα αυτό.

Ευθύνες του Διοικητικού Συμβουλίου επί των Χρηματοοικονομικών Καταστάσεων

Το Διοικητικό Συμβούλιο έχει την ευθύνη για την κατάρτιση και εύλογη παρουσίαση των Χρηματοοικονομικών Καταστάσεων σύμφωνα με τα Διεθνή Πρότυπα Χρηματοοικονομικής Αναφοράς, όπως αυτά έχουν υιοθετηθεί από την Ευρωπαϊκή Ένωση, , όπως και για εκείνες τις δικλίδες εσωτερικού ελέγχου, που το Διοικητικό Συμβούλιο καθορίζει ως απαραίτητες ώστε να καθίσταται δυνατή η κατάρτιση χρηματοοικονομικών καταστάσεων, απαλλαγμένων από ουσιώδες σφάλμα, που οφείλεται είτε σε απάτη είτε σε λάθος.

Κατά την κατάρτιση των Χρηματοοικονομικών Καταστάσεων, το Διοικητικό Συμβούλιο είναι υπεύθυνο για την αξιολόγηση της ικανότητας της Εταιρείας να συνεχίσει τη δραστηριότητά της, γνωστοποιώντας όπου συντρέχει τέτοια περίπτωση, τα θέματα που σχετίζονται με τη συνεχιζόμενη δραστηριότητα και τη χρήση της λογιστικής αρχής της συνεχιζόμενης δραστηριότητας, εκτός και εάν το Διοικητικό Συμβούλιο είτε προτίθεται να ρευστοποιήσει την Εταιρεία ή να διακόψει τη δραστηριότητά της ή δεν έχει άλλη ρεαλιστική εναλλακτική επιλογή από το να προχωρήσει σε αυτές τις ενέργειες.

Ευθύνες Ελεγκτή για τον Έλεγχο των Χρηματοοικονομικών Καταστάσεων

Οι στόχοι μας είναι να αποκτήσουμε εύλογη διασφάλιση για το κατά πόσο οι Χρηματοοικονομικές Καταστάσεις στο σύνολό τους είναι απαλλαγμένες από ουσιώδες σφάλμα, που οφείλεται είτε σε απάτη, είτε σε λάθος, και να εκδώσουμε έκθεση ελεγκτή, η οποία περιλαμβάνει τη γνώμη μας. Η εύλογη διασφάλιση συνιστά διασφάλιση υψηλού επιπέδου, αλλά δεν είναι εγγύηση ότι ο έλεγχος που διενεργείται σύμφωνα με τα ΔΠΕ, όπως αυτά έχουν ενσωματωθεί στην Ελληνική Νομοθεσία, θα εντοπίζει πάντα ένα ουσιώδες σφάλμα, όταν αυτό υπάρχει. Σφάλματα δύναται να προκύψουν από απάτη ή από λάθος και θεωρούνται ουσιώδη όταν, μεμονωμένα ή αθροιστικά, θα μπορούσε εύλογα να αναμένεται ότι θα επηρέαζαν τις οικονομικές αποφάσεις των χρηστών που λαμβάνονται με βάση αυτές τις Χρηματοοικονομικές Καταστάσεις.

Στα πλαίσια του ελέγχου, σύμφωνα με τα ΔΠΕ, όπως αυτά έχουν ενσωματωθεί στην Ελληνική Νομοθεσία, ασκούμε επαγγελματική κρίση και διατηρούμε επαγγελματικό σκεπτικισμό καθ' όλη τη διάρκεια του ελέγχου. Επίσης:

- Εντοπίζουμε και αξιολογούμε τους κινδύνους ουσιώδους σφάλματος στις χρηματοοικονομικές καταστάσεις, που οφείλεται είτε σε απάτη είτε σε λάθος, σχεδιάζοντας και διενεργώντας ελεγκτικές διαδικασίες που ανταποκρίνονται στους κινδύνους αυτούς και αποκτούμε ελεγκτικά τεκμήρια που είναι επαρκή και κατάλληλα για να παρέχουν βάση για τη γνώμη μας. Ο κίνδυνος μη εντοπισμού ουσιώδους σφάλματος που οφείλεται σε απάτη είναι υψηλότερος από αυτόν που οφείλεται σε λάθος, καθώς η απάτη μπορεί να εμπεριέχει συμπαιγνία, πλαστογραφία, εσκεμμένες παραλείψεις, ψευδείς διαβεβαιώσεις ή παράκαμψη των δικλίδων εσωτερικού ελέγχου.

- Κατανοούμε τις δικλίδες εσωτερικού ελέγχου που σχετίζονται με τον έλεγχο, με σκοπό το σχεδιασμό ελεγκτικών διαδικασιών κατάλληλων για τις περιστάσεις, αλλά όχι με σκοπό τη διατύπωση γνώμης επί της αποτελεσματικότητας των δικλίδων εσωτερικού ελέγχου της Εταιρείας.

- Αξιολογούμε την καταλληλότητα των λογιστικών αρχών και μεθόδων που χρησιμοποιήθηκαν και το εύλογο των λογιστικών εκτιμήσεων και των σχετικών γνωστοποιήσεων που έγιναν από το Διοικητικό Συμβούλιο.

- Αποφαινόμαστε για την καταλληλότητα της χρήσης από το Διοικητικό Συμβούλιο της λογιστικής αρχής της συνεχιζόμενης δραστηριότητας και με βάση τα ελεγκτικά τεκμήρια που αποκτήθηκαν για το αν υπάρχει ουσιώδης αβεβαιότητα σχετικά με γεγονότα ή συνθήκες που μπορεί να υποδηλώνουν ουσιώδη αβεβαιότητα ως προς την ικανότητα της Εταιρείας να συνεχίσει τη δραστηριότητά της. Αν συμπεράνουμε ότι υφίσταται ουσιώδης αβεβαιότητα, είμαστε υποχρεωμένοι στην έκθεση ελεγκτή να επιστήσουμε την προσοχή στις σχετικές γνωστοποιήσεις των Χρηματοοικονομικών Καταστάσεων ή, αν αυτές οι γνωστοποιήσεις είναι ανεπαρκείς, να διαφοροποιήσουμε τη γνώμη μας. Τα συμπεράσματά μας βασίζονται σε ελεγκτικά τεκμήρια που αποκτώνται μέχρι την ημερομηνία της έκθεσης ελεγκτή. Ωστόσο, μελλοντικά γεγονότα ή συνθήκες ενδέχεται να έχουν ως αποτέλεσμα η Εταιρεία να παύσει να λειτουργεί ως συνεχιζόμενη δραστηριότητα.
- Αξιολογούμε τη συνολική παρουσίαση, τη δομή και το περιεχόμενο των χρηματοοικονομικών καταστάσεων, συμπεριλαμβανομένων των γνωστοποιήσεων, καθώς και το κατά πόσο οι Χρηματοοικονομικές Καταστάσεις απεικονίζουν τις υποκείμενες συναλλαγές και τα γεγονότα με τρόπο που επιτυγχάνεται η εύλογη παρουσίαση.

Μεταξύ άλλων θεμάτων, κοινοποιούμε στο Διοικητικό Συμβούλιο, το σχεδιαζόμενο εύρος και το χρονοδιάγραμμα του ελέγχου, καθώς και σημαντικά ευρήματα του ελέγχου, συμπεριλαμβανομένων όποιων σημαντικών ελλείψεων στις δικλίδες εσωτερικού ελέγχου εντοπίζουμε κατά τη διάρκεια του ελέγχου μας.

Έκθεση επί Άλλων Νομικών και Κανονιστικών Απαιτήσεων

1. Έκθεση Διαχείρισης Διοικητικού Συμβουλίου

Το Διοικητικό Συμβούλιο έχει την ευθύνη για την κατάρτιση της Έκθεσης Διαχείρισης του Διοικητικού Συμβουλίου. Η γνώμη μας επί των Χρηματοοικονομικών Καταστάσεων δεν καλύπτει την Έκθεση Διαχείρισης του Διοικητικού Συμβουλίου και δεν εκφράζουμε γνώμη ελέγχου επ' αυτής. Η ευθύνη μας είναι να αναγνώσουμε την Έκθεση Διαχείρισης του Διοικητικού Συμβουλίου και, με τον τρόπο αυτό, να εξετάσουμε εάν, με βάση τον έλεγχό μας επί των Χρηματοοικονομικών Καταστάσεων, οι πληροφορίες που περιέχονται σε αυτήν είναι ουσιωδώς εσφαλμένες ή ασυνεπείς με τις Χρηματοοικονομικές Καταστάσεις ή τις γνώσεις που αποκτήσαμε κατά τον έλεγχό μας. Με βάση αποκλειστικά αυτή την εργασία κατ' εφαρμογή των διατάξεων της παραγράφου 5 του Άρθρου 2 (μέρος Β) του Ν. 4336/2015, σημειώνουμε ότι:

(α) Κατά τη γνώμη μας η Έκθεση Διαχείρισης του Διοικητικού Συμβουλίου έχει καταρτισθεί σύμφωνα με τις ισχύουσες νομικές απαιτήσεις του Άρθρου 150 του Ν. 4548/2018 και το περιεχόμενο αυτής αντιστοιχεί με τις συνημμένες Χρηματοοικονομικές Καταστάσεις της χρήσης που έληξε την 31 Δεκεμβρίου 2022.

(β) Με βάση τη γνώση που αποκτήσαμε κατά τον έλεγχό μας, για την Hellenic Train Ανώνυμη Σιδηροδρομική Εταιρεία και το περιβάλλον της, δεν έχουμε εντοπίσει ουσιώδεις ανακρίβειες στην Έκθεση Διαχείρισης του Διοικητικού Συμβουλίου εκτός από τις επιπτώσεις του πρώτου θέματος και τις τυχόν επιπτώσεις του δευτέρου θέματος που περιγράφονται στην παράγραφο Βάση για γνώμη με επιφύλαξη της έκθεσης ελέγχου.

Αθήνα, 20 Οκτωβρίου 2023

KPMG Ορκωτοί Ελεγκτές Α.Ε.
ΑΜ ΣΟΕΛ 114

Φίλιππος Κάσσος Ορκωτός Ελεγκτής Λογιστής
ΑΜ ΣΟΕΛ 26311

Annual financial report as of 31 December 2022

Statement of Financial Position

	Notes	31.12.2022	31.12.2021
			values in Euros
Non-Current Assets			
Property, plant and equipment	**5**	80.920.805	64.163.703
Royalties to Property, plant and equipment (Finance Lease-IFRS 16)	**6**	104.779.791	54.008.646
Spare Parts of rolling stock	**5**	24.484.471	21.144.602
Intangible assets	**7**	1.369.010	1.621.194
Deferred tax assets	**8**	5.356.550	4.204.227
Other non-current assets	**9.1**	904.643	917.436
Total non-current assets		**217.815.269**	**146.059.808**
Current Assets			
Inventories	**11**	3.390.388	4.973.301
Current trade receivables	**10**	40.186.388	7.003.876
Other Current Assets	**12**	87.881.574	50.368.853
Cash and cash equivalents	**9.2**	23.016.455	17.847.293
Total Current Assets		**154.474.805**	**80.193.323**
Total Assets		**372.290.074**	**226.253.131**
Equity			
Share capital	**13**	34.406.509	34.406.509
Reserves	**13**	(690.049)	(852.487)
Profits (Losses) carried forward	**13**	(12.260.527)	(12.317.511)
Profit (Loss) for the financial year	**13**	(883.428)	56.985
Total Shareholders' Equity		**20.572.504**	**21.293.496**
Non-Current Liabilities			
Medium/long-term loans	**14**	28.500.000	32.300.000
Post-employment benefits and other employee benefits	**15**	3.883.813	4.882.524
Provisions for risks and charges	**16**	6.443.821	6.830.309
Non-current financial liabilities (including derivatives)	**17**	93.814.796	44.771.081
Other non-current liabilities	**18**	70.000	70.000
Total non-current liabilities		**132.712.431**	**88.853.914**
Current Liabilities			
Short-term loans and current portion medium/long-term loans	**14**	29.056.386	3.992.553
Current trade payables	**19**	154.977.358	80.284.005
Current financial liabilities (IFRS 16)	**17**	14.504.653	11.711.664
Other current liabilities	**18**	20.466.742	20.117.499
Total current liabilities		**219.005.139**	**116.105.721**
Total liabilities		**351.717.570**	**204.959.635**
Total Equity and liabilities		**372.290.074**	**226.253.131**

The accompanying notes in pages 30 to 89 are integral part of the Financial statements.

Income statement

Values in euro

	Notes	2022	2021
Income from sales and services	**20**	82.103.990	57.739.132
Revenue from PSO (Public Service Obligation)	**20**	65.027.965	50.000.000
Income from contributions	**20**	-	-
Other income	**21**	6.765.457	4.643.122
Total revenue and income		**153.897.412**	**112.382.254**
Personnel costs	**22**	(47.756.114)	(41.519.356)
Raw materials, consumables, supplies and merchandise	**23**	(28.082.358)	(16.344.803)
Costs for services	**24**	(42.134.848)	(29.644.664)
Costs for leased assets	**25**	(2.675.443)	(373.738)
Other operating costs	**26**	(5.462.465)	(2.920.314)
Total operating costs		**(126.111.228)**	**(90.802.875)**
Amortisations	**28**	(22.994.285)	(19.310.950)
Provisions		(2.679.654)	2.545.233
Operating income		**2.112.246**	**4.813.662**
Financial income	**29**	718	16.669
Financial expenses	**30**	(4.194.531)	(3.244.471)
Total financial income and expenses		**(4.193.813)**	**(3.227.802)**
Income before taxes		**(2.081.567)**	**1.585.860**
Income taxes	**31**	1.198.139	(1.528.875)
Net operating result		**(883.428)**	**56.985**

The accompanying notes in pages 30 to 89 are integral part of the Financial statements.

Statement of comprehensive income

values in Euros

	Notes	2022	2021
Net operating result		**(883.428)**	**56.985**
Actuarial Gains/ (Losses) of Defined Personnel Benefits	**15**	208.253	1.029.645
Deferred Tax on other Comprehensive Income	**8**	(45.816)	(226.522)
Actuarial Gains/ (Losses) of DBO on Receivables		-	(305.111)
Total comprehensive income for the fiscal year		**(720.991)**	**554.997**

The accompanying notes in pages 30 to 89 are integral part of the Financial statements.

Statement of changes in Equity

	Share capital	Reserve for actuarial gains/(losses) for employee benefits	Extraordinary reserve due to merge with EESSTY S.A.	Other reserves	Total Reserves	Profits (losses) carried forward	Profit (loss) for the financial year	Total Shareholders' Equity
Balance as of 1 January 2021	**34.406.509**	**(4.149.501)**	**2.785.908**	**13.094**	**(1.350.498)**	**(12.317.511)**	**-**	**20.738.500**
Change In accounting Estimate*	-	-	-	-	-	-	-	-
Capital increase (capital reduction)	-	-	-	-	-	-	-	-
Other changes due to merge with EESSTY S.A.	-	-	-	-	-	-	-	-
Total Profit/(Losses) recognised of which:	-	-	-	-	-	-	-	-
Profit/(Loss) for the financial year	-	-	-	-	-	-	**56.985**	**56.985**
Profits/(Losses) recognised directly in Equity	-	**498.012**	-	-	**498.012**	-	-	**498.012**
Balance as of 31 December 2021	**34.406.509**	**(3.651.489)**	**2.785.908**	**13.094**	**(852.487)**	**(12.317.511)**	**56.985**	**21.293.496**
Balance as of 1 January 2022	**34.406.509**	**(3.651.489)**	**2.785.908**	**13.094**	**(852.487)**	**(12.260.526)**	**-**	**21.293.496**
Capital increase (capital reduction)	-	-	-	-	-	-	-	-
Other changes	-	-	-	-	-	-	-	-
Total Profit/(Losses) recognised of which:	-	-	-	-	-	-	-	-
Profit/(Loss) for the financial year	-	-	-	-	-	-	**(883.428)**	**(883.428)**
Profits/(Losses) recognised directly in Equity	-	**162.437**	-	-	**162.437**	-	-	**162.437**
Balance as of 31 December 2022	**34.406.509**	**(3.489.052)**	**2.785.908**	**13.094**	**(690.049)**	**(12.260.526)**	**(883.428)**	**20.572.504**

The accompanying notes in pages 30 to 89 are integral part of the Financial statements.

Statement of cash flows

Values in euros

	1/1-31/12/2022	1/1- 31/12/2021
CASH FLOW FROM OPERATING ACTIVITIES		
Profit(loss) for the period	**(883.428)**	**56.985**
Plus / (Minus) Adjustments on:		
Income Taxes	(1.198.139)	1.528.875
Amortization and depreciation	22.994.285	19.310.950
Risk provisions	1.329.154	(5.159.373)
Accruals for employee benefits payment	560.043	2.288.380
Financial interest and related expenses	4.194.531	3.244.471
Financial and related income	(718)	(16.669)
Total	**26.995.728**	**21.253.619**
Changes in Working Capital		
(Increase) / Decrease in inventory	(3.367.087)	(4.991.520)
(Increase) / Decrease in short-term receivables	(71.853.479)	476.328
(Increase) / Decrease in long-term receivables	12.794	(2.113)
Increase / (Decrease) in liabilities	45.399.719	(20.069.341)
Increase / (Decrease) of restricted cash	-	1.500.000
Payment of employee benefits	(1.037.926)	(586.534)
Less:		
Paid interest and relevant expenses	(468.903)	(280.389)
Paid income tax	(260.471)	(165.646)
Paid compensation for other risks	(561.104)	(87.500)
Total inflows / (outflows) from Operating Activities	**(5.140.729)**	**(2.953.096)**
CASH FLOW FROM INVESTING		
Purchases of property, plant and equipment	(10.354.101)	(13.501.359)
Matured interests	718	15.355
NET CASH FLOW GENERATED FROM INVESTING AC TIVITIES	**(10.353.383)**	**(13.486.004)**
CASH FLOW FROM FINANCING ACTIVITIES		
Loans received	25.000.000	13.000.000
Loans paid	(3.800.000)	(2.900.000)
Cash inflow due to merger	-	-
Interest paid	(536.726)	(577.522)
NET CASH FLOW GENERATED FROM FINANCING ACTIVITIES	**20.663.274**	**10.389.490**
Total cash flow generated in the year	**5.169.161**	**(6.049.610)**
Cash and cash equivalents at the beginning of the period	17.847.293	23.896.903
Cash and cash equivalents at the end of the period	**23.016.455**	**17.847.293**

The accompanying notes in pages 30 to 89 are integral part of the Financial statements.

Notes on the financial statements

1. Preliminary remarks

«HELLENIC TRAIN – RAILWAY COMPANY SOCIETE ANONYME» (henceforth also referred to as the "Company") has the legal entity of a Societe Anonyme, is registered in the Societe Anonyme Register with no. 59777/001/B/05/0584 and in Greek Business Register with no. 6780801000.

The Company was established as a Societe Anonyme company in 2005, with a decision of the Ministry of Transportation and Communication (Φ4/65206/5120/22-11-2005) and its corporation document was published on Government Gazette FEK 12948/20-12-2005 volume of Societe Anonyme and Limited Companies. The incorporation document was published on 28/12/2018 GEMI No 1346769 (KAK: 1612039), regarding the decrease of the share capital (Note 10). The last amendment was published in Greek Business Register on 05/12/2020 regarding a) article 2 (purpose of the Company) and b) the alignment of other articles with L. 4548/2018, according to the Extraordinary Shareholders' Meeting on 05/12/2019. The Company's complete name is « HELLENIC TRAIN – RAILWAY COMPANY SOCIETE ANONYME » and its distinctive title « HELLENIC TRAIN S.A.», following the change of company name from «TRAINOSE TRANSPORTATIONS – PASSENGER AND CARGO TRANSPORATION SERVICES RAILWAY SOCIETE ANONYME». as published on 1/7/2022 in the Greek Business Register.

The Company's headquarters and the offices of the Company's Management are located at a leased property at Syggrou 41 & Petmeza 13 str. in Athens.

According to Article 1 of the Article of Association, Company's duration is set at 50 years, calculated from the day that was registered in the Societe Anonyme Registry.

On July 14, 2016 the HRADF (Hellenic Republic Asset Development Fund) Board of Directors, announced that from the evaluation of the proposals which were offered for the purchase of TRAINOSE's 100% of shares, the Italian railway company «Ferrovie Dello Stato Italiane S.p.A» offering of € 45 million total value, was evaluated as the preferred investor for the particular acquisition. On January 18th 2017 the sale of the 100% TRAINOSE's shares, to the Italian railway company «Ferrovie Dello Stato Italiane S.p.A.», was signed. The completion of the contract agreement was finalized on 14.9.2017.

From September 14, 2017 Company's shareholder is Ferrovie Dello Stato Italiane S.p.A. with 100% participation.

On 1.6.2019, Ferrovie Dello Stato Italiane S.p.A transferred all the shares of TRAINOSE SA, to its subsidiary TRENITALIA S.p.A..

Briefly the basic information of the Company are the following:

GEMI Number	6780801000
Tax Register Number (AFM)	EL999645865
Headquarters Address	Syggrou 41 & Petmeza 13, 117 43, Athens, Greece
Board of Directors composition **Board of Directors formation as elected on 19/09/2022**	Lo Bosco Dario (Chairman of BoD) Capotorto Maurizio (Managing Director of BoD) Caposciutti Marco (Member) Sofia Nasi (Member) Nicola Tufo (Member)

1.1. Objective of Activity

As it is described by Article 2 of the Articles of Association, the Company's objective of activity consists of:

- Providing pull services for the railway transportation cargo and passengers.
- Developing, organizing and commercially exploiting urban, suburban, regional, and international railway cargo and passenger transportation.
- Establishment and operation of general tourist offices domestic or abroad, as well as agency of transportation companies and general tourism offices.
- Organizing, exploiting commercially and providing lodging and catering.
- Organizing and operating the manufacturing, repair and maintenance of the rolling stock.
- Developing, organizing and commercially exploiting transportations, which serve the purpose of improving the country's transportation system and integration.
- Development of any other activity which contributes to the growth of transportation and public transportation services

The publication of these financial statements was authorised by the Directors on 16/10/2023 and the same will be submitted to the Shareholders' Meeting for approval and subsequent filing, within the terms established by law. The Shareholders' Meeting has the power to make changes to these financial statements.

KPMG Certified Auditors – Accountants S.A. has been engaged to perform the statutory audit of the accounts.

2. Criteria for the preparation of the financial statements

These financial statements for the year ended on 31 December 2022 have been prepared in accordance with the *International Accounting Standards* (IAS) and the *International Financial Reporting Standards* (IFRS) issued by the International Accounting Standards Board (IASB), and the interpretations issued by the *IFRS Interpretations Committee* (IFRIC) and the *Standing Interpretations Committee* (SIC), recognised in the European Union pursuant to regulation (EC) no. 1606/2002 and in force at the end of the financial year (the set of all the reference standards and interpretations indicated above are henceforth referred to as the "EU-IFRS"). In particular, the EU-IFRS have been applied consistently to all the periods contained within this document.

It should also be noted that these financial statements have been prepared based on the best available knowledge of the EU-IFRS, and taking into account the best interpretations in this field; any future interpretative guidance and updates will be reflected in subsequent fiscal years in accordance with the methods required by the financial reporting standards, on a case-by-case basis.

The Company's functional currency, and the base currency for presenting the financial statements, is the Euro, which is the current currency of the main countries in which the Company operates; unless otherwise indicated.

The financial statements are made up of the Statement of Financial Position, the Income Statement, the Comprehensive Income Statement, the Statement of Changes in Equity, the Cash Flow Statement and the relative Explanatory Notes; in particular:

- the Statement of Financial Position has been prepared by classifying the assets and liabilities according to the "current/non-current" criterion,
- the income statement was prepared by classifying the costs by nature, providing separate disclosure, if present, of the net results of the continuing operations and those of the discontinued operations;

- In addition to the operating result, the comprehensive income statement also includes any other changes in the shareholders' equity items attributable to transactions not carried out with the Company's shareholders;
- the Statement of changes in Shareholders' Equity provides separate disclosure of the operating result for the year and any other change not recorded on the income statement;
- The Cash Flow Statement has been prepared by stating the cash flows resulting from operating activities according to the indirect method.

The Financial Report is also accompanied by the Management Report included with the financial statements.

These financial statements have been prepared in accordance with the going concern assumption, as despite the extraordinary adverse events that occurred within 2023 (tragic accident in Tempi, extreme natural phenomena) and their consequences on the smooth operation of the Company, the Management has established that there are no financial, management or other indicators that could indicate a weakness or material uncertainty regarding the Company's ability to meet its obligations in the immediate future and, in particular, in the next 12 months. In this assessment, the sole shareholder's unlimited commitment to support the Company in meeting all its financial obligations, together with the contractual framework of the PSO contract between the Company and the Greek Public, have been taken into account.

The financial statements have been prepared based on the conventional historical cost criterion, except for the cases where the application of the fair value criterion is required.

It should also be noted that the term "current" means the 12 months following the reference date of this document, while the "non-current" means periods more than 12 months beyond the same date.

The same accounting standards adopted for the preparation of the Financial Statements as of 31 December 2021 were applied during the preparation of these financial statements.

3. Main accounting standards applied

The accounting standards and the most significant assessment criteria used for the preparation of the financial statements are indicated below.

Property, plant and equipment

The property, plant and equipment are recorded at purchase or production cost, net of accumulated depreciation and any impairment losses. The purchase or production cost includes the costs directly incurred to prepare the assets for their use, as well as any dismantling and removal costs that will be incurred as a result of contractual obligations requiring the asset to be restored to its original conditions. The financial charges directly attributable to the purchase, construction or production of qualified assets are capitalised and amortized based on the useful life of the asset to which they refer. The costs of an incremental nature for the improvement, modernisation and transformation of tangible assets are recognised among the balance sheet assets.

Charges incurred for routine maintenance and repairs are ascribed directly to the income statement when incurred. The capitalisation of the costs associated with the expansion, modernisation or improvement of structural elements owned or used by third parties is carried out to the extent that they meet the requirements for being separately classified as an asset or part of an asset, applying the component approach criterion, according to which each component subject to an autonomous assessment of its useful life and value must be dealt with individually.

Depreciation is calculated systematically based on the rates deemed to be representative of the assets' estimated economic-technical useful life.

Where necessary, the useful life and residual value of the tangible fixed assets are reviewed and updated at least at the end of each year. Land is not depreciated.
The depreciation rates and useful lives are as follows:

Category	**Depreciation rate**
Buildings	*from 5 to 20 years*
Mechanical equipment	*from 5 to 10 years*
Means of transport	*from 5 to 10 years*
Other equipment	*from 4 to 6 years*
Rolling Stock	*from 15 to 30 years*

Leases

i. Identification

On the start date of a lease or rental contract (the inception date, meaning the date upon which the contract is signed or that upon which the parties undertake to respect the contractual terms, whichever comes first) and with every subsequent amendment of the relative contractual terms and conditions, the Company verifies whether it contains or represents a lease. In particular, a contract is deemed to contain or represent a lease if it transfers the right to control the use of an identified asset, for a set period of time, in exchange for a fee. For contracts containing multiple components of a leasing and non-leasing nature, and therefore falling under other accounting standards, the Company separates the various components.

The lease begins when the lessor renders the asset available to the lessee (commencement date) and is determined considering the period of the contract that cannot be cancelled, i.e. the period during which the parties have legally enforceable rights and obligations, even including rent-free periods. This duration is combined with:

- the period covered by a contract renewal option, when the Company is reasonably certain that it will be exercising this option;
- the periods following the termination date (termination option), when the Company is reasonably certain that it will not be exercising this option.

Termination options held only by the lessor are not considered.
The Company has chosen not to apply IFRS 16 to short term leases, or rather those which have a duration of less than 12 months; to low value lease contracts, or rather those in which the value of the asset, when new, or else the overall contract, is equal to or less than € 5,000. For these types of contracts, the Company recognises the payments due as a cost according to a straight-line criterion, or else with another systematic criterion, if more representative.

ii. Subsequent accounting

As of the effective date of the lease, the Company recognises the Right of Use (RoU) asset under the corresponding fixed assets item, based on the nature of the asset itself, and the lease liabilities are classified among the Current and non-current financial liabilities items. The asset consisting of the right of use is initially valued at cost, including the amount of the lease liability's

initial valuation, adjusted for any lease payments made on or before the effective date, increased by the initial direct costs incurred, and an estimate of the costs that the lessee will have to bear for the dismantling and removal of the underlying asset, or for the restoration of the underlying asset or the site where it is located, net of the leasing incentives received.
The lease liability is valued as the actual value of the payments due for the lease not paid on the effective date. Whenever possible, and if able to be discerned from the contract, the Company uses the implicit interest rate of the lease or, alternatively, the IBR incremental borrowing rate for discounting purposes. The lease payments included in the assessment of the liability include the fixed payments, the variable payments that depend on an index or rate, the amounts expected to be paid as a guarantee on the residual value, the price of exercising the purchase option (which the Company is reasonably certain to exercise), the payments due during the optional renewal period (if the Company is reasonably certain to exercise the renewal option), and the early termination penalties (unless the Company is reasonably certain that it will not terminate the lease early).
The right of use of leased assets are recorded at purchase cost, net of accumulated depreciation and any impairment losses.

The right of use asset is subsequently depreciated on a straight-line basis for the entire duration of the contract, unless the contract itself provides for the transfer of ownership at the end of the lease-term, or the cost of the lease does not reflect the fact that the lessee will exercise the option to purchase. In the latter case, the depreciation will be take place over the useful life of the asset or the duration of the contract, whichever is shorter. The estimated useful lives of the assets for the right of use are calculated according to the same criterion applied to the fixed asset items of reference. The right of use asset is also decreased by any impairment losses in relation to the CGU to which the same right is allocated and is adjusted to reflect the recalculation of the lease liability.
Following its initial valuation as of the commencement date, the lease liability is valued at the depreciated cost using the effective interest criterion, and is recalculated if the future lease payments have been modified due to a change in the index or rate, if the amount that the Company expects to have to pay as a guarantee on the residual value has changed, or if the Company alters its assessment as to whether it intends to exercise a purchase, extension or termination option. When the lease liability is recalculated, the lessee makes a corresponding change to the right of use asset. If the book value of the right of use asset is reduced to zero, the change is recognised in the profit/(loss) for the year.
On the statement of financial position, the Company lists the right of use assets among the same items in which the underlying assets of the lease would be listed if they were owned and lists the lease liabilities among the other financial liabilities. On the income statement, the interest expenses on the lease liabilities constitute a financial expense component and are listed separately from the right of use assets' depreciation amounts.

Intangible assets

Intangible assets are identifiable non-monetary assets without physical substance that are able to be monitored and are intended to generate future economic benefits. These items are recognised at purchase and/or production cost, including expenses directly attributable to preparing the asset for use, net of accumulated depreciation (except for intangible assets with an indefinite useful life) and any impairment losses. Any interest expenses accrued during the useful lives and for the development of the intangible assets are considered part of the purchase cost. Depreciation begins when the asset is available for use, and is systematically distributed in relation to its residual possibility of use, or rather based on its estimated useful life. In particular, the following main intangible assets can be identified within the context of the Company:

(a) *Concessions, licenses and trademarks*

Concessions, licenses and trademarks are amortised on a straight-line basis over their relative durations.

The costs of software licenses, including the costs incurred to render the software ready for use, are amortised on a straight-line basis over their relative durations. The costs associated with the maintenance of the software programs are expensed at the time in which they are incurred.

(b) Patent and intellectual property rights

Patents and intellectual property rights are amortised on a straight-line basis over their useful lives.

(c) Goodwill

Goodwill is the difference between the cost incurred for the acquisition of a business and the current value of the relative identifiable assets and liabilities acquired at the time of acquisition. Goodwill is classified as an intangible asset with an indefinite useful life, and therefore is not subjected to systematic amortisation, but rather an assessment aimed at identifying any impairment (Impairment test) on at least an annual basis. Restoration of goodwill is not permitted in the case of a previous write-down for impairment.

For the purposes of conducting the impairment test, the goodwill acquired in a business combination is allocated to the individual Cash Generating Units (CGUs) or to groups of CGUs that are expected to benefit from the synergies of the combination, an a manner consistent with the minimum level at which such goodwill is monitored within the Company.

(d) Research and development costs

The costs related to the research activities are recorded on the income statement for the year in which they are incurred, while the development costs are recorded among the intangible assets once all the following conditions are met:

- the project is clearly identified and the costs associated with it can be reliably identified and measured;
- the project's technical feasibility is demonstrated;
- the intention to complete the project and to sell the intangible assets generated by the project is demonstrated;
- there is a potential market for, or in case of internal use, the usefulness of the intangible asset for the production of the intangible assets generated by the project is demonstrated;
- the technical and financial resources necessary to complete the project are available.

The amortisation of any development costs recorded among the intangible assets starts from the date on which the result generated by the project is able to be used, and is carried out over a period of 5 years.

If the research phase of an identified internal project for the formation of an intangible asset cannot be distinguished from the development phase, the cost resulting from this project is recorded entirely on the income statement as if it had been exclusively incurred during the research phase.

The profits and losses resulting from the alienation of an intangible asset are determined as the difference between the divestment value, net of sales costs, and the carrying value of the asset, and are recognised on the income statement at the time of the alienation.

Agreements for licensed services

Agreements for licensed services, in which the licensor is a public sector entity and the licensee is a public-to-private sector entity, only fall within the scope of IFRIC 12 if the prerequisites for regulating services and the prerequisite for checking the residual interest are both met. In particular, this interpretation applies if the infrastructure is subject to the provision of services to the public, and the agreement requires the licensor to:

- monitor or regulate which services that the licensee must provide with the infrastructure, to whom it must provide them, and at what price; and
- control any significant residual interest in the infrastructure at the deadline of the license period, either through ownership or in another manner.

For licenses that fall within these cases, the Company does not record the infrastructure among the Property, plant and equipment items, but recognises the following at fair value, either alternatively or jointly: the intangible asset, if the licensee obtains the right to make the users pay the fee for the construction or improvement of the infrastructure; and the financial asset when said construction or improvement give rise to an unconditional contractual right to receive cash from the licensor or from the subject identified by the latter without the possibility of avoiding payment. The costs and revenues associated with the investment activities are recognised on a contractual basis with reference to the completion phase, as better detailed with reference to the construction contracts. The recognition of tariff revenues, however, continues to be carried out according to the provisions of the section below concerning Revenues, just as any intangible assets follow the amortisation associated with the license period of reference, with a criterion that reflects the estimate and the method of consumption of the economic benefits incorporated within the law; to this end, the amortisation rates are calculated taking into account the duration of the license. The provisions for the licensing commitments include the provisions relating to the specific obligations to restore, adapt and replace the infrastructure in order to return it to its normal state of use, and are only set aside if these obligations are envisaged in the licensing contract, and if the licensee does not receive additional economic benefits at the same time.

Impairment of tangible and intangible assets

Assets (tangible and intangible) with a finite useful life

On each of the financial statements' reference dates, checks are carried out to determine whether there are any indications that tangible and intangible fixed assets have suffered impairment losses. For this purpose, both internal and external sources of information are taken into account. With regards to the former (internal sources), the following are taken into consideration: the obsolescence or physical deterioration of the asset, any significant changes in the use of the asset, and the asset's economic performance in relation to the expectations. With regard to external sources, the following are taken into consideration: the trend of the assets' market prices, any technological, market or regulatory discontinuity, the trend of the market interest rates or the cost of capital used to evaluate the investments.

If such indicators are determined to be present, the recoverable value of the aforementioned assets is estimated (Impairment test), with any depreciation with respect to the relative book value being recorded on the income statement. An asset's recoverable value is to be understood as the greater of either the fair value, less the ancillary sales costs, and the relative value of use, with the latter being understood as the actual value of the future cash flows for that asset. In determining the value in use, the expected future cash flows are discounted using a discount rate that reflects the current market assessments of the cost of money in relation to the period of the investment and risks specific to the asset. For an asset that does not generate largely independent cash flows, the recoverable value is determined in relation to the cash generating unit (CGU) to which the asset belongs.

An impairment loss is recorded on the income statement whenever the carrying amount of the asset, or of the cash generating unit to which it is allocated, exceeds the relative recoverable value. The impairment losses of a cash generating unit are first recorded as a reduction of the carrying amount of any goodwill attributed to the same, and then as a reduction of the other assets, in proportion to their carrying values, and within the limits of their recoverable values. If the conditions for a write-down previously carried out no longer subsist, the carrying amount of the asset is restored through registration on the income statement, within the limits of the carrying value that the asset in question would have had if the write-down had never been done and the relative amortisations had been carried out.

Goodwill and intangible assets not yet available for use

The recoverable value of goodwill and intangible assets not yet available for use is subject to a verification of the value's recoverability (impairment test), either annually or more frequently, if there are any indicators suggesting the aforementioned assets may have suffered an impairment. The original value of the goodwill is not restored, however, if the reasons for the impairment no longer exist.

Shareholdings in subsidiaries, associates, joint ventures and other shareholdings

Shareholdings in subsidiaries, associates and joint ventures are valued at cost, including any directly attributable ancillary charges, adjusted for impairment losses.

The non-controlling or associated shareholdings held by the company that aren't listed on an active market, and for which the use of an appropriate valuation model is not reliable, are nevertheless initially valued at cost, which is considered to be the best estimate of the investment's fair value. These shareholdings are subsequently measured at fair value, with the effects being recognised on the income statement.

In the case of shareholdings valued at cost, wherever impairment losses are identified a write-down is made with an impact on the income statement. If the reasons for the write-down cease to exist, the value must be restored up to at most the original cost. This restoration is recorded on the income statement.

Business Combinations

In IFRS 3, business combinations are defined as the "union of separate enterprises or businesses within a single entity required to prepare financial statements".

A business combination can be carried out in different ways, for fiscal, legal or other reasons. It can also entail one entity's purchase of another entity's capital, the purchase of another entity's net assets, the assumption of another entity's liabilities, or the purchase of part of another entity's net assets which, combined, constitute one or more company assets. The combination can be achieved through the issuance of equity instruments, the transfer of money, cash or cash equivalents, or other assets, or through a combination thereof. The transaction can take place between the shareholders of the entities being combined, or else between one entity and the shareholders of another entity. It may entail the establishment of a new entity that controls the entities participating in the combination or the net assets transferred, or the restructuring of one or more entities participating in the combination.

Business combinations are accounted for according to the purchase method. This method assumes that the purchase price will be reflected based on the value of the acquired entity's assets, and this attribution must take place at the fair value (of the assets and liabilities), and not at their book values. Any residual positive difference constitutes Goodwill, wheareas any residual negative difference constitutes Negative Goodwill.

With regard to transactions between entities subject to common control ("Business combinations under common control"), a case which is not covered by IFRS 3 nor the other IFRS accounting standards, FS Group takes into account the provisions of IAS 8, or rather the concept of the transaction's faithful and reliable representation, and the provisions of OPI 1 (preliminary Assirevi guidelines on the IFRS).

Financial Instruments

i. Classification and assessment of Financial Assets

The classification and assessment of the financial assets held by the Company reflect both the Business model according to which these assets are managed and the characteristics of their financial flows. The Business Model indicates whether the company will obtain the cash flows associated with the asset from contract-based collections alone, from the sale of the financial asset itself, or from both. In order to evaluate the characteristics of the cash flows, the Company performs the so-called SPPI Test (Solely Payment of Principal and Interest Test) at the single instrument level, which determines whether it generates flows that represent the payment of principal and interest only (SPPI Test passed).

Upon initial recognition, a financial asset is classified into one of the following categories:

- amortised cost AC
- fair value through other comprehensive income (FVOCI)
- fair value through profit or loss (FVTPL)

(a) Financial assets measured at amortised cost

This category includes all financial assets for which the following two conditions are met:

- the asset is held exclusively to collect the contractual cash flows (HTC Held To Collect business model); and
- they are represented exclusively by capital and interests (SPPI Test passed).

In this category, financial instruments are initially recognised at fair value, including transaction costs, and are subsequently valued at amortised cost. The interest, calculated using the effective interest criterion, impairment losses (and reversals of losses), profits/(losses) on foreign exchange, and profits/(losses) resulting from derecognition are recognised in the profit/(loss) for the year.

(b) Financial assets measured at fair value through other comprehensive income (FVTOCI)

This category includes all financial assets for which the following two conditions are met:

- the asset is not held only to collect the contractual cash flows, but also the cash flows generated by its sale (HTC&S Held To Collect and Sale business model); and
- they are represented exclusively by capital and interests (SPPI Test passed).

In this category, financial instruments are initially recognised at fair value, including transaction costs. The interest, calculated using the effective interest criterion, impairment losses (and reversals of losses), profits/(losses) on foreign exchange, and profits/(losses) resulting from derecognition are recognised in the profit/(loss) for the year, and the other changes in the instrument's fair value are recognised through other comprehensive income (OCI). At the time of the instrument's derecognition, all the profits/(losses) accumulated through OCI are reclassified to the profit/(loss) for the year.

With regard to equity instruments, which fall within the scope of IFRS9, please refer to the chapter titled "Shareholdings in subsidiaries, associates, joint ventures and other shareholdings".

(c) *Financial assets measured at fair value through profit or loss* (FVTPL)

This category includes all financial assets not classified as measured at amortised cost or at FVOCI.

They are initially and subsequently measured at fair value. The transaction costs and changes in fair value are recognised in the profit/(loss) for the year.

ii. Classification and assessment of Financial liabilities

Loans, trade payables and other financial liabilities are initially recorded at fair value, net of any directly attributable ancillary costs, and are subsequently valued at amortised cost, by applying the effective interest rate criterion. If there is a change in the expected cash flow estimate, the value of the liabilities is recalculated to reflect this change based on the actual value of the new expected cash flows and the effective internal rate initially determined. Loans, trade payables and other financial liabilities are classified among current liabilities, with the exception of those with a contractual expiry beyond twelve months from the balance sheet date and those for which the company has an unconditional right to defer payment for at least twelve months after the reference date. Loans, trade payables and other financial liabilities are removed from the balance sheet once they have been settled and once the Company has transferred all the risks and charges associated with the instrument itself.

iii. Classification and measurement of derivative financial instruments

With regard to derivative instruments, pending the completion of the so-called macro-hedging project by the IASB, for the simplification of hedging transactions, the Company has opted to continue applying the hedge accounting envisaged by IAS 39. The Company uses derivative financial instruments within the context of hedging strategies aimed at neutralising the risk of changes in the fair value of financial assets or liabilities recognised on the financial statements or of contractually defined commitments (fair value hedges), or risks of changes in expected cash flows associated with contractually defined or high probability transactions (cash flow hedges). The effectiveness of the hedges is documented and tested at the inception of the transaction, as well as periodically (at each annual or interim reporting date). Hedge effectiveness is measured by comparing the variations in the fair value of the hedging instrument with those of the hedged item (dollar offset ratio), or, for more complex instruments, using statistical analysis based on risk variations.

Fair value hedge: changes in the fair value of derivatives designated as fair value hedges and which qualify as such are recognised in profit or loss, as are changes in the fair value of the underlying assets or liabilities attributable to the risk hedged by the hedging transaction.

Cash flow hedge: changes in the fair value of derivatives designated as cash flow hedges and which qualify as such are recognised, to the extent of the portion determined to be "effective", on the comprehensive income statement in a specific equity reserve ("hedging reserve"). This is subsequently reclassified on the income statement when the forecast transaction affects profit or loss. The change in the fair value of the ineffective portion is recognised immediately in profit or loss. If the forecast transaction is no longer highly probable, the relevant portion of the "cash flow hedge reserve" is released immediately to profit or loss. If, on the other hand, the derivative instrument is sold, expires, or no longer qualifies as an effective hedge of the risk against which the transaction was initiated, the portion of the "cash flow hedge reserve" associated with the same is maintained until the underlying contract occurs. At this point the cash flow hedge accounting ceases prospectively.

iv. Subsequent assessment: impairment losses

For the determination of impairment losses, the Company applies the expected credit loss (ECL) forecast model. This model requires a considerable level of assessment with regard to the impact of the changes in the economic factors upon the ECL, which are weighted based on probability.

Hedges on receivables are valued using the following methodological approaches: the "General deterioration method" and the "Simplified approach"; in particular:

- the "General deterioration method" requires the financial instruments to be classified in three stages, which reflect the deterioration level of the credit's quality from the time the financial instrument is acquired, and entail a different method for calculating the ECL;
- for trade receivables, contract assets and receivables deriving from lease contracts, the "Simplified approach" provides for certain simplifications in order to prevent entities from being forced to monitor changes in credit risk, as required by the general model. *Stage allocation* is not required, since the recognition of the loss according to the simplified approach must be lifetime. The same is calculated over a period corresponding to the residual life of the receivable, generally not exceeding 12 months.

As previously mentioned, in cases where the General Deterioration Method is applied the financial instruments are classified into three stages based on the deterioration of the credit quality between the date of the initial recognition and date of the assessment:

- Stage 1: includes all the financial assets in question at the time of their first recognition (Initial recognition date), regardless of qualitative parameters (e.g. rating) and with the exception of situations with objective evidence of impairment. After the subsequent evaluation phase, all financial instruments that have not had a significant increase in credit risk compared to the initial recognition date, or that have a low credit risk on the reference date, remain in stage 1. For these assets, the credit losses expected within the next 12 months (12-month ECL) are recognised, which represent the expected losses in consideration of the possibility of defaults occurring within the next 12 months. The interests for the financial instruments included in stage 1 are calculated based on the book value, including any write-downs on the asset;
- Stage 2: includes the financial instruments that have had a significant increase in credit risk with respect to the initial recognition date, but have no objective evidence of impairment. For these assets, only the expected credit losses resulting from all the possible default events throughout the financial instrument's expected lifetime (Lifetime ECL) are recognised. The interests for the financial instruments included in stage 2 are calculated based on the book value, including any write-downs on the asset;
- Stage 3: includes financial assets that have objective evidence of impairment on the assessment date. For these assets, only the expected credit losses resulting from all the possible default events throughout the financial instrument's expected lifetime are recognised.

In order to define the methodological approach to be applied to the assets within the perimeter of impairment and, in particular, to properly identify the likelihood of default, the Company has adopted a conventional segmentation into uniform clusters based on the type of counterparty:

- Public Administration: includes all financial and trade receivables whose counterparties consist of the State, Regional, Provincial, or Municipal governments, the EU or Bodies attributable to the same;
- Intercompany: includes all financial and trade receivables between subsidiary counterparties;
- Deposits: all deposits held by bank counterparties;
- Receivables due from third parties: includes financial and trade receivables, other than the above, whose counterparties consist of non-financial corporations, manufacturing groups, and consumer groups.

The Company has also decided to apply the "Low Credit Risk Exemption" envisaged by IFRS 9 for types of receivables other than trade receivables with an Investment Grade rating (from AAA to BBB-), whereby the stage allocation is not carried out, with the receivables being allocated directly to stage 1 with 1 year provisioning.

The application of the impairment model thus entails the following main operating steps:

- Distinction between financial receivables and trade receivables: this is aimed at isolating the perimeter of the receivables to be subjected to the stage allocation criteria, or rather all financial receivables. For trade receivables, however, the standard offer an exemption from the application of the stage allocation via the application of the simplified approach, according to which the expected loss is always calculated with a lifetime outlook;
- Calculation of Expected Credit Loss – Financial Receivables: once the stage of membership has been determined, the expected loss is calculated for each cluster;
- Calculation of the Expected Credit Loss – Trade Receivables: for each cluster, the receivable is segmented by category of expiration (in particular: positions due to expire, expired within 1 year, expired within 2 years, expired beyond 2 years), after which the expected loss is calculated.

Determination of fair value

The fair value of financial instruments quoted on active markets is calculated using the bid price at the reporting date. The fair value of unlisted derivatives is measured using financial valuation techniques. Specifically, the fair value of interest rate swaps is calculated discounting the future cash flows, while that of currency forwards is determined on the basis of market rates at the reporting date and the expected exchange rate spreads between the relevant currencies. Financial assets and liabilities measured at fair value are classified according to the three hierarchical levels described below, based on the relevance of the information (inputs) used to determine the fair value itself. Specifically:

- Level 1: financial assets and liabilities whose fair value is determined based on the listed prices (unadjusted) on active markets for identical assets or liabilities, which the Company is able to access on the assessment date;
- Level 2: financial assets and liabilities whose fair value is determined based on inputs other than listed prices referred to in Level 1, but directly or indirectly observable;
- Level 3: financial assets and liabilities whose fair value is determined based on unobservable input data.

Inventories

The inventories are entered at the purchase and/or production cost or the net realisable value, whichever is less. The cost is determined according to the weighted average cost method. For finished products and properties, the net realisable value corresponds to the estimated sale price during the normal course of business, net of the estimated sales costs. For raw, ancillary and consumable materials, the net realisable value is represented by the replacement cost.

The purchase cost includes ancillary charges; the production cost includes the directly attributable costs and a portion of the indirect costs reasonably attributable to the products.

Obsolete and/or slow-moving inventories are written down in relation to their presumed possibility of use or future realisable value, by recording a special reserve to adjust the value of the inventories. If the reasons for it no longer exist in subsequent years, the write-down is eliminated.

This item also includes trading properties, which are entered at either the purchase cost or the market value determined by an independent third party expert, whichever is lower. These are recorded net of the write down and the incremental costs are capitalised. If the reasons for it no longer exist in subsequent years, the write-down is eliminated.

Cash and cash equivalents

The cash and cash equivalents include available cash and bank deposits and other forms of short-term investment, with an original maturity of three months or less, net of the write-downs made according to IFRS 9. As of the balance sheet date, the current account overdrafts were recorded on the statement of financial position among the financial payables in the current liabilities. The elements included within the cash and cash equivalents are valued at fair value, which normally coincides with the nominal value, and the relative changes are recognised on the income statement.

Employee benefits

Short-term benefits

Short-term employee benefits are recognized as an expense when they accrue. Any unpaid amount is recognized as a liability and, if the amount already paid exceeds the amount of benefits, the company recognizes the excess amount as an asset (prepaid expense) only to the extent that the prepayment will lead to a reduction in future payment or refund.

Retirement benefits

Severance payment for staff is calculated at the present value of future benefits that are accrued at year end based on the recognition of employee benefits for the period of the last 16 years before the employees leave the service, according to the established conditions to receive a full pension. The above liabilities are calculated on the basis of the financial and actuarial assumptions detailed in note 11 and are determined using the Projected Unit Credit Method actuarial method. The obligations for the above benefits are not funded.

State insurance programs

The Company's employees are mainly covered by the main State Social Insurance Agency ("EFKA") which provides pension and medical benefits. Every employee is obliged to contribute part of his monthly salary to the fund, while part of the total contribution is covered by the Company. At retirement, the pension fund is responsible for paying employees' retirement benefits.

Consequently, the Company has no legal or constructive obligation to pay future benefits under this plan. The program is considered a defined contribution plan and contributions to the insurance institution are recognized in the statement of comprehensive income when accrued.

Provisions for risks and charges

The provisions for risks and charges are recorded against losses and charges of a specific nature, that are known or likely to be existent, but for which either the amount or the date of occurrence is undetermined. Their entry is only recognised once a current (legal or implicit) obligation arises for a future disbursement of economic resources as a result of past events, and it is likely that this disbursement will be required to fulfil the obligation. This amount represents the best estimate of the amount required to settle the obligation. The rate used to determine the actual value of the liability reflects the current market values and takes into account the specific risk associated with each liability.

When the financial effect of the time is significant and the dates of the obligations' payment can be reliably estimated, the funds are valued at the actual value of the expected disbursement using a rate that reflects the market conditions, the change in the cost of money over time, and the specific risk associated with the obligation. The increase in the value of the provision caused by changes in the cost of money over time is accounted for as interest expense.

The risks for which the occurrence of a liability is merely possible are indicated in the specific disclosure section regarding potential liabilities, and no allocations are made for the same.

Revenue from contracts with customers

i. Initial recognition and subsequent assessment

The Company recognises revenues in such a way that the transfer of goods and/or services to the customer is expressed as an amount that reflects the consideration to which the Company believes it is entitled as compensation for the transfer of the goods and/or services themselves. Revenue recognition takes place according to the so-called five step model, which entails: i) the identification of the contract, ii) the identification of the performance obligations, iii) the identification of the consideration, iv) the allocation of the consideration to the performance obligations, and v) the recognition of the revenue.

Revenues are measured taking into account the contractual terms and commercial practices usually applied to relations with customers. The transaction price is the amount of the consideration (which may include fixed and/or variable amounts) to which the Company believes it is entitled in exchange for the transfer of control of the goods/services promised. The term control is generally understood as the ability to decide on the use of the asset (good/service) and to take advantage of all of its remaining benefits. The total consideration of the contracts for the provision of services is distributed among all the services based on the sales prices of the relative services, as if they had been sold individually. Within the context of each contract, the reference element for the recognition of the revenues is the single performance obligation. For each separately identified performance obligation, the Company recognises the revenues once it has fulfilled (or as it progressively fulfils) the obligation itself, by transferring the promised good/service (i.e. asset) to the customer. The asset is transferred once the customer has gained (or progressively gains) control of it. For performance obligations fulfilled over time, the revenues are recognised over time, with the progress made towards the obligation's fulfilment being assessed at the end of each year. For the assessment of the progress, the Company uses the input-based cost-to-cost method. The revenues are recognised based on the inputs used to fulfil the obligation up until the date in question, with respect to the total inputs hypothesised to fulfil the entire obligation. When the inputs are uniformly distributed over time, the Company recognises the corresponding revenues in a linear fashion. Under certain circumstances, when the results of the performance obligation cannot be reasonably evaluated, the revenues are only recognised up to the amount of the costs incurred.

ii. Variable consideration

If the contractual consideration includes a variable amount (e.g. due to reductions, discounts, reimbursements, credits, price concessions, incentives, performance bonuses, penalties, or because the consideration itself depends on whether or not an uncertain future event occurs), the amount of the consideration believed to be owed must be estimated. The Company estimates variable consideration consistently for similar cases, using the expected value or the value of the most probable amount method; afterwards, it only includes the estimated amount of the variable consideration in the transaction price to the extent that this amount is highly probable.

iii. Existence of a significant financial component

The revenues are adjusted if there are significant financial components, both if the Company is financed by its customer (advance collection), and if the Company finances it (deferred collections). The existence of a significant financial component is identified upon stipulating the contract, by comparing the expected revenues with the payments to be received. It is not recognised if less than 12 months elapse between the time of the transfer of the goods/service and the time of payment.

iv. Costs for obtaining and fulfilling the contract

The Company capitalises the costs incurred for obtaining the contract, which it would not have incurred if it had not obtained it (e.g. sales commissions), when it expects to recover them. In the case of contracts not obtained, the costs are only capitalised if they can be explicitly charged to the customer. The Company only capitalises the costs incurred for the fulfilment of the contract when they are directly related to the contract, when they provide for new and greater resources for future fulfilments, and when they are expected to be recovered.

PSO revenue

In the beginning of 2022, the Company entered in an agreement with the Greek State for the provision of a public service, which activated the Public Service Obligations (PSO) services aimed at financing the Company's deficit services and in particular at financing the Company for coverage of costs in order to comply with the agreed schedule and tariff policy with the Greek State for the next 10 plus 5 years. The annual compensation is calculated as income recorded in the account of the statement of total income "Income from PSO (Public Service Contract to the Greek State)" on an accrual basis and based on an accrued basis resulting from the accounting separated income statement (see note 37) as provided by the above contract. The accounting treatment of the income derived from the PSO contract is in accordance with the requirements of the FS group directive which is consistent with the requirements of IFRS 15.

Dividends

These are recognised on the income statement when the right of the shareholders to receive the payment arises, which normally coincides with the resolution approving the distribution of the dividends.

Dividends paid to the Company's shareholders are considered as a change in equity and are recognised as a liability in the year in which the distribution was approved by the shareholders' meeting.

Cost recognition

Costs are recognised when they regard goods and services purchased or consumed during the financial year or for systematic distribution.

Income taxes

The current taxes are determined based on the estimate of the Company's taxable income and in compliance with the current tax legislation. Deferred tax assets relating to past tax losses are recognised to the extent that a taxable income for which these assets can be recovered will likely be available in the future. Deferred tax assets and liabilities are determined using the tax rates expected to be applicable during the financial years in which the differences will be realised or settled.

The current, prepaid and deferred taxes are recognised on the income statement, except for those associated with items recognised among the other components of comprehensive income or directly debited or credited to equity. In these latter cases, the deferred taxes are respectively recognised under the "Tax effect" item relating to the other components of comprehensive income and relating directly to the shareholders' equity. Deferred tax assets and liabilities are offset when they are applied by the tax authorities, in which case there is a legal right of compensation and a liquidation of the net balance is expected.

Other taxes not related to income, such as indirect taxes and fees, are included under the "Other operating costs" item on the income statement.

Translation of foreign currency entries

Transactions in currencies other than the functional currency are recognised at the exchange rate in effect on the date of the transaction. Monetary assets and liabilities in currencies other than the Euro are subsequently adjusted based on the exchange rate in effect on the closing date of the year. Non-monetary assets and liabilities in currencies other than the Euro are entered at historical cost, using the exchange rate in effect on the transaction's initial date of recognition. Any exchange rate differences that may emerge are reflected on the income statement.

Assets and Liabilities held for sale and disposal groups

Non-current assets and liabilities (or disposal groups) whose book value will mainly be recovered through sale rather than through continuous use are classified as held for sale and are stated separately from the other assets and liabilities on the statement of financial position. The corresponding assets and liabilities from the previous year are not reclassified. A Discontinued Operation represents a part of the entity that has been disposed of or classified as held for sale, and:

- represents a major branch of activity or geographical area of activity;
- is part of a coordinated plan of divestiture in a major branch of activity or geographical area of activity;
- is a subsidiary acquired exclusively for the purpose of being resold.

The results of discontinued operations (whether disposed of or classified as held for sale and in the process of being disposed of) are indicated separately on the income statement, net of tax effects. Where present, the corresponding values for the previous year are reclassified and indicated separately on the separate income statement for comparative purposes, net of tax effects. Non-current assets and liabilities (or disposal groups) classified as held for sale are first recognised in accordance with the specific IFRS applicable to each asset and liability and are subsequently recognised at the book value or the relative fair value, net of sales costs, whichever is less. Any subsequent impairment losses are recognised directly as an adjustment to non-current assets (or disposal groups) classified as held for sale, with a balancing entry on the income statement.

A reversal is recorded, on the other hand, for each subsequent increase in an asset's fair value, net of sales costs, but only up to the amount of the previously recognised impairment loss.

RECENTLY ISSUED ACCOUNTING STANDARDS

A) Changes in accounting policy and disclosures

The accounting policies and methods of computation used in the preparation of the financial statements are consistent with those applied in the preparation of the financial statements for the year ended 31 December 2021 except for the following IFRS amendments which have been adopted by the Company as of 1 January 2022.

IFRS 16 (Amendment) 'Covid-19-Related Rent Concessions':

The amendment applies, retrospectively, to annual reporting periods beginning on or after 1 June 2020. Earlier application is permitted, including in financial statements not yet authorized for issue at 28 May 2020. IASB amended the standard to provide relief to lessees from applying IFRS 16 guidance on lease modification accounting for rent concessions arising as a direct consequence of the Covid-19 pandemic. The amendment provides a practical expedient for the lessee to account for any change in lease payments resulting from the Covid-19 related rent concession the same way it would account for the change under IFRS 16, if the change was not a lease modification, only if all of the following conditions are met:

- The change in lease payments results in revised consideration for the lease that is substantially the same as, or less than, the consideration for the lease immediately preceding the change.
- Any reduction in lease payments affects only payments originally due on or before 30 June 2021.
- There is no substantive change to other terms and conditions of the lease

Attributing Benefit to Periods of Service (IAS 19 Employee Benefits) – IFRS Interpretation Committee (IFRS IC or IFRIC) Agenda Decision issued May 2021:

The International Financial Reporting Interpretations Committee issued the final agenda decision in May 2021, under the title "Attributing Benefits to Periods of Service" (IAS 19), which includes explanatory material regarding the attribution of benefits in periods of service regarding a specific defined benefit plan analogous to that defined in Article 8 of Greek Law 3198/1955 regarding provision of compensation due to retirement (the "Labor Law Defined Benefit Plan"). This explanatory information differentiates the way in which the basic principles and regulations of IAS 19 have been applied in Greece in the previous years, and therefore, according to what is defined in the "IASB Due Process Handbook (par 8.6)", entities that prepare their financial statements in accordance with IFRS are required to amend their Accounting Policy accordingly. Based on the above, the aforementioned final decision of the Committee's agenda is treated as a Change in Accounting Policy. The aforementioned decision is implemented in accordance with paragraphs 19-22 of IAS 8. The Company has retrospectively amended its financial statements to apply the IFRIC AD at 31 December 2021. The impact of the change in policy is disclosed in detail in the notes.

Standards issued but not yet effective and not early adopted

The Company has not early adopted any of the following standards, interpretations or amendments that have been issued but are not yet effective. In addition, the Company assessed all standards, interpretations and amendments issued but not yet effective, and expects that they will not have any significant impact on the consolidated financial statements.

IFRS 10 (Amendment) Consolidated Financial Statements and IAS 28 Investments in Associates and Joint Ventures:

Sale or Contribution of Assets between an Investor and its Associate or Joint Venture: The amendments address an acknowledged inconsistency between the requirements in IFRS 10 and those in IAS 28, in dealing with the sale or contribution of assets between an investor and its associate or joint venture. The main consequence of the amendments is that a full gain or loss is recognized when a transaction involves a business (whether it is housed in a subsidiary or not). A partial gain or loss is recognized when a transaction involves assets that do not constitute a business, even if these assets are housed in a subsidiary. In December 2015 the IASB postponed the effective date of this amendment indefinitely pending the outcome of its research project on the equity method of accounting. The amendments have not yet been endorsed by the EU.

IFRS 3 Business Combinations; IAS 16 Property, Plant and Equipment; IAS 37 Provisions, Contingent Liabilities and Contingent Assets as well as Annual Improvements 2018-2020 (Amendments):

The amendments are effective for annual periods beginning on or after 1 January 2022 with earlier application permitted. The IASB has issued narrow-scope amendments to the IFRS Standards as follows:

- IFRS 3 Business Combinations (Amendments) update a reference in IFRS 3 to the Conceptual Framework for Financial Reporting without changing the accounting requirements for business combinations.
- IAS 16 Property, Plant and Equipment (Amendments) prohibit a company from deducting from the cost of property, plant and equipment amounts received from selling items produced while the company is preparing the asset for its intended use. Instead, a company will recognise such sales proceeds and related cost in profit or loss.
- IAS 37 Provisions, Contingent Liabilities and Contingent Assets (Amendments) specify which costs a company includes in determining the cost of fulfilling a contract for the purpose of assessing whether a contract is onerous.
- Annual Improvements 2018-2020 make minor amendments to IFRS 1 First-time Adoption of International Financial Reporting Standards, IFRS 9 Financial Instruments, IAS 41 Agriculture and the Illustrative Examples accompanying IFRS 16 Leases.

IAS 1 Presentation of Financial Statements and IFRS Practice Statement 2 Disclosure of Accounting policies (Amendments):

The Amendments are effective for annual periods beginning on or after January 1, 2023 with earlier application permitted. The amendments provide guidance on the application of materiality judgements to accounting policy disclosures. In particular, the amendments to IAS 1 replace the requirement to disclose 'significant' accounting policies with a requirement to disclose 'material' accounting policies. Also, guidance and illustrative examples are added in the Practice Statement to assist in the application of the materiality concept when making judgements about accounting policy disclosures. The Amendments have not yet been endorsed by the EU.

• IAS 8 Accounting policies, Changes in Accounting Estimates and Errors: Definition of Accounting Estimates (Amendments):

The amendments become effective for annual reporting periods beginning on or after January 1, 2023 with earlier application permitted and apply to changes in accounting policies and changes in accounting estimates that occur on or after the start of that period. The amendments introduce a new definition of accounting estimates, defined as monetary amounts in financial statements that are subject to measurement uncertainty. Also, the amendments clarify what changes in accounting estimates are and how these differ from changes in accounting policies and corrections of errors. The Amendments have not yet been endorsed by the EU.

• IAS 12 Income taxes:

Deferred Tax related to Assets and Liabilities arising from a Single Transaction (Amendments): The amendments are effective for annual periods beginning on or after January 1, 2023 with earlier application permitted. In May 2021, the Board issued amendments to IAS 12, which narrow the scope of the initial recognition exception under IAS 12 and specify how companies should account for deferred tax on transactions such as leases and decommissioning obligations. Under the amendments, the initial recognition exception does not apply to transactions that, on initial recognition, give rise to equal taxable and deductible temporary differences. It only applies if the recognition of a lease asset and lease liability (or decommissioning liability and decommissioning asset component) give rise to taxable and deductible temporary differences that are not equal. The Amendments have not yet been endorsed by the EU.

• **IFRS 16 'Leases-Covid 19 Related Rent Concessions beyond 30 June 2021 (Amendment)':**

The Amendment applies to annual reporting periods beginning on or after 1 April 2021, with earlier application permitted, including in financial statements not yet authorized for issue at the date the amendment is issued. In March 2021, the Board amended the conditions of the practical expedient in IFRS 16 that provides relief to lessees from applying the IFRS 16 guidance on lease modifications to rent concessions arising as a direct consequence of the Covid-19 pandemic. Following the amendment, the practical expedient now applies to rent concessions for which any reduction in lease payments affects only payments originally due on or before 30 June 2022, provided the other conditions for applying the practical expedient are met.

USE OF ESTIMATES AND ASSESSMENTS

The preparation of the financial statements requires the directors to apply accounting standards and methodologies which, under certain circumstances, are based on difficult and subjective assessments and estimates, historical experience, and assumptions that are considered to be reasonable and realistic in light of the relative circumstances. The final results of the financial statement entries for which the aforementioned estimates and assumptions have been utilised may therefore differ in the future from those indicated in the financial statements, due to the uncertainty of the assumptions and conditions upon which the estimates are based. The estimates and assumptions are reviewed periodically, and the effects of each change are only reflected on the income statement if it affects the relative year. If the review affects both the current and future years, the change is recognised in the year for which the review is carried out and in the relative future years.

The future results may therefore differ from these estimates, even significantly, due to possible changes in the factors taken into consideration for the determination of the estimates themselves.

The areas based, more than others, on management's estimates regard a) impairment of assets (ECL credit lo, including doubtful debts, b) deferred tax assets' calculation, c) provisions for risks and d) employee benefit liabilities.

4. Financial risk management

The activities carried out by the Company expose it to various types of risks resulting from the use of financial instruments:

- credit risk;
- liquidity risk;
- market risk, specifically interest rate and exchange rate risk.

This section provides information concerning the Company's exposure to each of the risks listed above, the objectives, policies and processes for managing these risks, and the methods used to assess them, as well as the management of the capital. These financial statements also include additional quantitative information. The Company's risk management focuses on the volatility of the financial markets and tries to minimise any potential unwanted effects on the Company's financial and economic performance.

CREDIT RISK

The credit risk is mainly derived from the financial receivables from the public administration, from trade receivables, and from the Company's financial investments.

For the credit risk deriving from the investment activities, a policy has been established for the use of the liquidity managed centrally by the Parent Company, which defines:

- the minimum requirements of the financial counterparty in terms of creditworthiness and the relative concentration limits;
- the types of financial products that can be used.

Regarding the derivative financial instruments used for hedging purposes, which can potentially generate credit exposure for counterparties, the Company has established a specific policy that defines concentration limits by counterparty and by rating class.

With regards to the assessment of the customers' credit risk, the Company is responsible for the risk management and analysis of all new major customers, constantly monitors its own commercial and financial exposure, and monitors the collection of receivables from the public administration within pre-established contractual times.

The following table depicts the assets exposed in credit risk:

Values in Euros	**31/12/2022**	**31/12/2021**
Other non-current receivables	904.643	917.436
Cash and Cash equivalent	23.016.455	17.847.293
Restricted Cash	-	-
Trade Receivables	40.186.388	7.003.876
Other Receivables	87.881.574	50.368.853
Total	**151.989.060**	**76.137.458**

The following table shows the Company’s credit risk exposure by counterparty:

Values in Euros	**31/12/2022**	**31/12/2021**
Other Debtors	5.991.846	11.613.228
Cash	23.016.455	17.847.293
Public Sector	122.980.758	46.676.936
Total	**151.989.060**	**76.137.458**

The following table provides a breakdown of the financial assets and trade receivables as of 31 December 2022, grouped by maturity:

	0-180	**180-360**	**360-720**	**over 720**	**Total**
Other Debtors	227.050	224.649	9.880.508	19.424.863	29.757.070
Provision for Write-downs	(103.140)	(103.140)	(4.134.080)	(19.424.863)	(23.765.224)
Other Debtors (Net)	**123.910**	**121.508**	**5.746.428**	**-**	**5.991.846**
Cash	23.016.455	-	-	-	23.016.455
Provision for Write-downs	-	-	-	-	-
Cash (Net)	**23.016.455**	**-**	**-**	**-**	**23.016.455**
Public Sector	89.332.197	2.490.002	8.994.170	33.786.130	134.602.500
Provision for Write-downs	-	-	-	(11.621.742)	(11.621.742)
Public Sector (Net)	**89.332.197**	**2.490.002**	**8.994.170**	**22.164.388**	**122.980.758**
Total Financial Assets	**112.472.562**	**2.611.510**	**14.740.599**	**22.164.388**	**151.989.059**

LIQUIDITY RISK

Liquidity risk is the risk that an entity may have difficulty fulfilling the obligations associated with financial liabilities to be settled via the delivery of cash or another financial asset. The cash flows, financing needs, and liquidity of the Group's companies are generally monitored and managed centrally by the Finance department of the Parent Company's Central Finance, Control and Capital Division, with the aim of ensuring the effective and efficient management of financial resources. As concluded from Financial Statements, liquidity risk is totally under control (Working Capital):

Working Capital	**31/12/2022**	**31/12/2021**
Current Assets		
- Current Liabilities	(64.530.334)	(35.912.398)

The Company is protected against Liquidity Risk due to the following facts: a) the Company's Financial Assets' value is not different than their nominal value, b) Cash is deposited in banks with sufficient Credit Rating from renowned Rating Organizations c) the tight monitoring of its obligations' maturity and d) needs to be noted that the decrease of working capital is due to an increase to intercompany payables related to the acquisition of ETR and the establishment of a new commercial platform – hence, the significant increase in payables, relates mainly to liabilities to relates parties.

The following tables show the repayments of the financial liabilities and trade payables with maturity within 12 months, from 1 to 5 years, and beyond 5 years:

Amounts in Euros

31/12/2022	**Carrying Amount**	**Up to 12 months**	**1-5 years**	**Beyond 5 years**
Loans	57.556.386	29.056.386	15.200.000	13.300.000
Leasing liabilities	108.319.449	14.587.096	55.884.351	37.848.002
Trade Payables	154.977.358	154.977.358	-	-
Other liabilities	20.466.742	20.466.742	-	-
Total Financial Liabilities	**341.319.935**	**219.087.582**	**71.084.351**	**51.148.002**

Amounts in Euros

31/12/2021	**Carrying Amount**	**Up to 12 months**	**1-5 years**	**Beyond 5 years**
Loans	36.292.553	3.992.553	15.600.000	16.700.000
Leasing liabilities	56.482.745	11.711.664	7.149.488	37.621.593
Trade Payables	86.584.005	86.584.005	-	-
Other liabilities	13.817.499	13.817.499	-	-
Total Financial Liabilities	**193.176.802**	**116.105.721**	**22.749.488**	**54.321.593**

MARKET RISK

Market risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate due to changes in market prices, exchange rates, interest rates, or quoted equity instruments. The Company does not face any market risk, given it does not possess marketable financial assets.

In carrying out its operating activities, the Company is exposed to various market risks, mainly the risk of fluctuations in interest rates and, to a lesser extent, exchange rates. The goal of market risk management is to maintain the Company's exposure to this risk within acceptable levels, while at the same time optimising the return on investments. This risk is also divided into the following components: interest rate risk and exchange rate risk, as detailed below.

Interest rate risk

The Company is mainly exposed to interest rate risk in relation to medium and long-term passive loans indexed at the floating rate.

The common goal of the Group policies adopted by the Company is to limit the cash flow variations associated with the existing financing transactions and, where possible, to exploit the opportunities to optimise the cost of the debt resulting from the debt being indexed at the floating interest rate.

In implementing the Group's policies, the Company uses exclusively so-called "plain vanilla" hedging derivative financial instruments, such as such as interest rate swaps, interest rate collars, and interest rate caps.

The following table shows floating rate and fixed rate loans.

Values in Euros

	Carrying amount	Current portion	1-5 years	beyond 5 years
Floating rate	57.556.386	29.056.386	15.200.000	13.300.000
Balance as of 31 December 2022	**57.556.386**	**29.056.386**	**15.200.000**	**13.300.000**

As of 31/12/2022, if interest rates were higher/lower by 50 base points, the Company's finance costs for these loans would have been higher/lower respectively by 285.000 euros.

MANAGEMENT OF EQUITY CAPITAL

The Company's main goal with regard to capital risk management is to safeguard its business continuity in order to guarantee returns for shareholders and benefits for other stakeholders. The Company also aims to maintain an optimal capital structure in order to reduce the cost of debt.

5. Property, plant and equipment

The table below shows the amounts of property, plant and equipment at the beginning and end of the year, with the relative changes. There were no changes in the estimated useful lives of the assets during the years presented.

<u>Property, plant and equipment (excluding IFRS 16)</u>

Amounts in Euros	**Buildings**	**Machinery**	**Vehicles**	**Rolling stock**	**Rolling Stock - LIC**	**Advance payments for fixed assets**	**Furniture & other equipment**	**Rolling stock technical escort**	**TOTAL**
Cost at 1/1/2021	**2.282.915**	**4.865.935**	**67.750**	**1.762.183**	**-**	**16.736.322**	**5.944.272**	**21.465.579**	**53.124.956**
Additions for the period	274.784	90.539	-	-	27.675.004	12.437.699	595.852	4.186.099	43.609.977
Disposal for the year	-	-	-	-		-	-	-	-
Cost at 31/12/2021	**2.557.699**	**4.956.474**	**67.750**	**1.762.183**	**27.675.004**	**29.174.021**	**6.540.124**	**25.651.677**	**98.384.933**
Accumulated depreciation 1/1/2021	**(177.085)**	**(1.931.528)**	**(67.750)**	**(582.377)**	**-**	**-**	**(4.091.534)**	**(1.350.860)**	**(8.201.134)**
Depreciation for the period	(222.839)	(847.224)	-	(203.335)	-	-	(445.882)	(2.239.335)	(3.958.614)
Depreciation of disposed assets			-	-	-	-		(916.881)	(916.881)
Accumulated depreciation 31/12/2021	**(399.924)**	**(2.778.751)**	**(67.750)**	**(785.712)**	**-**	**-**	**(4.537.415)**	**(4.507.076)**	**(13.076.629)**
Net book value at 31/12/2021	**2.157.775**	**2.177.722**	**-**	**976.471**	**27.675.004**	**29.174.021**	**2.002.709**	**21.144.602**	**83.658.305**
Cost at 1/1/2022	**2.557.699**	**4.956.474**	**67.750**	**1.762.183**	**27.675.004**	**29.174.021**	**6.540.124**	**25.651.677**	**98.384.933**
Reclassification	16.578.873	-	-	41.650.004	(27.675.004)	(30.553.873)	-	-	-
Additions for the period	751.274	253.578	-	16.350.000	-	3.114.452	480.068	7.994.549	28.943.922
Disposal for the year	-	-	-	-	-	-	-	-	-
Cost at 31/12/2022	**19.887.847**	**5.210.052**	**67.750**	**59.762.189**	**-**	**1.734.600**	**7.020.192**	**33.646.226**	**127.328.855**
Accumulated depreciation at 1/1/2022	**(399.924)**	**(2.778.751)**	**(67.750)**	**(785.712)**	**-**	**-**	**(4.537.415)**	**(4.507.076)**	**(13.076.629)**
Reclassification			-	-	-	-		-	-
Depreciation for the period	(715.477)	(703.092)	-	(2.321.349)	-	-	(452.354)	(3.085.533)	(7.277.806)
Impairment of Assets			-	-	-	-		(1.569.147)	(1.569.147)
Accumulated depreciation at 31/12/2022	**(1.115.402)**	**(3.481.844)**	**(67.750)**	**(3.107.061)**	**-**	**-**	**(4.989.770)**	**(9.161.755)**	**(21.923.581)**
Net book value at 31/12/2022	**18.772.445**	**1.728.208**	**-**	**56.655.129**	**-**	**1.734.600**	**2.030.423**	**24.484.471**	**105.405.276**

The advance payments concern the partial delivery of a project connected to the company's new commercial platform that is under implementation. The period additions mainly concern two ETR 470 type trains acquired during the year and included in the route policy, value 16 million euros. There are no pledges of privately owned assets and facilities.

6. Royalties to Property, plant and equipment

An analysis of the Company's Royalties Property, Plant and Equipment (Finance Lease) is presented below:

Amounts in Euros	Residential buildings	Industrial buildings	Transportation Means	Rolling Stock	Other assets	Total
Cost at 1/1/2021	**5.258.146**	**42.936.968**	**86.018**	**47.978.740**	**-**	**96.259.872**
Right of use assets						
Adjustments & Additions for the period	34.918	2.259.619				2.294.537
Cost at 31/12/2021	**5.293.064**	**45.196.587**	**86.018**	**47.978.740**	**-**	**98.554.409**
Accumulated depreciation 1/1/2021	**(954.358)**	**(2.899.385)**	**(7.018)**	**(25.588.662)**	**-**	**(29.449.423)**
Depreciation for the period	(481.276)	(1.789.455)	(31.279)	(12.794.331)	-	(15.096.341)
Accumulated depreciation 31/12/2021	**(1.435.634)**	**(4.688.840)**	**(38.297)**	**(38.382.993)**	**-**	**(44.545.764)**
Net book value at 31/12/2021	**3.857.430**	**40.507.747**	**47.721**	**9.595.747**	**-**	**54.008.645**
Cost at 1/1/2022	**5.293.064**	**45.196.587**	**86.018**	**47.978.740**	**-**	**98.554.409**
Adjustments for the period	-	-		66.985.768	86.351	67.072.119
Disposal for the year	-	-	-	-		-
Cost at 31/12/2022	**5.293.064**	**45.196.587**	**86.018**	**114.964.508**	**86.351**	**165.626.528**
Accumulated depreciation at 1/1/2022	**(1.435.634)**	**(4.688.840)**	**(38.297)**	**(38.382.993)**	**-**	**(44.545.764)**
Adjustment for the period		(850.075)				(850.075)
Depreciation for the period	(483.600)	(1.701.171)	(17.933)	(13.243.398)	(4.797)	(15.450.899)
Depreciation of disposed assets	-	-	-	-		-
Accumulated depreciation at 31/12/2022	**(1.919.234)**	**(7.240.086)**	**(56.230)**	**(51.626.391)**	**(4.797)**	**(60.846.738)**
Net book value at 31/12/2022	**3.373.830**	**37.956.501**	**29.788**	**63.338.117**	**81.554**	**104.779.791**

Royalties to Property, plant and equipment (Finance Lease) recognized for first time on 1/1/2020 by applying IFRS 16.

The depreciation of Royalties property, plant and equipment (Finance Lease) is recognized in the period's statement of comprehensive income results. The additions mainly come from the renewal of the existing rolling stock lease contract which was extended for 5 more years until 2027.

7. Intangible assets

The table below shows the intangible assets at the beginning and end of the year, with the relative changes.

As of 31 December 2022, the "Intangible assets" item does not appear to be burdened with mortgages or privileges.

Values in Euro	**Concessions, licenses, trademarks and other similar rights**
Cost at 1/1/2021	**2.564.130**
Additions for the period	165.135
Cost at 31/12/2021	**2.729.265**
Accumulated depreciation 1/1/2021	**(848.020)**
Amortisation for the period	(260.050)
Accumulated amortisation 31/12/2021	**(1.108.071)**
Net book value at 31/12/2021	**1.621.194**
Cost at 1/1/2022	**2.729.265**
Additions for the period	13.396
Cost at 31/12/2022	**2.742.661**
Accumulated depreciation at 1/1/2022	**(1.108.070)**
Depreciation for the period	(265.581)
Accumulated depreciation at 31/12/2022	**(1.373.651)**
Net book value at 31/12/2022	**1.369.010**

8. Deferred tax assets and deferred tax liabilities

The following tables illustrate the opening and closing balances of deferred tax assets and deferred tax liabilities, as well as the changes recorded in the years presented for the main temporary differences.

2021	Opening Balance			Closing Balance
	01/01/2021	Income Statement	Other Comprehensive Income	31/12/2021
Deferred Tax Asset due to merger with EESSTY SA	368.366	(368.366)	-	-
Provision for Staff Leave Indemnity (IAS 19)	1.391.237	(90.560)	(226.521)	1.074.155
Provisions for Legal Cases	2.928.667	(1.425.999)	-	1.502.668
IFRS 16 Application (Financial Lease)	488.650	55.652	-	544.302
Provisions for doubtful debts	476.923	(39.744)	-	437.180
Taxable losses	-	690.650		690.650
Other	205.182	(249.820)	-	(44.638)
Total	**5.859.024**	**(1.428.276)**	**(226.521)**	**4.204.227**

2022	Opening Balance			Closing Balance
	01/01/2022	Income Statement	Other Comprehensive Income	31/12/2022
Deferred Tax Asset due to merger with EESSTY SA	-			
Provision for Staff Leave Indemnity (IAS 19)	1.074.155	(173.901)	(45.816)	854.439
Provisions for Legal Cases	1.502.668	(85.027)		1.417.641
IFRS 16 Application (Financial Lease)	544.302	234.423		778.725
Provisions for doubtful debts	437.180	(106.591)		330.589
Taxable losses	690.650	1.465.401		2.156.051
Other	(44.638)	(136.256)		(180.894)
Total	**4.204.227**	**1.198.049**	**(45.816)**	**5.356.550**

9. Financial Assets

Company's financial assets are analyzed as following:

Amounts in Euros	**31/12/2022**	**31/12/2021**
Other non – current assets	904.643	917.436
Cash & cash equivalents	23.016.455	17.847.293
Restricted cash	-	-
Trade receivables	40.186.388	7.003.876
Other current assets	87.881.574	50.368.853
Total	**151.989.060**	**76.137.458**

The increase in other short-term receivables refers to the accrued receivable from the Ministry of Transport as noted in the PSO contract signed on 14.4.2022. For further clarifications please refer to NOTE 12. It is worth mentioning that for the year 2022 the company has not received any payment from the claims of the P&P contract, while only the 1st semester has been invoiced. Consequently, there is an increase in the claim by 31 million euros (net value of 25 million euros) plus an accrued P&E claim amounting to 40 million euros.

9.1 Other non-current assets

Other non-current assets are analyzed as following:

Amounts in Euros	**31/12/2022**	**31/12/2021**
Guarantees	894.494	907.436
Other non – current assets	10.149	10.000
Total	**904.643**	**917.436**

9.2 Cash & cash equivalents

Company's cash and cash equivalents represent cash either in the Company's petty cash in various locations or bank deposits, available at first demand. There are no commitments regarding the Company's cash and cash equivalents.

Company's cash and cash equivalents are as following (Cash Flow purposes depiction):

Amounts in Euros	**31/12/2022**	**31/12/2021**
Cash in hand	18.467	11.549
Cash at banks	22.997.987	17.835.744
Total cash & cash equivalents	**23.016.455**	**17.847.293**

A letter of guarantee from EULER HERMES Hellas amounting to euros 2.000.000,00 has been submitted to the Ministry of Infrastructure and Transport *(dated 14.04.2022)*, in accordance with the terms of the PSO contract agreement between Hellenic Train S.A. and the Ministry of Infrastructure and Transport.

A letter of guarantee issued by the National Bank of Greece amounting to euros 1.000.000,00 has been submitted for the participation guarantee to the tender announced by the Ministry of Infrastructure and Transportation for the concession of the Thriassio II freight terminal.

While cash and cash equivalents are subject to the requirements of IFRS. 9, the estimated impairment loss was insignificant and was therefore not recognized.

10. Current Trade Receivables

Current Trade Receivables from customers is analyzed as follows:

Amounts in Euros	**31/12/2022**	**31/12/2021**
Private-sector debtors	5.935.212	5.852.342
Greek state & other Public companies	38.823.868	5.992.945
Doubtful receivables	4.576.031	4.328.381
Total	**49.335.111**	**16.173.668**
Less: Allowance for doubtful receivables	(9.148.723)	(9.169.792)
Total receivables	**40.186.388**	**7.003.876**

Company has assessed the recoverability of its trade receivables and has recorded a provision for doubtful debts of € 9.148.723 euros based on Management's estimation.

The significant increase is due to the fact that on December 31, 2022 the Ministry of Transport has not yet paid an amount of Euros 31 mln which relates to the PSO contract.

11. Inventories

Inventories are depicted in the following table:

Amounts in Euros	**31/12/2022**	**31/12/2021**
Raw materials and consumables	1.406.121	1.042.601
Provision for obsolence (consumables)	-	-
Net value	**1.406.121**	**1.042.601**
Fuel	1.372.757	1.094.467
Provision for obsolence (fuel)	(270.892)	(186.121)
Net value	**1.101.866**	**908.346**
Spare parts	1.055.861	3.239.599
Provision for obsolence (spare parts)	(173.459)	(217.245)
Net value	**882.402**	**3.022.354**
Total realizable value	**3.390.388**	**4.973.301**

Provision for obsolescence relates to fuel and spare parts.

There are no restricted inventories.

Spare parts are materials used for rolling stock maintenance purposes.

12. Other current assets

Amounts in Euros	**31/12/2022**	**31/12/2021**
Receivable from Public Sector (V.A.T.)	7.509.191	1.176.248
Ministry of infrastructure and Transport	1.802.822	1.802.822
Other State Administrations	12.421.833	10.816.689
Unbilled revenue	17.696.411	8.149.677
Unbilled revenue Ministry of Transport and Infrastructure	40.027.965	16.500.000
Recharge of supplementary maintenance – OSE S.A.	14.106.520	14.106.520
Recharge of supplementary maintenance –GAIAOSE S.A.	1.887.418	1.799.244
Charges for maintenance costs of equipment for interventions in line incidents and keeping it in permanent readiness - OSE	2.497.309	1.961.629
Miscellaneous debtors and accruals/deferrals	16.170.348	19.573.799
Total	**114.119.817**	**75.886.629**
Provision for write-downs	(26.238.243)	(25.517.777)
Total net other assets	**87.881.574**	**50.368.853**

Company's other current assets are analyzed as follows:

Receivable from public sector of value 7.509.191 relates to VAT receivable.

Unbilled revenue receivable is mainly consisting of accrued grants related to the assignment of Public Service Obligations ("Ministry of Finance") amounting to Euro 40.027.965.

Revenues receivable from supplementary maintenance – OSE are considered in their entirety as doubtful and are included in the provision for doubtful debts.

The line Other receivables -Government includes receivables for withholding taxes or income tax advances. The increase is due to withheld taxes from the Greek State.

The Company has calculated a provision for doubtful other receivables amounting to € 26,238,243. Its increase is mainly due to uncollectible claims from supplementary maintenance as described below.

Other receivables include, 2 million euros pertain to insurance compensation from damages caused from train circulation. Also included is an amount of 5.7 million euros related to maintenance work on rolling stock that has not yet been invoiced to GAIAOSE and is included in the from 24/6 /2016 Extended Maintenance program. Invoiced claims amounting to 3.7 million euros are also included in the above extended maintenance program of the leased fleet. It is worth mentioning that according to the approval of the rolling stock fleet management program as signed in April 2022, the cost of the budgeted works regarding extended maintenance services reaches35.8 million euros and should have been completed by the end of the rolling stock lease contract, i.e. by September 2027. Finally, an amount of approximately 8 million euros is considered irrecoverable and has been included in the 26 million euros provision for write-downs.

Recharge of supplementary maintenance – OSE & GAIAOSE regards Rolling Stock supplementary maintenance for period 09/2017-09/2019 costs sustained by Hellenic Train for activities performed by EESSTY and recharged to the ultimate subjects responsible for the execution of the maintenance works.

According to the Report of the Technical Committee of art. 27 of the Maintenance Contract between the Company and former EESSTY SA, which was presided by the National Technical University of Athens and was summoned to define the final amount of supplementary maintenance cost, as described in the relevant invoices for the period between 14 September 2017 and 30 September 2019, the relevant supplementary maintenance services are connected to specific actions/omissions on behalf of OSE SA and GAIAOSE SA. In particular, part of the cost has been attributed to the bad conditions of the rail infrastructure due to omissions of the infrastructure administrator (OSE), part of the cost to omissions of GAIAOSE (administrator of the rolling stock) for not completing timely all actions relating to the full spectrum of rolling stock maintenance activities within the ambit of GAIAOSE' s responsibility as prescribed in the respective legislation.

In this context, relevant receivables have been recognized for the total amount of Euro 14,1 millions from GAIAOSE. All amounts along with the analysis, have been communicated to GAIAOSE through extrajudicial letters.

GAIAOSE has set as a condition for the recognition of any maintenance work within the Extended Maintenance Program the execution of the control and certification process as defined in the rolling stock lease contract of 2016, and also the characterization of these works as extended maintenance in nature. In any case, the Management considers that all re-charges are proven by the appropriate supporting documents based on the expenses incurred by the Company, and in case of refusal or delay in the execution of their certification procedures, it will claim legally until exhaustion of legal actions. Regarding the charges for equipment maintenance costs for interventions in incidents, they are a continuation of an earlier contract that was signed between OSE and the former ESSTY (a company absorbed by Hellenic Train in 2019). The contract is still in the process of being signed due to delays on the part of OSE, however the services continue to be provided by Hellenic Train as they are necessary for the smooth execution of the railway project. The existing balance from 2021 to 2022 has been increased due to invoicing the accrual from 2021.

Receivables from the MIT are detailed below:

Values in Euros

	Opening Balance 01/01/2022	Increase	Reduction	Closing Balance 31/12/2022
Grant				
- PSO Invoiced amount	-	46.500.000	15.500.000	31.000.000
- Prior Periods' VAT	1.802.822	-	-	1.802.822
- Accrued Revenue	12.500.000	40.027.965	12.500.000	40.027.965
Total	**14.302.822**	**86.527.965**	**28.000.000**	**72.830.787**

13 Shareholders' equity

The changes that took place during the 2022 and 2021 financial years for the main equity items are reported analytically in the table at the beginning of the explanatory notes to the financial statements.

Share capital

On 31.7.2018, an Extraordinary General Meeting of the Shareholders of the Company took place in order to decide upon taking appropriate and corrective measures, pursuant to the provisions of article 47 of law 2190/1920.

Specifically, the measures included the following:

- Offset of part of the cumulative accounting losses amounting to 871.546.116,78€ with the special reserve of Law 3891/2010 formed upon the debt release of OSE (debt to OSE writen-off) amounting to 692.161.809,26€.
- Decrease of the Company's share capital with offset of the remaining accounting losses, by the total amount of 178.636.890,90€
- Decrease of the nominal value of the shares by 83,85€ (178.636.890,90€ / 2.130.434 shares) each, so as the total number of shares to remain the same and the share capital of the Company to stand at 34.406.509,10 Euro divided into 2.130.434 registered shares with a nominal value of 16,15 Euro each.

Consequently, the Company's share capital consists of 2.130.434 common fully paid shares, of € 16,15 nominal value each. The total share capital amounts to 34.406.509,10. Company's shares are not listed in any Financial Market.

On 1.6.2019, Ferrovie Dello Stato Italiane S.p.A transferred all the shares of TRAINOSE S.A., to its subsidiary TRENITALIA S.p.A.

Other reserves

Company's Capital Reserves amount to € 13.094,15 and relate to the statutory reserve that was established in prior years.

According to the Greek Companies law, all entities are obliged to form a 5% from their year-end profits as a statutory reserve until such reserve reaches the amount of one third (1/3) of the paid share capital. This reserve cannot be distributed during the company's operation.

On September 12th, 2017 the 45496/2336 Jointed Ministerial Decision was published in the Official Government Gazette between the Ministry of Finance and the Ministry of Transportations and Infrastructure. According to this decision, a debt write off of debt to OSE SA amounting to 692.161.809,27 € was approved. This amount is directly recognized in the Company's net asset position. The gain which arises for TRAINOSE SA following this debt settlement is not subject to income tax. Furthermore, this settlement does not have any effect on VAT applicable to the relevant invoices issued by OSE during the year in which they were issued.

On 31.7.2018, an Extraordinary General Meeting of the Shareholders of the Company TRAINOSE S.A. took place in order to decide upon taking appropriate and corrective measures, pursuant to the provisions of article 47 of law 2190/1920.

Specifically, the measures included the following:

- Off-set of part of the cumulative accounting losses amounting to 871.546.116,78€ with the special reserve of Law 3891/2010 formed upon the debt release of OSE (debt to OSE written-off) amounting to 692.161.809,26€,
- Decrease of the Company's share capital with offset of the remaining accounting losses, by the total amount of

178.636.890,90€,

- Decrease of the nominal value of the shares by 83,85€ (178.636.890,90€ / 2.130.434 shares)each, so as the total number of shares to remain the same and the share capital of the Company to stand at 34.406.509,10 Euro divided into 2.130.434 registered shares with a nominal value of 16,15 Euro each.

After the aforementioned write off both the Company’s net assets and the Company’s working capital are positive.

Reserve for actuarial gains/(losses) for employee benefits

The Reserve for actuarial gains/(losses) for employee benefits relates to actuarial losses that have been recognized directly in equity. As of 31.12.2019 this reserve was cumulatively shown with Profits/(Losses) carried forward.

Extraordinary reserve due to merge with EESSTY S.A

This Extraordinary reserve include the result of the period 01/04/2019 - 30/09/2019. The reserve includes as well the reclassification of the actuarial profit that was directly recorded in the equity of EESSTY S.A..

Profits/(Losses) carried forward

Company's (Losses) carried forward until 31/12/2021 are € (12.260.527).

Operating result

Company's Operating result for the period 1/1/2022 – 31/12/2022 is loss of € (883.428) compared to a profit of € 56.985 for the period 1/1/2021 – 31/12/2021.

14 Long-term and short-term loans

Values in Euros

Medium/long-term loans net of the current amount	**31/12/2022**	**31/12/2021**
Loans from shareholders	28.500.000	32.300.000
Total	**28.500.000**	**32.300.000**

Short-term loans and current portion medium/long-term loans	**31/12/2022**	**31/12/2021**
Loans from shareholders (short term)	29.056.386	3.992.553
Total	**29.056.386**	**3.992.553**
Total Loans	**57.556.386**	**36.292.553**

The reconciliation table for the overall changes in liabilities and financial assets, broken down into monetary and non-monetary changes, is shown below:

Values in Euros

Cash flow items generated/(absorbed) from financial assets	**31/12/2021**	**Cash flow statement effect (& new loans)**	**Non-monetary effects New leases & accrued interest**	**31/12/2022**
Disbursement and repayment of short and medium/long-term loans	36.292.553	20.663.274	600.559	57.556.386
Change in other financial liabilities	56.482.745	-	51.386.704	108.319.449
Total	**92.775.298**	**20.663.274**	**52.437.263**	**165.875.835**

The terms and conditions of the existing loans are as follows:

Values in unit of Euros				**31.12.2022**		**31.12.2021**	
Creditor	**Currency**	**Nominal Interest Rate**	**Year of Maturity**	**Nom. Value**	**Book Value**	**Nom. Value**	**Book Value**
FERROVIE DELLO STATO ITALIANE S.P.A.	€'	2,18% plus Euribor	2028	25.000.000	17.000.000	25.000.000	19.000.000
FERROVIE DELLO STATO ITALIANE S.P.A.	€'	1,4% plus Euribor	2031	18.000.000	15.300.000	18.000.000	17.100.000
FERROVIE DELLO STATO ITALIANE S.P.A.	€'	0,95% plus Euribor	2023	25.000.000	25.000.000	-	-
Total Loans				**68.000.000**	**57.300.000**	**43.000.000**	**36.100.000**

In 2022 a new loan on 25mln was issued. The loan is considered a short term period financing agreement payable within 2023. It will be paid in full once Hellenic Train S.A. collects an outstanding receivable from the Ministry of Transport – the receivable relates to the outstanding PSO payment of 31mln (includes VAT).

15 Post-employment benefits and other employee benefits

Values in Euros	31/12/2022	31/12/2021
Current value of post-employment benefits (TFR) obligations	3.883.813	4.882.524
Total current value of obligations	**3.883.813**	**4.882.524**

The following table shows the changes in the current value of the liabilities for defined benefit obligations.

	2022	2021
Defined benefit obligations as of 1 January	4.882.524	5.796.819
Current Service Cost	254.376	306.199
Other Service Costs	258.607	1.302.293
Interest cost	47.060	27.895
Actuarial (gains)/losses recognised in equity	(208.253)	(1.029.645)
Benefits paid	(1.350.500)	(1.521.038)
Total defined benefit obligations	**3.883.813**	**4.882.524**

The indemnity payment to personnel exiting service during the years presented was realized solely from the Company and the Company is recharging OSE with the amount corresponding to period of the work experience of the personnel until December 31st, 2006.

The Company recognizes as a liability for personnel benefits due to leaving the service, the present value of the legal commitment it has undertaken for the payment of lump sum compensation to personnel who leave due to retirement. The relevant obligation is calculated annually following an actuarial study carried out by an independent actuary. Specifically, the relevant study concerned the calculation of the actuarial reserves is required by the specifications set by the International Accounting Standards (IAS 19) and are mandatory to be presented in the Statement of Financial Position and the Statement of Other Comprehensive Income. The method applied is the Projected Unit Credit Method.

The Company has not activated any special benefits program for its employees, which is committed to benefits in case of departures. The only program that is valid and has been activated is the obligation based on the current legislation to provide a lump sum (Law 993/1979).

It must be noted that OSE has proceeded unilaterally to cancelling the related liability in its Financial Statements at 31.12.2017, following a communication in which it was argued that such liability was to be deemed canceled in the context of the cancellation of the debts of TRAINOSE S.A to OSE S.A., and on general terms, that such liabilities toward the employees are "automatically" transferred to the employer. The Company refutes this unilateral cancellation as illegitimate, in view both of OSE S.A. having agreed for 11 years to bear the economic burden of the indemnity computed as of December 31st, 2006, and in view of the fact that in the Decree for the cancellation of debts of TRAINOSE S.A. towards OSE (KYA 4549672336711-9-2017) no mention was made of the cancellation of what actually is a liability of OSE towards the workforce ceded to TRAINOSE S.A. in 2006. The Company seeked for legal restoration of the aforementioned practice regarding the liability to the exhaustion of legal means. On 7/8/2023 the decision of the Multi-Member Court of First Instance of Athens was issued (rep. 2853/2023) where the Company's lawsuit against the OSE related to the case in question was partially accepted. Therefore, the amount of claim that has been formed in the books of HT against OSE is considered payable by OSE with legal interest from the service of the lawsuit.

In 2022, for a complete presentation of accounts, the amount of unmatured liabilities still due to the workforce of Hellenic Train from OSE has been computed in the total defined benefit obligations as of 1 January 2021, and the relative portions of the Service and Interest costs, as well as the actuarial loss, has been recognized. An asset of equal value has been recognized within the Other assets (ref. Note 12).

	Post-employment benefits
Benefit Increase Rate + 0,50%	3.915.813
Benefit Increase Rate - 0,50%	3.852.196
Discount rate +0,50%	3.800.037
Discount rate -0,50%	3.970.633

Actuarial assumptions

The main assumptions for the actuarial estimate process are described below.

	2022	2021
Discount rate	3,80%	1,00%
Future salary increases	2,50%	2,00%
Long-term increase in inflation	2,20%	1,90%
Mortality table	EAE2012P	EAE2012P

The results of the sensitivity analyses carried out in order to evaluate the effects that would have been recorded in terms of changes in the current value of the liabilities for defined benefit obligations, following reasonable potential changes in actuarial assumptions, are shown above.

16 Provision for risks and charges

The following table shows the opening and closing balances of the provisions for risks and charges, and the changes that took place during the 2022 financial year, highlighting the current portion:

	Provisions for legal cases	Provisions For Accidents	Total
Book value at 1/1/2021	**9.903.003**	**2.299.776**	**12.202.779**
Additional provision	892.420	-	892.420
Provision reversal	(3.881.561)	(2.299.776)	(6.181.337)
Legal Cases Interest	(83.553)	-	(83.553)
Book value at 31/12/2021	**6.830.309**	**-**	**6.830.309**
Additional provision			
Provision reversal	(386.488)		(386.488)
Legal Cases Interest			
Book value at 31/12/2022	**6.443.821**		**6.443.821**

The Provisions for Accidents have been redistributed, for the applicable amounts, on notified legal cases, in line with the policy followed by the Company in other similar instances.

17 Current and non-current financial liabilities (including derivatives)

Lease liabilities that have not been matured are valued at amortized cost and analyzed as per following table:

	31/12/2022	31/12/2021
Non - current financial liabilities (IFRS16)	93.814.796	44.771.081
Current financial liabilities (IFRS16)	14.504.653	11.711.664
Total	**108.319.449**	**56.482.745**

Lease liabilities were first recognized on 1/1/2019 by applying IFRS 16.

Leased liabilities are booked to "Current trade payables" upon issue of the relevant invoices.

18 Other current and non-current liabilities

Values in Euros	31/12/2022			31/12/2021		
	Non-Current	**Current**	**Total**	**Non-Current**	**Current**	**Total**
Customer Guarantees	70.000		70.000	70.000	-	70.000
VAT				-	-	-
Accrued Expenses		6.490.392	6.490.392	-	6.994.909	6.994.909
Salaries payable		1.728.689	1.728.689	-	1.579.773	1.579.773
Other Taxes		1.774.250	1.774.250	-	1.001.239	1.001.239
Accrued work in progress regarding ETR		-	-		6.300.000	6.300.000
Payables to Social Security Institutions		2.121.552	2.121.552	-	1.956.195	1.956.195
Deferred Income		667.968	667.968	-	502.136	502.136
Other Payables		7.683.891	7.683.891	-	1.783.247	1.783.247
Total	**70.000**	**20.466.742**	**20.536.742**	**70.000**	**20.117.499**	**20.187.499**

The increase in other payables is mainly due to an amount of 5.7 million euros concerning a check payable to the OSE which was cashed at the beginning of the following year. With regard to the accrued part of the ETRs within 2022, the relevant work was fully implemented as the ETRs became operational since MAY 2022.

19 Trade Payables

Values in Euros	31/12/2022	31/12/2021
Liabilities to Public Sector Entities	99.887.882	50.798.015
Domestic Creditors	3.716.294	4.121.283
Creditors Abroad	420.247	123.119
Payables to Related parties	50.952.935	25.241.588
Total	**154.977.358**	**80.284.005**

The Liabilities to Public Sector Entities on December 31, 2022 amounting to Euro 99,887,882 (€ 50,798,015 on December 31, 2021) mainly include obligations to OSE SA. and GAIAOSE S.A. for network usage fees and leases of rolling stock and facilities respectively.

The liabilities have increased by 12 million euros due to an increase in the liabilities to GAIAOSE for leases of facilities and rolling stock. This is due to the fact that payments to HELLENIC TRAIN through the PSO contract for 2022 are pending.

The significant increase in Liabilities to Public Sector Entities relates mainly to fees from the Network Operator (OSE). In 2022 the cost of electricity (supplied by OSE to railway undertakings for electrical traction) has almost doubled since 2021. This cost affected the Electromobility charges from the Network Operator. As a result, the payable to OSE in 2022 regarding Electromobility has been increased by almost 9mln. Furthermore, apart from electromobility, the most significant component that lead to an increased payable to the Network Operator, relates to the Track Access Charges (TACs). The invoiced value or the current period

amounts to EUR 40.847.916,90. Also included in this accounting element are charges of settlement invoices issued in 2023 which relate to periods of 2020 and 2021 regarding track access charges of 21.248.115.03 (excluding VAT). With reference to the 2022 charges and the 2021 and 2020 liquidations (i.e. amounts of 32.9 and 21.2 million euros) Hellenic Train has expressed significant objections regarding the assessment method applied by OSE for the charges in question and has filing appeals against the network declarations of the years 2020, 2021 and 2022 before the Railway Regulatory Authority. The Company proceeded with its own estimation of the cost of the 2020-2022 TACs considering as a basis, the accepted charges of the network usage statement of the year 2019. Therefore, the invoices in question are initially recorded, but being netted off in the liabilities (and the cost) by the value of the expected credit invoice, which the management estimates will be issued by the OSE after the final outcome of the case is positive for the Company, and was calculated taking taking into account the access fee to the infrastructure, based on the 2019 Access Agreement, i.e. the last Agreement signed between the parties, and taking into account what the RAS (Railways Regulatory Authority) also defined with the no. 56/2022 its decision. The same procedure was applied for the access fees of previous periods (2020, 2021 but 2022). As a result, Hellenic Train has reduced its invoiced obligations to OSE by an amount of 26,643,058 euros for the periods 2020 & 2021 and of 15,268,376 euros for 2022.
Trade payables to Group companies on December 31, 2022 amount to €50.952.935 (€25.241.588 on December 31, 2021) mainly include obligations towards Trenitalia spa regarding the pricing for the new trains delivered in Greece.

20 Income from sales, services and PSO contract

The details of the items that make up the revenues from sales and services along with PSO are illustrated in the tables and comments below.

Values in euros	**1/1 - 31/12/2022**	**1/1 - 31/12/2021**
Revenues from passengers transportation	65.003.412	36.525.721
Revenues from merchandise transportation	14.713.000	15.268.213
Income of exchange of rolling stock	87.697	332.313
Income from contributions	-	-
Revenues from rolling stock maintenance	2.299.882	5.612.884
Revenue from PSO *(Public service Obligation)*	50.000.000	50.000.000
Revenue from PSO *(additional based on art. 10.3 & 10.14)*	15.027.965	-
Total	**147.131.955**	**107.739.132**

The increase in turnover deals with the exposure of HELLENIC TRAIN to Covid restrictions in 2021 and the new ETR trains launched during 2022.

On April 14th 2022 the contract agreement for Public Service Obligation was signed between the Greek State and Hellenic Train S.A., having per object the compensation in favor of the Company by part of the State for the execution of arid lines. In particular, with the aforementioned agreement Hellenic Train S.A undertook the commitment of providing services passenger railway transport in exchange with compensation. According to article 10.2 of the PSO contract, the Ministry of Transportation is required to pay to Hellenic Train an amount of EUR 50mln each year through all the duration of the contract. Though, based on articles 10.3 & 10.14 in certain cases that there arises the need of an excess contribution due to unexpected increases in the costs eligible to compensation that are necessary for the provision of the Services object of the PSO Contract, Hellenic Train has a right to either be compensated with increased compensation in line with the increasing costs, or to reduce production in such a way that the Contract can be balanced with the compensation of EUR 50mln.

These provisions, taken into account together with the provision of article 10.3 that defines the minimum profit for the provision of the Services (before penalties or withdrawals) at the amount of EUR 2 mln, allow the recognition of a contractual revenue for the period in excess of the EUR 50 mln, up to the amount of EUR 65 mln, in proportion most importantly with the increases in costs of energy (fuel and electricity) and of other eligible costs under the PSO Contract.

The analysis of PSO Agreement is shown in the following table:

Description	Passenger Division Statement of Comp. Income	Adjustments by applying articles 10 & 11 of PSO contract	Adjusted SoCI
Revenues from passenger transportation	65.003.411,63		65.003.411,63
Revenues from PSO	65.027.964,91	-65.027.964,91	0,00
Other operating income	346.895,96		346.895,96
Other income	4.281.596,61	-2.000.000,00	2.281.596,61
Total revenues	134.659.869,10	-2.000.000,00	67.631.904,19
Personnel cost	-22.380.762,49		-22.380.762,49
Raw materials, consumables and supplies (Electricity)	-11.928.077,53		-11.928.077,53
Raw materials, consumables and supplies (Fuel)	-10.532.243,70		-10.532.243,70
Network utilization duties	-16.355.580,68	-16.355.580,68	0,00
Cleaning services	-2.070.024,66		-2.070.024,66
Maintenance services	-39.931.660,11	-548.868,89	-39.382.791,21
Lease of real estate	-4.180,64		-4.180,64
Rent of means of transport	-2.072.605,20	-291193,2919	-1.781.411,90
Other expenses	-10.790.876,04	-946.985,66	-9.843.890,38
Total expenses	-116.066.011,05	-1.495.854,55	-97.923.382,52
Gross operating margin (EBITDA)	18.593.858,06		-30.291.478,33
Tangible and Intangible Amortization	-2.332.953,03		-2.332.953,03
Amortisations IFRS16	-12.170.350,87	-11.062.220,90	-1.108.129,97
Depreciations	-14.503.303,90		0
Provisions	-412.134,92	-412.134,92	0,00
Operating result (EBIT)	117.957.382,44		-33.732.561,33
Interest on bank deposits	358,62	-358,62	0,00
Interest on loan from parent companies	-268.087,92		-268.087,92
Other financial expenses	-234.970,90		-234.970,90
Financial cost IFRS16	-1.491.392,67	-1.249.738,63	-241.654,04
Net financial result	-1.994.092,86		-744.712,85
Result before taxes	115.963.289,58		-34.477.274,18
Lease of Rolling Stock (article 13 of PSO Contract)			-10.000.000,00
Lease of Rolling Stock (article 13 of PSO Contract) - excess value based on invoices			-2.195.110,05
Track Access Fees (article 13 of PSO Contract)			-16.355.580,68
Result before Taxes			**-63.027.964,91**
Minimum Profit (based on article 10.3 of PSO contract)			2.000.000,00
PSO contribution for period 2022			**65.027.964,91**

Note: The Passenger Division Statement of Comp. Income is presented in note 37.

21 Other income

The details of the other income are shown in the following table:

Values in Euros	**31/12/2022**	**31/12/2021**
Income from other services	647.251	1.365.742
Other extraordinary and non-operating income	6.118.207	3.277.380
Total	**6.765.457**	**4.643.122**

The income from other services includes amount of € 266.302 from EU programmes. Other non-recurring and extraordinary income includes mainly insurance claims of 2 million euros, transfer of payroll tax to Trenitalia of 0.5 million euros, the obligation to replace used parts by the external maintainer of the ETR470s of approximately 1 million euros, refund of income tax of previous years due to the acquisition of EESTY 1.25 million euros and approximately 0.8 million euros concerning an expected credit charge due to the return to the lessor of leased rolling stock.

22 Personnel costs

The breakdown of the personnel costs is shown in the following table:

Values in euros	**31/12/2022**	**31/12/2021**
Salary and wages	36.647.489	31.207.467
Social contributions	7.960.831	7.934.040
Other costs for staff in role	2.109.869	1.301.957
Revaluation of severance indemnity	-	1.075.893
Total	**47.756.114**	**41.519.356**

The following table shows the Company's average workforce broken down by category:

	31/12/2022	**31/12/2021**
Personnel		
Senior Managers	8	6
Other personnel	1.220	1.142
Total	**1.228**	**1.148**

23 Raw materials, consumables, supplies and merchandise

This item is broken-down as per following table:

Values in Euros	**31/12/2022**	**31/12/2021**
Raw materials and Consumables	1.671.626	866.104
Traction Electric Energy	14.889.985	7.151.385
Fuel Consumption	11.520.747	8.327.313
Total Cost	**28.082.358**	**16.344.803**

24 Costs for services

The balance indicated in the financial statements is broken down in the following table:

Values in Euros	**31/12/2022**	**31/12/2021**
Rolling Stock Maintenance	6.083.550	2.097.715
Track Access Charges	18.240.282	12.748.163
Rolling Stock Cleaning	3.920.784	2.174.667
Insurance Fees	324.906	508.759
Taxes	1.676.584	1.507.991
Agent Commissions	3.092.252	2.021.996
Other Contractors' Fees	6.172.963	6.409.763
Other Costs	2.623.528	2.175.609
Total	**42.134.848**	**29.644.664**

The increase of maintenance of rolling stock is mainly attributable to the initialization of the maintenance agreement for the new ETR470 trains fleet.

Track Access Charges (the fares collected by the Infrastructure Manager for the circulation on the railway network) have been increased in 2022 due to the increase of train/kms by 22%. In 2021 passenger transportation was affected in the first quarter of the year due to Covid restrictions posed by the Hellenic Government, thus, trainkms were expected to be increased in 2022, hence increase of 2,9 mln.

Being that the Infrastructure Manager's Network Statement for year 2022 has been disputed by the Company with an administrative recourse deposited at the Regulatory Authority for Railways (RAS) whose Decision is still pending, in line with previous years, the Company continues to recognize as applicable only and exclusively the Track Access Charges determined by the rules of the last commonly accepted and undisputed Network Statement (as issued for year 2019) as implemented through the Track Access Contract of the respective year. For prudential reasons and without recognizing per se any right of OSE to claim further amounts, a contingency adjustment to the aforementioned cost has been apposed for the amount of 2,4 mln euros, in line with the cumulated inflation recorded in the Greek market over the period 2020-2022.

25 Costs for leased assets

The breakdown of costs for leased assets is shown in the following table:

Values in Euros	**2022**	**2021**
Lease fees	2.675.443	259.852
Total	**2.675.443**	**259.852**

During the course of the financial year ended on 31 December 2022 this item amounted to € 2.675.443 and included costs relating to short-term leases (less than 12 months), leases of modest value (less than or equal to € 5,000), and costs related to variable payments not included in the assessment of the lease liabilities. The significant increase was due to the increased production of bus passenger services in a regime of short-term substitution of rail services foreseen by the new PSO Contract in case that the network infrastructure capacity was temporarily insufficient to deploy trains.

26 Other operating costs

The details of the other operating costs are shown in the following table:

Values in Euros	**2022**	**2021**
Prior year payroll Costs	11.723	34.973
Prior year costs	546.563	(2.556)
Other extraordinary costs	639.894	107.474
Overdue Interest and extraordinary expenses	39.741	13.552
Tax penalties and surcharges	4.622	24.271
Other Costs	4.219.922	2.742.600
Total	**5.462.465**	**2.920.314**

Other costs include mainly direct taxes such as stamp duties, levies, etc and travel and accommodation expenses of personnel and passengers.

27 Provisions and write-downs

The details of provisions and write-downs are shown in the following table:

Values in Euros	**2022**	**2021**
Provisions for legal cases	763.154	892.420
Reversal of provisions for legal cases	(2.236.026)	(6.093.292)
Legal interest	1.202.150	(83.553)
Total Legal Cases	**(270.722)**	**(5.284.425)**
Provisions for Doubtful Debts	1.340.245	2.706.747
Write-downs		(1.012.000)
Provisions for Stock Impairment	1.610.131	1.044.345
Total	**2.950.377**	**2.739.092**

28 Depreciation and Amortization

This item is broken down as follows:

Values in Euros	**2022**	**2021**
Intangible Assets' amortization	265.581	260.050
Tangible Assets' depreciation	7.277.806	3.958.489
Right of Use Assets' amortization	15.450.899	15.092.411
Total	**22.994.285**	**19.310.950**

The increase in tangible asset depreciation is largely due to the beginning of depreciation of the 5 ETR470 fleet, which completed the homologation process and started commercial service in May 2022.

29 Financial income

The breakdown of the financial income is shown in the following table:

Values in Euros	**2022**	**2021**
Other financial income	718	16.669
Total	**718**	**16.669**

30 Financial expenses

The breakdown of the financial charges is shown in the following table:

Values in Euros	**2022**	**2021**
Interest on Loans	545.339	636.695
Interests on leased fixed assets	3.178.811	2.327.387
Other financial expenses	470.381	280.389
Total	**4.194.531**	**3.244.471**

31 Current, deferred and prepaid income taxes for the financial year

According to article 46 of Law 4172/23.07.2013 and Circular POL.1044/10.02.2015, the legal entities which are entirely owned, directly or indirectly, by HRADF (Hellenic Republic Asset Development Fund) in line with paragraph 13 of article 2 of Law 3986/2011, are exempted from corporate income tax.

As such, regarding fiscal year 2017, the Company is tax exempted from corporate income tax for the period until 13.9.2017, i.e. until the privatization date, as confirmed with Public Revenues Authority's document with Protocol No 'ΔΕΑΦ Β 1024792 ΕΞ 2018 / 13.2.2018'. Based on said decision it is stipulated that as of 14.9.2017 and onwards, the Company is taxed under the general corporate income tax provisions based on the articles 45, 47 and subsequent thereof Law 4172/2013 (Income Tax Code).

The Company has estimated the taxable income for the period 1/1/2022 – 31/12/2022 resulting to:

- Increase of Deferred Tax Asset by € 774.750 (amounts to 1.465.400) concerning tax losses carried forward. Taxable profit results to 10 mil (loss).

- Due to the amount of losses, no Current Income Tax concerning the period 1/1/2022 – 31/12/2022 has been calculated.

Deferred taxes are calculated on all temporary tax differences between the accounting and tax base of assets and liabilities. Deferred taxes are calculated using the tax rates that are expected to be applied in the future. In light of the above, the estimated Income Tax loss for the period 1/1/2022 – 31/12/2022 amounts to approx. € 10mln.

The Company for the fiscal years 2012 and 2013 has been subject to tax audit from the regular Certified Auditor Accountants as dictated by article 82 par. 5 Law 2238/ 1994, and for the fiscal years 2014 and onwards as dictated by article 65 α N. 4174/ 2013. The Company has received Tax Compliance Certificates: for fiscal years 2012 – 2014 with qualification, for year 2015 without qualification, for years 2016 and 2017 with emphasis of matters and for years since 2018 to 2021 without any emphasis of matter.

The right of tax authorities to audit business year 2012 has been time-barred.

In addition, on the basis of risk analysis criteria, Greek tax authorities may choose the Company for tax audits as part of the audits carried out on companies that have received tax compliance certificates with the assent of the Statutory Auditor. In this case, the Greek tax authorities have the right to carry out a tax audit of the uses they choose, taking into account the work for the issuance of the tax compliance certificate. No provision has been recognised in the Company's accounting records regarding open tax years, due to the fact that according to the Company's expectations there will not arise any unrecorded tax liabilities.

For the fiscal year 2022, the tax compliance assurance work is in progress by the statutory auditor in accordance with Article 65A of the Code of Tax Procedure of Law 4174/2013. It is not expected to have a significant effect on the Company's Equity due to unrecorded expenses and tax liabilities.

The Income tax rate due to business activity in Greece, for the year 2022 is 22%.

The analysis of Income Tax is shown in the following table:

Values in Euros	**2022**	**2021**
Current Income Tax	-	-
Deferred Income Tax	1.198.139	(1.528.276)
Business tax	-	-
Income Tax Adjustment for prior yeat	-	-
Income Tax in Income Statement	**1.198.139**	**(1.528.875)**

32 Contingent liabilities and assets

Legal Cases

The Company is involved in various pending court proceedings amounting Euro 70.995.889.

Concerning the above legal claims, a provision amounting to € 6.443.821 has been created and is deemed sufficient.

With regards to other legal cases Management's best estimate is that their outcome will not have a significant effect on the Company's financial position.

Contingent assets

There are no contingent receivables which meet the disclosure criteria set by IFRS.

Contingent Liabilities

Network fares

OSE SA management uploaded 2020 Network Statement modifying network fares for traffic in Greek rail network in 2020. Subsequently, OSE proceeded to publish the 2021 Network Statement which continued to include these modified network fares.

Applying the aforementioned modification would lead to charges significant higher than those for 2019 (210% on average compared to 2019), without changes in Network quality.

Fares included in 2020 and 2021 Network Statements are not sustainable, even if effects from Covid-19 pandemic were not taken into account. The suggested increases should have been totally reassessed, through the necessary consultation with the rail companies operating in Greek Rail Network. It must be outlined that the invoices received up to December 31th, 2020 (i.e. 3rd quarter) have been issued based on the formula for 2019 charges.

Considering that management estimated that the application of charges included in Network Statement for 2020 and 2021 was remote, due to deficiencies in the procedure of issuing the Statement itself, as well as due to the obvious lack of sustainability in the fares, and clarifying that the Company reserves the right to appeal against the Statement, even in courts if necessary, and surely by the regulatory authority (RAS) as effectively done, the Company calculated the total Network fares for 2020, 2021 and 2022 based on the invoices issued until 31.12.2020, i.e. through the de facto extension of the 2019 contractual relationship binding the Company to OSE.

On 23.3.2021 an appeal (with Ref. No. 523) was submitted by the Company before RAS due to actions of OSE contrary to the relevant legal provisions with the requests among others the, (a) annulment of Network Statements of 2020 and 2021, (b)the decrease of access fees for 2020 and 2021, (c) the prohibition of collection of access fees based on the Network Statements of 2020 and 2021, (d) the application of the cost extraction methodology contained in the Network Statement 2019.

Following the RAS decision number 56/2022, which accepted Hellenic Train's appeal, OSE published the proposed network statements for the years 2020-2021 (now applying the methodology of the 2022 network statement which had meanwhile been published and has already been challenged by the Company) and started the consultation process on 15/7/2022. In any case, the Company and the other active railway undertakings in Greece have stated, in the context of the consultation process, that the only potentially acceptable methodology for calculating infrastructure access fees for this period, as well as for 2022, is the one defined in the Network Statement for the year 2019. Regardless of the position of the railway undertakings, OSE has published the Network Statements for the years 2020, 2021 which contain identical terms to the 2022 Network Statement. The new Network Statements of the years 2020, 2021 and 2022 were also the subject of the Company's appeal to RAS.

As Management considers that the probability of the outcome of the case in favor of the Company is significant, based on both formal and substantive reasons, according to the estimates of the legal experts following the case, the difference between the access fees presented here and calculated by applying of the relevant provisions of the 2019 Network Statement and those calculated according to the 2022 Network Statement an amount of 15.2 million has been considered as a contingent liability for 2022. Accordingly, due to the difference in invoicing between the 2019 Network Statement and the years 2020 and 2021, a potential liability of 25 million euros also arises as OSE made invoicing based on calculation of network statements not approved by RAS.

Finally, RAS mandates OSE and Hellenic Train to provide to sign a Track Access Contract for years 2020 and 2021, and to settle accordingly, with net-offs where applicable, any pending financial difference arising from the previous years. It is remarked, that the process for the examination of the Company's recourse against the 2022 Network Statement as well as the new Network Statement of 2020 -2021 is pending.

Non-finalized receivables and liabilities

Invoices charged by OSE S.A. to TRAINOSE S.A.(NOW HELLENIC TRAIN S.A.) concerning accidents

In terms of the transactions and the balances with OSE SA, the Company has arisen specific objections for the invoicing of services that concern the fiscal year 2018, which at the opinion of the company are based on erroneous calculation by OSE SA.

On 31.7.2018, OSE SA issued invoice number 964 to the Company for the total amount of €1.545.625,50. The invoice concerns damage reparation due to the derailment of a train. TRAINOSE SA, based on the committee opinion (Reg. No. 1750344/8.10.2015) on the incident, did not accept the charge and returned the invoice to OSE SA. (Reg. No. 6874/15/T2-10.9.2018).

Invoices for the total amount of €986.439,91 (incl. VAT) that TRAINOSE SA has issued to OSE SA and concern works performed on the rail network within 2018, which have not been accepted by OSE SA. Included in the amount, invoices of €976.272,15 concern services that have been issued according to the invoicing policy of TRAINOSE SA. It is noted that similar services have been delivered to OSE SA during the years 2017 and 2019, have been invoiced under the same policy and have been accepted by OSA SA. For this reason, the Company has not formed a provision for doubtful debt and expects the payment of the total of the receivable using all legal means available.

Proceedings Before The National And European Authorities

Hellenic Railway Regulatory Authority – RAIL CARGO LOGISTICS GOLDAIR Proceeding

RAILCARGO LOGISTICS GOLDAIR S.A. has submitted an application before the Hellenic Railway Regulatory Authority (RAS) against TRAINOSE. RAILCARGO argues that TRAINOSE breaches its obligations under competition law (through its refusal to provide to it certain services and the excessive pricing in the contract for the provision of maintenance services). TRAINOSE rejected the arguments and holds them ill-founded. TRAINOSE has submitted its defence on 10.2.2020.

The hearing took place on 12.10.2020 in front of the plenary session of RAS. During the hearing, the Company submitted its commitments in regards to (a) provision of defined railway transportation services, (b) provision of rolling stock maintenance services and (c) the cost accounting model for the services of the rolling stock maintenance services. Further, the Company committed to provide contract templates to RAS for points (a), (b) as well the cost accounting model used. The above are detailed in the decision No.14006/12.10.2020 of RAS (published in Government Gazette FEK B.5421/09-12-2020), which sets the deadline for the Company to deliver the requested documents. The Company has already submitted the above documents, on 29.12.2020 .

After the control by an external consultant to which RAS assigned the task of reviewing TRAINOSE's proposed pricing formula for maintenance services, and some clarifications and adjustments intervened, RAS by means of Decision no. 2299/29.11.2021 verified to have completed the control of pricing formula for the provision of maintenance services and approved TRAINOSE's template contract for maintenance services.

RAS, with its Decision no 2299/29.11.2021 verified to have completed the control of pricing formula for the provision of maintenance services and approved TRAINOSE' s template contract for maintenance services.

RAS serviced to TRAINOSE S.A. its Decision with No. 1648/21.6.2022 by virtue of which it calls TRAINOSE S.A. to the hearing of 11.7.2022 regarding the examination of the right and effective application of the commitments that TRAINOSE S.A. undertook according to the decision of RAS with no. 14006/2020. The hearing took finally place on 11.9.2022 and the decision is still pending.

Hellenic Competition Committee (HCC) – RAIL CARGO LOGISTICS GOLDAIR Complaint

Hellenic Train received on 31.3.2021 the document with Ref. No. oik.2813/30.3.2021 of the HCC by virtue of which TRAINOSE is being requested to provide certain information and documentation contained therein relating mainly to its railway freight transport activity to HCC, information being requested within the context of the complaint that had been submitted to HCC with No. 2468/18.3.2021 and the respective investigation launched by HCC thereof.

Within the context of the complaint Rail Cargo Logistics Goldair S.A. argues that TRAINOSE has been adopting anti-competitive practices through the discretionary pricing of its clients leading to an abuse of its dominant position in the respective market. Additionally, Rail Cargo Logistics Goldair S.A. refers to the argument of cross-subsidisation on the allocation of maintenance cost for rolling stock used for freight transport and passenger transport (which is connected to PSO provisions). Lastly, Rail Cargo Logistics Goldair S.A. refers to allegedly anti-competitive practices of TRAINOSE in relation to hiring train drivers.

TRAINOSE submitted in a timely manner the requested information and documentation by virtue of its Letter with Ref. No. 40347/21/Δ2/10.5.2021, also rejecting the claimant's allegation. By virtue of the written "Command to perform an audit" with ref. no. 5374/31-05-2022, and in the context of a complaint investigated by the Directorate-General for Competition against TRAINOSE S.A. a team of employees of HCC visited unexpectedly on 2.6.2022 TRAINOSE's offices in order to perform HCC's duties within the context of the above Command, i.e. to carry out a research/examination/audit on the Company's physical and electronic records and files. Following this a date has been set to unseal, as being provided in law, the collected data before the HCC on 19.7.2022. The unsealing procedure took place on 19.7.2022 and continued on 15.12.2022 before the Hellenic Competition Commission. The procedure is pending.

Hellenic Railway Regulatory Authority (RAS) – Incident 24/1/2022

Due to the railway incident that took place on 24.1.2022 in the context of heavy snowstorms and unprecedent weather conditions RAS commenced investigation on the circumstances of the incident in relation to passengers' rights and the respective obligations of TRAINOSE by virtue of its Letter with Ref. No. 386/4.2.2022. TRAINOSE S.A. provided the requested documentation by virtue of the Letter with Ref. No. 2228/22/G1/18.2.2022. RAS requested additional information by virtue of its Letter with Ref. No. 658/3.3.2022 and TRAINOSE S.A. provided the respective information by virtue of its Doc. with Ref. No. 2369/22/G1/11.3.2022. On 28.6.2022 it was serviced to TRAINOSE S.A. the decision of RAS with No. 51/2022 on the examination on its own motion with the subject matter of the presumed non-compliance of TRAINOSE S.A. with certain articles of Regulation EC 1371/2007. Finally with 108 / 16.12.2022 decision a administrative fine of three hundred thousand euros (300.000,00€) was imposed. The Company appealed before the Administratve Court of Appeal against RAS' s decision for the imposition of the fine.

National Transparency Authority (NTA)

By virtue of the document with Ref. no. EAD.F.249/21/OIK.8135/12.3.2021 NTA requested from TRAINOSE and GAIAOSE the provision of information regarding maintenance activities executed on rolling stock during the period starting from 1.1.2017 until 31.8.2017. TRAINOSE provided the respective requested documentation, available to the company, within the set deadline (i.e. on 26.3.2021).

NTA by virtue of its Document with Ref. No. EAD/F.249/21/16948/28.5.2021 requested additional information and clarifications on the documentation submitted by TRAINOSE. Moreover with the same document, NTA requested documentation relating to lease agreements for premises (real estate assets situated near freight terminals) executed between TRAINOSE and GAIAOSE on 20.7.2017. Trainose has submitted the relevant information available to the company on 15.6.2021. Following the above the National Transparency Authority by virtue of its document with Ref. No. ΕΑΔ/Φ.249/21/οικ.2557/31.1.2022 requested the views of TRAINOSE S.A. in relation to the above two categories of issues. NTA issued an Examination Report on the investigation (Ref.

No. A306/20/ΕΜΠ.ΟΙΚ.351/23.5.2022) which includes some conclusions on the two subject matters as per the validity of the acts carried between GAIAOSE and TRAINOSE, which were both at the date entities under public control.

It is expected that NTA will supply these conclusion to the public prosecutor for the

Unaudited tax years

The Company has not been audited for the years 2017 to 2022 from the tax authorities. Management does not estimate that additional charges could come up from a possible audit.

The Company though has received a tax certificate regarding tax years 2018, 2019 and 2020 without any qualification or an emphasis of matter. Regarding the remaining tax years that are still considered open for any potential audit from the tax authorities, hence, 2016 and 2017, the company received a Tax Certificate though with an emphasis of matter. However, the Management does not expect any potential issue to arise that may lead to the constructive obligation to set up a liability for open tax years.

Additionally, as stipulated by par. 5 of article 82 of the Code of Income Tax (v. 2238/1994), the Company effective from 2011 and afterwards is subject to a tax audit from its statutory auditors with audit offices which are registered in the Public Register of L. 3693/2008 for the issuance of the «Annual Certificate».

33 Remuneration of Auditing Services

It should be noted that the total amount of the consideration concerning auditing services rendered within 2022 is equal to € 80.000 plus VAT 24%.

34 Salaries and other fees of Board of Directors members and executives

Salaries and benefits of members and executives of the Board of Directors are as follows:

Values in Euros	**2022**	**2021**
Salaries and Fees of BoD members	186.760	263.107
Salaries and Fees of Senior Managers	1.047.241	930.183
Total	**1.234.001**	**1.193.289**

There are no payables or receivables from BoD members.

35 Related parties

Interrelations between Hellenic TrainS.A., FS Italiane Group companies, and between these and other related parties are generally carried according to criteria of fairness, with the aim of ensuring mutual economic convenience, guided by the normal market conditions, which - where appropriate - are even identified with the help of external consultants; inter-company transactions share the common goal of creating efficiency and, therefore, value for FS Italiane Group as a whole.

These processes and transactions take place in compliance with the sector-specific, civil and tax legislation, in compliance with the Group and the Corporate Administrative Accounting Procedures and taking into account the characteristics and the specific aspects of the activities carried out by many of the Group's companies.

The most significant transactions are analysed in the table below:

Values in Euros

Company's Name	31/12/2021					2021	
Parent companies	Receivables	Payables	Loans	Acquisition of rolling stock & commercial platform	Finance costs – Loans	Costs	Revenues
FERROVIE DELLO STATO ITALIANE S.p.A.	-	(91.351)	36.292.553	-	636.695	156.095	567.221
FS TECHNOLOGY	-	1.702.002	-	1.650.002	-	52.000	-
TRENITALIA/CORP S.p.A.	-	29.910.520	-	29.326.045	-	642.033	150.333
RFI	-	15.511	-	-	-	15.511	-
MERCITALIA SHUNTING & RAIL	-	4.906	-	-	-	4.906	-
Total	**-**	**31.541.588**	**36.292.553**	**30.976.047**	**636.695**	**870.545**	**717.554**

Values in Euros

	31/12/2022					2020	
Name	Receivables	Payables	Loans	Fixed Assets Purchase	Interest on Loans	Expenses	Revenue
Parent Companies							
FERROVIE DELLO STATO ITALIANE S.p.A.	-	(49.205)	57.556.386	-	545.339	-	-
TRENITALIA/CORP S.p.A.	-	50.149.117	-	19.276.980	-	1.455.988	474.947
FS TECHNOLOGY	-	834.600	-	84.600	-	705.450	-
RFI	-	18.423	-	-	-	37.094	
Total	-	**50.952.935**	**57.556.386**	**19.361.580**	**545.339**	**2.198.532**	**474.947**

36 Guarantees and commitments

On December 31st, 2022 the granted guarantees for securing receivables, amount to € 6.207.105 (€ 5.473.277 as at 31/12/2021) and the commitments amount to € 41.109.904.

The analysis of commitments is shown in the following table:

Description	2022	2021	Period time
Renovation of Thessaloniki Depot	7.574	72.986	1 year
Acquisition of rolling stock	-	12.824.994	1 year
Contracts with suppliers of rolling stock material	2.296.392	1.951.755	1 year
Maintenance Services for ETR470 rolling stock	20.054.881	22.831.630	5 years
Maintenance Services for ETR470 rolling stock - preventive maintenance	3.745.972	-	5 years
Maintenance Services for ETR470 rolling stock - SCADA	2.100.000	-	5 years
Passive fire protection of Thessaloniki Depot	-	809.219	1 year
Spare parts ETR 470	1.285.117	2.619.319	5 years
Total	**29.489.936**	**41.109.904**	

It is noted that the PSO contract includes a requirement of investments by the Company amounting to 163.5 million euros, of which the amount of 47.5 million euros concerns the acquisition and commissioning of 5 ETR470, and it has already been completed. As for the remaining investments, the Contract foresees a deadline for completion by 2024 of an investment of 15 million euros for IT systems, by the end of 2027 an investment to lease new rolling stock worth 86 million euros, and by the end of 2029 an investment to upgrade 15 units of leased rolling stock, with a value of 15 million euros.

37 Financial statements segmented per activity

As dictated by paragraph 1 of the article 8 of the (Presidential Order) π.δ. 41/2005 as it was replaced by par. 1 article 41 of 3891/2010 law, the Company is obliged to keep and publish separate profit and loss accounts, as well as balance sheets or annual asset and liability statements for activities relevant to passenger and cargo transportation services.

On April 14^{th} 2022 the contract agreement for Public Service Obligation was signed between the Greek State and Hellenic Train S.A. The contract has a duration of 10 years starting 01/01/2022 with the possibility of extension for a further 5 years and foresees that the Company keeps separate profit and loss accounts segregated by business activity.

On 04.02.2022 RAS issued decision n. 9/2022 having per object the "Conclusion of the control of application of the segregation of accounts in the profit and loss accounts and in the balance sheet of TRAINOSE for the year 2020, in application of Decision n.959/31.05.2021 of RAS". In this context, a number of prescriptions were communicated to the Company having per object the methodology to be followed in the drafting of the Financial Statements segmented per activity. Such prescriptions have been followed by the Company for the preparation of the profit and loss accounts, as well as balance sheets, segmented per activity, published below for the period 1/1/2022-31/12/2022.

Segment analysis of Statement of Total Income (1/1-31/12/2021)

	1/1-31/12/2021	PASSENGER ACTIVITY - PSO	FREIGHT	MAINTENANCE	OTHER
Revenues from passenger transportation	36.525.721,00	36.236.054,00	-	-	289.668,00
Revenues from freight transportation	15.268.213,00	-	15.268.213,00	-	-
Revenues from PSO	50.000.000,00	50.000.000,00	-	-	-
Revenues from maintenance to thirds	5.612.884,00	-	-	5.612.884,00	-
Income of exchange of rolling stock	332.313,00	-	332.313,00	-	-
Other operating income	1.365.742,00	473.704,00	111.309,00	474.463,00	306.266,00
Other income	3.163.495,00	1.044.075,00	245.334,00	1.528.976,00	345.111,00
Total revenues	**112.268.369,00**	**87.753.833,00**	**15.957.170,00**	**7.616.323,00**	**941.043,00**
Personnel cost	(41.519.356,00)	(21.183.091,00)	(1.945.386,00)	(17.502.246,00)	(888.633,00)
Raw materials, consumables and supplies (Spare parts)	(866.104,00)	-	-	(866.104,00)	-
Raw materials, consumables and supplies (Electricity)	(7.151.385,00)	(5.209.010,00)	(1.095.008,00)	(847.368,00)	-
Raw materials, consumables and supplies (Fuel)	(8.327.313,00)	(7.248.604,00)	(839.035,00)	(101.481,00)	(138.194,00)
Network utilization duties	(12.748.163,00)	(12.120.953,00)	(624.660,00)	-	(2.550,00)
Rent of exchange of rolling stock	(1.472.586,00)	-	(1.472.586,00)	-	-
Cleaning services	(2.174.667,00)	(876.989,00)	(206.072,00)	(1.048.590,00)	(43.016,00)
Maintenance services	(2.100.335,00)	(98.695,00)	(23.191,00)	(1.973.608,00)	(4.841,00)
Lease of real estate	57.388,00	29.858,00	7.016,00	19.050,00	1.465,00
Rent of means of transport	(317.240,00)	(229.145,00)	(53.844,00)	(23.012,00)	(11.240,00)
Other expenses	(14.069.227,00)	(5.566.430,00)	(1.307.982,00)	(6.924.338,00)	(270.476,00)
Total expenses	**(90.688.990,00)**	**(52.503.060,00)**	**(7.560.748,00)**	**(29.267.698,00)**	**(1.357.485,00)**
Gross operating margin (EBITDA)	**21.579.379,00**	**35.250.773,00**	**8.396.421,00**	**(21.651.374,00)**	**(416.442,00)**
Tangible and Intangible Amortization	(4.218.539,00)	(313.533,00)	(73.673,00)	(3.815.954,00)	(15.379,00)
Amortisations IFRS16	(2.298.080,00)	(284.241,00)	(66.790,00)	(1.933.107,00)	(13.942,00)
Amortisations IFRS16 Rolling Stock	(12.794.331,00)	(10.905.888,00)	(1.888.443,00)	-	-
Provisions	2.545.233,00	2.269.277,00	533.228,00	(368.579,00)	111.308,00

Operating result (EBIT)	**4.813.662,00**	**26.016.389,00**	**6.900.743,00**	**(27.769.015,00)**	(334.455,00)
Interest on bank deposits	16.669,00	-	-	633,00	16.035,00
Interest on loan from parent companies	(636.695,00)	-	-	0,00	(636.695,00)
Other financial expenses	(280.389,00)	-	-	(135.209,00)	(145.181,00)
Financial cost IFRS16 Third	(2.327.387,00)	(572.966,00)	(134.634,00)	(1.591.683,00)	(28.104,00)
Net financial result	**(3.227.802,00)**	**(572.966,00)**	**(134.634,00)**	**(1.726.259,00)**	(793.943,00)
Result before taxes	**1.585.860,00**	**25.443.423,00**	**6.766.109,00**	**(29.495.274,00)**	(1.128.398,00)
Income taxes	(1.528.875,00)	-	-	(737.244,00)	(791.631,00)
Result after taxes	**56.985,00**	**25.443.423,00**	**6.766.109,00**	**(30.232.518,00)**	(1.920.029,00)
Transferred maintenance cost to TRANSPORT ACTIVITY		**(30.129.964,00)**	**(1.753.967,00)**	**31.890.309,00**	**(6.378,00)**
Profit / (Loss) before tax, classified per Segment	**1.585.860,00**	**(4.686.542,00)**	**5.012.142,00**	**2.395.036,00**	**(1.134.776,00)**
Income Tax	(1.528.875,00)	81.073,00	(1.102.671,00)	(526.908,00)	19.631,00
Profit / (Loss) after tax, classified per Segment	**56.985,00**	**(4.605.468,00)**	**3.909.471,00**	**1.868.128,00**	**(1.115.146,00)**

Segment analysis Statement of Financial Position (1/1-31/12/2021)

Assets	31/12/2021	PASSENGER ACTIVITY - PSO	FREIGHT	PASSENGER ACTIVITY - OTHER	MAINTENANCE	OTHER
Property, plant and equipment	64.163.703	41.159.769	90.750		19.425.800	3.487.384
Royalties to Property, plant and equipment	54.008.646	49.571.969	527.766	1.919	3.857.430	49.562
Spare parts of rolling stock	21.144.602				21.144.602	
Intangible assets	1.621.194				876.893	744.302
Deferred tax assets	4.204.227	1.239.960	1.513.991	2.362	1.412.415	35.499
Other non-current assets	917.436					917.436
Total non-current assets	**146.059.808**	**91.971.698**	**2.132.507**	**4.281**	**46.717.140**	**5.234.183**
Inventories	4.973.301				4.973.301	
Current trade receivables	7.003.876	10.181	1.196.821		4.298.544	1.498.330
Cash and cash equivalents	17.847.293	3.025.080	14.818.644		3569	
Other current assets	50.368.853		1.802.822			48.566.031
Total current assets	**80.193.323**	**3.035.261**	**17.818.287**		**9.275.414**	**50.064.360**
Total assets	**226.253.131**	**95.006.959**	**19.950.795**	**4.281**	**55.992.554**	**55.298.543**
Equity						
Share capital	34.406.509					34.406.509
Reserves	(852.487)					(852.487)
Profits (Losses) carried forward	(12.317.511)	(17.622.928)	4.514.454	(1.243.989)	3.116.823	(1.081.872)
Profit (loss) of the period	56.985	(4.605.468)	3.909.471	(1.074.016)	1.868.128	(41.130)
Total shareholder equity	**21.293.496**	**(22.228.396)**	**8.423.925**	**(2.318.005)**	**4.984.951**	**32.431.021**
Liabilities						
Medium/long-term loans	32.300.000				15.300.000	17.000.000
Post-employment benefits and other employee benefits	4.882.524	1.181.267	108.484	49.554	3.169.075	374.144
Provisions for risk and charges	6.830.309	2.350.510	2.497.970			1.981.829
Non-current financial liabilities (incl. derivatives)	44.771.081	41.073.588			3.661.500	35.993
Other non-current liabilities	70.000					70.000
Total non-current liabilities	**88.853.914**	**44.605.365**	**2.606.454**	**49.554**	**22.130.575**	**19.461.966**
Short-term loans and current portion M/L loans	3.992.553				1.800.000	2.192.553
Current trade payables	80.284.005	55.618.689	4.762.209	2.262.949	17.640.158	
Current financial liabilities (incl. derivatives)	11.711.664	10.704.384	552.285	2.008	440.544	12.442
Other current liabilities	20.117.499	6.300.000	3.605.644		8.996.325	1.215.530
Total current liabilities	**116.105.721**	**72.623.073**	**8.920.139**	**2.264.957**	**28.877.027**	**3.420.525**
Total liabilities	**204.959.635**	**117.228.438**	**11.526.592**	**2.314.512**	**51.007.602**	**22.882.491**
Total Equity and Liabilities	**226.253.131**	**95.000.042**	**19.950.517**	**(3.493)**	**55.992.554**	**55.313.512**

Segment analysis of Statement of Total Income (1/1-31/12/2022)

	1/1-31/12/2022	**Passenger Activity -PSO**	**FREIGHT**	**MAINTENANCE**	**OTHER**
Market Revenue	79.716.411	79.716.411			
Revenues from passenger transportation	65.003.412	65.003.412			
Revenues from freight transportation	14.713.000		14.713.000		
Revenues from maintenance to thirds	2.299.882			2.299.882	
Income of exchange of rolling stock	87.697		87.697		
Income from contributions	-				
Other operating income	647.251	220.233	26.278	251.588	149.151
Other income	4.118.207	1.535.933	183.267	1.280.674	1.118.333
Total revenues	**86.869.448**	**66.759.578**	**15.010.241**	**3.832.145**	**1.267.484**
Personnel cost	(47.756.114)	(22.380.762)	(5.565.519)	(19.809.832)	
Role Staff	(48.443.610)	(22.702.956)	(5.645.640)	(20.095.014)	
Temporary employees and Stageurs costs	(102.961)	(48.252)	(11.999)	(42.710)	
Raw materials, consumables and supplies (Spare parts)	(1.671.626)			(1.671.626)	
Raw materials, consumables and supplies (Electricity)	(14.889.985)	(11.928.077,53)	(1.588.463,96)	(1.373.443)	
Raw materials, consumables and supplies (Fuel)	(11.520.747)	(10.532.243,70)	(891.757,54)	(96.746)	
Rent of exchange of rolling stock	(1.523.681)		**(1.523.681)**		
Cleaning services	(3.920.784)	(2.070.025)	(235.946)	(1.614.813)	
Maintenance services	(6.083.550)	(2.852.668)	(340.379)	**(2.890.503)**	
Real Estate Services and utilities (3rd party Security of Real Estate)	(2.665.266)	(1.562.987)	(108.653)	(993.625)	
Utilities	(320.540)	(90.762)	(10.830)	(218.949)	
IT Services	(1.571.178)	(1.059.754)	(126.449)	(384.975)	
Advertising and marketing	(294.635)	(164.036)	(19.573)	(111.026)	
Professional services fee	(1.169.860)	(651.615)	(77.750)	(440.495)	
Insurance	(324.906)	(142.036)	(16.948)	(165.922)	
Advisory services	(284.764)	(127.438)	(15.206)	(142.121)	
Agencies commissions	(3.092.252)	(2.701.990)	(322.400)	(67.861)	
Miscellaneous(Oth.tax.,facilities etc.)	(2.455.891)	(1.044.286)	(124.604)	(1.287.001)	
Lease of real estate	(353.218)	(8.737)	(1.043)	(348.538)	
Rent of means of transport	(2.031.031)	**(1.807.990)**	**(215.728)**	**(2.214)**	
Other costs	(4.683.521)	(2.145.776)	(256.033)	(2.271.403)	(10.309)
Other expenses	**(16.862.812)**	**(9.690.681)**	**(1.078.445)**	(6.083.378)	(10.309)
Total expenses	**(106.613.549)**	**(61.271.184)**	**(11.440.962)**	**(33.891.094)**	**(10.309)**
Gross operating margin (EBITDA)	**(19.744.101)**	**5.488.394**	**3.569.280**	**(30.058.949)**	**1.257.175**
Tangible and Intangible Amortization	(7.543.386)	(2.332.953)	(278.484)	(4.931.949)	
Amortisations IFRS16	(2.207.501)	(350.831)	(28.891)	(1.827.779)	
Depreciations	(9.750.887)	(2.683.784)	(307.375)	(6.759.728)	
Write-offs	-				

Operating result (EBIT)	**(29.494.988)**	**2.804.610**	**3.261.905**	**(36.818.677)**	**1.257.175**
Interest on bank deposits	718				718
Interest on loan from parent companies	(545.339)	(268.100)	(31.990)	(245.250)	
Other financial expenses	(470.381)	(234.991)	(28.028)	(207.362)	
Financial cost IFRS16 Third	(1.682.657)	(162.487)	(10.779)	(1.509.392)	
Net financial result	**(2.697.659)**	**(665.578)**	**(70.797)**	**(1.962.003)**	**718**
Result before taxes	**(32.192.647)**	**2.139.032**	**3.191.108**	**(38.780.680)**	**1.257.893**
Income taxes	1.198.139	1.070.417	127.722	-	
Result after taxes	**(30.994.508)**	**3.209.449**	**3.318.830**	**(38.780.680)**	**1.257.893**
Profit / (Loss) of MAINTENANCE activity, 3rd party					
Profit / (Loss) of MAINTENANCE activity, internal					
Transferred maintenance cost to TRANSPORT ACTIVITY		**-**	**-**		
Profit / (Loss) before tax, classified per Segment	**(32.192.647)**	**(30.274.319)**	**(3.249.041)**	**73.538**	**1.257.175**
Αναλογία φόρου εισοδήματος	1.198.139			-	1.198.139
Profit / (Loss) after tax, classified per Segment	**(30.994.508)**	**(30.274.319)**	**(3.249.041)**	**73.538**	**2.455.314**
Revenues from PSO contract	65.027.965	50.000.000			
Revenues from PSO contract based on art. 10.3 & 10.14		15.027.965			
Network utilization duties	(18.240.282)	(16.355.581)	(1.884.701)		
Amortisations IFRS16	(13.243.398)	(11.062.221)	(2.181.177)		
Financial cost IFRS16 Third	(1.496.154)	(1.249.739)	(246.415)		
Fees corporate bodies	(187.260)	(93.538)	(11.161)	(82.561)	
Provisions	(2.679.654)	(2.679.654)			
Other income	2.000.000,00				2.000.000
Other costs	-778.943,88	(778.944)			
Rent of means of transport	-291.193,29	(291.193)			
Profit / (Loss) after tax, classified per Segment Final	**(883.428)**	**2.242.776**	**(7.572.496)**	**(9.023)**	**4.455.314**

Segment analysis Statement of Financial Position (1/1-31/12/2022)

Assets	**31/12/2022**	**PASSENGER ACTIVITY -PSO**	**FREIGHT**	**PASSENGER ACTIVITY-OTHER**	**MAINTENANCE**	**OTHER**
Property, plant and equipment	80.920.804,99	57.427.077,43	86.802,02		23.406.925,54	
Royalties to Property, plant and equipment	104.779.791,06	54.632.300,76	10.637.759,88		39.478.100,41	31.630
Spare parts of rolling stock	24.484.470,60					24.484.470,60
Intangible assets	1.369.009,79				716.240,71	652.769,08
Deferred tax assets	5.356.550,12	2.312.773,98	1.981.564,76		1.243.105,36	-180.893,99
Other non-current assets	904.642,53					904.642,53
Total non-current assets	**217.815.269,09**	**114.372.152,18**	**12.706.126,67**	**-**	**64.844.372,02**	**25.892.618,22**
Inventories	3.390.388,26				3.390.388,26	
Current trade receivables	44.312.056,10	32.921.451,06	486.592,85		10.671.823,56	232.188,63

Cash and cash equivalents	23.016.454,59	9.566.080,00	283.715,74		574.224,94	12.592.433,91
Other current assets	125.667.340,03	78.440.103,78	3.499.294,81		9.143.963,78	34.583.977,66
Total current assets	**196.386.238,98**	**120.927.635**	**4.269.603**	**-**	**23.780.401**	**47.408.600**
Total assets	**414.201.508,07**	**235.299.787**	**16.975.730**	**-**	**88.624.773**	**73.301.218**
Equity						
Share capital	34.406.509,10					34.406.509,10
Reserves	-690.049,34					-690.049,34
Profits (Losses) carried forward	-12.260.526,99	-22.228.396,13	8.423.924,85		4.984.950,82	-3.441.006,29
Profit (loss) of the period	-883.428,32	2.242.776,38	-7.572.495,54		-9.023,09	4.455.313,96
Total shareholder equity	**20.572.504,45**	**(19.985.620)**	**851.429**	**-**	**4.975.928**	**34.730.767**
Liabilities						
Medium/long-term loans	28.500.000,00				13.500.000,00	15.000.000,00
Post-employment benefits and other employee benefits	3.883.813,39	1.408.889,80	168.178,57		2.306.745,02	
Provisions for risk and charges	6.443.821,31	3.038.921,64	2.660.929,46		743.970,22	
Non-current financial liabilities (incl. derivatives)	93.814.796,00	44.610.397,94	8.653.188,15		40.536.557,91	14.652
Other non-current liabilities	70.000,00					70.000,00
Total non-current liabilities	**132.712.430,70**	**49.058.209**	**11.482.296**	**-**	**57.087.273**	**15.084.652**
Short-term loans and current portion M/L loans	29.056.386,15	25.000.000,00			1.800.000,00	2.256.386,15
Current trade payables	175.640.677,14	144.160.769,98	-1.859.351,38		12.127.639,54	21.211.618,00
Current financial liabilities (incl. derivatives)	14.504.653,00	10.939.278,40	2.155.618,43		1.391.961,17	17.795
Other current liabilities	41.714.856,64	26.127.149,11	4.345.737,04		11.241.970,56	
Total current liabilities	**260.916.572,93**	**206.227.197**	**4.642.004**	**-**	**26.561.571**	**23.485.799**
Total liabilities	**393.629.003,63**	**255.285.407**	**16.124.300**	**-**	**83.648.844**	**38.570.451**
Total Equity and Liabilities	**414.201.508,08**	**235.299.787**	**16.975.730**	**-**	**88.624.773**	**73.301.219**

38 Events occurring after the reporting period

On the night of 28/2/2023 at Tempi, an Intercity passenger train collided frontally with a freight train, causing the death of 57 persons including 9 employees of the Company while 181 people were injured. At the date of writing of this Report, whereas the inquiries of the competent authorities are still underway, the facts and evidences at the availability of the Company lead to assess that the accident was due to causes unconnected with the responsibility of the Company's personnel and management. This, in connection with the assessment of the insurance coverages in force, does not configure the need to formulate corrections of these present Financial Statements for year 2022, being that any net financial exposure on the net equity of the Company is expected to not have a significant impact.

In early September of 2023, with the most severe impact during the period from 4 to 7 September, the catastrophic weatherstorm Daniel, caused, among other, significant damages in the railway network of Greece, especially on the line Thessaloniki – Athens, and more specifically on the segments Domokos – Larisa, Larisa – Volos and Kalampaka – Palaiofarsalos. The damages to the railway network have as consequence the impossibility of the Company to perform a significant part of its transportation business. Nonetheless, taking into account the full support of the sole Shareholder Trenitalia S.p.A., and the fact that the largest part of the Company's turnover is object of the PSO Contract dated 14.4.2022, it is assessed that the going concern of the Company is not affected.

On 5/17/23 the Association of Companies "HELLENIC TRAIN-DAMCO" was approved as a contractor in the framework of the Tender for the Concession, Operation, Maintenance, Exploitation, Completion of Studies, Construction of Projects and Supply of Equipment of the E.E.S.S.D.I. Thriassio Terminal. The process of finalizing the award is ongoing.

Athens, October 16th 2023

CHAIRMAN OF BOD	CHIEF EXECUTIVE OFFICER
LO BOSCO DARIO	CAPOTORTO MAURIZIO
PASSPORT NO. YA7363106	ID NO. AU7121037

CHIEF FINANCIAL OFFICER	THE CERTIFIED ACCOUNTANT
GENTILE LORENZO	DIONYSIOS SIARKOS
ID NO. CA39478AC	LICENSE NO. 0100247