PROSPECTUS DATED 2 OCTOBER 2019

HELLENIC PETROLEUM FINANCE PLC

(incorporated with limited liability under the laws of England and Wales with registered number 05610284)

€500,000,000

2.00 per cent. Guaranteed Notes due 4 October 2024
guaranteed by

Hellenic Petroleum S.A.

(a société anonyme organised and existing under the laws of the Hellenic Republic with registration number at GEMI 296601000, former registration number 2443/06/B/8623)

The issue price of the €500,000,000 2.00 per cent. Guaranteed Notes due 4 October 2024 (the "**Notes**") of Hellenic Petroleum Finance plc (the "**Issuer**" or "**HPF**") is 99.41% of their principal amount.

Unless previously redeemed or cancelled, the Notes will be redeemed at their principal amount on 4 October 2024. The Notes are subject to redemption in whole at their principal amount at the option of the Issuer at any time in the event of certain changes affecting taxation in the United Kingdom or in the Hellenic Republic. In addition, the holder of a Note may, by the exercise of the relevant option, require the Issuer to redeem such Note at its principal amount in accordance with Condition 6(c) (*Redemption at the option of Noteholders*:). See "*Terms and Conditions of the Notes—Redemption and Purchase*".

The Notes will bear interest from 4 October 2019 (the "**Issue Date**") at the rate of 2.00% per annum payable semi-annually in arrear on 4 April and 4 October in each year commencing on 4 April 2020. Payments on the Notes will be made in euros without deduction for or on account of taxes imposed or levied by the United Kingdom or the Hellenic Republic to the extent described under "*Terms and Conditions of the Notes—Taxation*". Hellenic Petroleum S.A. (the "**Guarantor**" or "**Parent Company**" or "**Hellenic Petroleum**") will unconditionally and irrevocably guarantee the due and punctual payment of all amounts at any time becoming due and payable in respect of the Notes.

This Prospectus has been approved as a prospectus by the *Commission de Surveillance du Secteur Financier* (the "**CSSF**"), as competent authority under Regulation (EU) 2017/1129 (the "**Prospectus Regulation**"). The CSSF only approves this Prospectus as meeting the standards of completeness, comprehensibility and consistency imposed by the Prospectus Regulation. Approval by the CSSF should not be considered an endorsement of the Issuer or the Guarantor. By approving a prospectus in accordance with Article 6(4) of the Luxembourg law dated 16 July 2019 on prospectuses for securities (*Loi du 16 juillet 2019 relative aux prospectus pour valeurs mobilières*), the CSSF does not engage in respect of the economic or financial opportunity of the operation or the quality and solvency of the Issuer. This Base Prospectus constitutes a prospectus in respect of the Issuer for the purposes of Article 6(3) of the Prospectus Regulation. Application has been made to the Luxembourg Stock Exchange for the listing of the Notes on the Official List of the Luxembourg Stock Exchange and admission to trading on the Luxembourg Stock Exchange's regulated market.

The Prospectus has been published on the website of the Guarantor (www.helpe.gr) and the Luxembourg Stock Exchange (www.bourse.lu).

The Notes have not been, and will not be, registered under the United States Securities Act of 1933, as amended, (the "**Securities Act**"), and are subject to United States tax law requirements. The Notes are being offered outside the United States by the Joint Bookrunners (as defined in the section below entitled "**Subscription and Sale**") in accordance with Regulation S under the Securities Act ("**Regulation S**"), and may not be offered, sold or delivered within the United States or to, or for the account or benefit of, U.S. persons except pursuant to an exemption from, or in a transaction not subject to, the registration requirements of the Securities Act.

The Notes will be in bearer form and in denominations of €100,000 and integral multiples of €1,000 in excess thereof up to and including €199,000. The Notes will initially be in the form of a temporary global note (the "**Temporary Global Note**"), without interest coupons, which will be deposited on or around the Issue Date with a common depositary for Euroclear Bank SA/NV ("**Euroclear**") and Clearstream Banking S.A. ("**Clearstream,**

Luxembourg"). The Temporary Global Note will be exchangeable, in whole or in part, for interests in a permanent global note (the "**Permanent Global Note**", together with the Temporary Global Note, the "**Global Note**"), without interest coupons, not earlier than 40 days after the Issue Date upon certification as to non-U.S. beneficial ownership. Interest payments in respect of the Notes cannot be collected without such certification of non-U.S. beneficial ownership. The Permanent Global Note will be exchangeable in certain limited circumstances in whole, but not in part, for Notes in definitive form in denominations of €100,000 and integral multiples of €1,000 in excess thereof up to and including €199,000 and with interest coupons attached. See "*Summary of Provisions Relating to the Notes in Global Form*".

Global Coordinators and Joint Bookrunners

Credit Suisse   Goldman Sachs International

Joint Bookrunners

Alpha Bank	Citigroup	Eurobank
National Bank of Greece	Nomura	Piraeus Bank

CONTENTS

	Page
IMPORTANT NOTICES	4
RISK FACTORS	7
INFORMATION INCORPORATED BY REFERENCE	29
OVERVIEW	33
TERMS AND CONDITIONS OF THE NOTES	36
SUMMARY OF PROVISIONS RELATING TO THE NOTES IN GLOBAL FORM	55
USE OF PROCEEDS	58
DESCRIPTION OF THE ISSUER	59
DESCRIPTION OF THE GUARANTOR	65
DESCRIPTION OF THE GUARANTOR: OPERATING AND FINANCIAL REVIEW	92
DESCRIPTION OF THE GUARANTOR: INDUSTRY AND REGULATORY OVERVIEW	124
TAXATION	133
SUBSCRIPTION AND SALE	137
GENERAL INFORMATION	140

IMPORTANT NOTICES

This Prospectus comprises a prospectus for the purposes of Article 8 of the Prospectus Regulation. When used in this Prospectus, "**Prospectus Regulation**" means Regulation (EU) 2017/1129.

Each of the Issuer and the Guarantor accepts responsibility for the information contained in this Prospectus and declares that, to the best of its knowledge, the information contained in this Prospectus is in accordance with the facts and makes no omission of anything likely to affect the import of such information.

Neither the Issuer nor the Guarantor has authorised the making or provision of any representation or information regarding the Issuer, the Guarantor or the Notes other than as contained in this Prospectus or as approved for such purpose by the Issuer and the Guarantor. Any such representation or information should not be relied upon as having been authorised by the Issuer, the Guarantor or Credit Suisse Securities (Europe) Limited, Goldman Sachs International, Alpha Bank A.E., Citigroup Global Markets Limited, Eurobank Ergasias S.A., National Bank of Greece S.A., Nomura International plc and Piraeus Bank S.A. (the "**Joint Bookrunners**").

Neither the Joint Bookrunners nor the Trustee have independently verified all the information contained herein. Accordingly, no representation, warranty or undertaking, express or implied, is made and no responsibility or liability is accepted by the Joint Bookrunners or the Trustee or any of their respective affiliates as to the accuracy or completeness of the information contained or incorporated in this Prospectus or any other information provided by the Issuer or the Guarantor in connection with the offering of the Notes. No Joint Bookrunner or the Trustee accepts any liability in relation to the information contained or incorporated by reference in this Prospectus or any other information provided by the Issuer or the Guarantor in connection with the offering of the Notes or their distribution.

Neither the delivery of this Prospectus nor the offering, sale or delivery of any Note shall in any circumstances create any implication that there has been no adverse change, or any event reasonably likely to involve any adverse change, in the condition (financial or otherwise) of the Issuer or the Guarantor since the date of this Prospectus or that the information contained in this Prospectus is true subsequent to the date hereof or that any other information supplied in connection with the Notes is correct at any time subsequent to the date on which it is supplied or, if different, the date indicated in the document containing the same. Each recipient of this Prospectus shall be taken to have made its own investigation and appraisal of the condition (financial or otherwise) of the Issuer and the Guarantor.

MIFID II product governance / High net worth retail investors, professional investors and ECPs target market – Solely for the purposes of each manufacturer's product approval process, the target market assessment in respect of the Notes has led to the conclusion that: (i) the target market for the Notes is eligible counterparties and professional clients, each as defined in Directive 2014/65/EU (as amended, "**MiFID II**") and retail clients (as defined in MiFID II) that are in a financial situation to be able to bear a loss of their entire investment in the Notes; (ii) all channels for distribution of the Notes to eligible counterparties and professional clients are appropriate; and (iii) the following channels for distribution of the Notes to such retail clients are appropriate - investment advice, portfolio management, non-advised sales and pure execution services - subject to the distributor's suitability and appropriateness obligations under MiFID II, as applicable. Any person subsequently offering, selling or recommending the Notes (a "**distributor**") should take into consideration the manufacturers' target market assessment; however, a distributor subject to MiFID II is responsible for undertaking its own target market assessment in respect of the Notes (by either adopting or refining the manufacturers' target market assessment) and determining appropriate distribution channels, subject to the distributor's suitability and appropriateness obligations under MiFID II.

Singapore Securities and Futures Act Product Classification – Solely for the purposes of its obligations pursuant to sections 309B(1)(a) and 309B(1)(c) of the Securities and Futures Act (Chapter 289 of Singapore) (the "**Securities and Futures Act**"), the Issuer has determined, and hereby notifies all relevant persons (as defined in Regulation 3(b) of the Securities and Futures (Capital Markets Products) Regulations 2018 (the "**SF (CMP) Regulations**")) that the Notes are "prescribed capital markets products" (as defined in the SF (CMP) Regulations) and Excluded Investment Products (as defined in the Monetary Authority of Singapore (the "**MAS**") Notice SFA 04-N12: Notice on the Sale of Investment Products and in the MAS Notice FAA-N16: Notice on Recommendations on Investment Products).

Neither this Prospectus nor any other information supplied in connection with the offering of the Notes (a) is intended to provide the basis of any credit or other evaluation or (b) should be considered as a recommendation by the Issuer, the Guarantor, any of the Joint Bookrunners or the Trustee that any recipient of this Prospectus or any other information supplied in connection with the offering of the Notes should purchase any Notes. Each investor contemplating purchasing any Notes should make its own independent investigation of the financial condition and affairs, and its own appraisal of the creditworthiness, of the Issuer and/or the Guarantor. Neither this Prospectus nor any other information supplied in connection with the offering of the Notes constitutes an offer or invitation by or on behalf of the Issuer or the Guarantor, any of the Joint Bookrunners or the Trustee to any person to subscribe for or to purchase any Notes.

This Prospectus does not constitute an offer to sell or the solicitation of an offer to buy the Notes in any jurisdiction to any person to whom it is unlawful to make the offer or solicitation in such jurisdiction. The distribution of this Prospectus and the offer or sale of Notes may be restricted by law in certain jurisdictions. The Issuer, the Guarantor, the Joint Bookrunners and the Trustee do not represent that this Prospectus may be lawfully distributed, or that the Notes may be lawfully offered, in compliance with any applicable registration or other requirements in any such jurisdiction, or pursuant to an exemption available thereunder, or assume any responsibility for facilitating any such distribution or offering. In particular, no action has been taken by the Issuer, the Guarantor, the Joint Bookrunners or the Trustee which is intended to permit a public offering of the Notes or the distribution of this Prospectus in any jurisdiction where action for that purpose is required. Accordingly, no Notes may be offered or sold, directly or indirectly, and neither this Prospectus nor any advertisement or other offering material may be distributed or published in any jurisdiction, except under circumstances that will result in compliance with any applicable laws and regulations. Persons into whose possession this Prospectus or any Notes may come must inform themselves about, and observe, any such restrictions on the distribution of this Prospectus and the offering and sale of Notes. For a description of certain restrictions on offers, sales and deliveries of Notes and on distribution of this Prospectus and other offering material relating to the Notes, see "*Subscription and Sale*".

In particular, the Notes have not been and will not be registered under the Securities Act and are subject to U.S. tax law requirements. Subject to certain exceptions, Notes may not be offered, sold or delivered within the U.S. or to U.S. persons.

Each potential investor in the Notes must determine the suitability of that investment in light of its own circumstances. In particular, each potential investor should assess, either on its own or with the help of its financial and other professional advisers, whether it:

(a) has sufficient knowledge and experience to make a meaningful evaluation of the Notes, the merits and risks of investing in the Notes and the information contained or incorporated by reference in this Prospectus or any applicable supplement;

(b) has access to, and knowledge of, appropriate analytical tools to evaluate, in the context of its particular financial situation, an investment in the Notes and the impact the Notes will have on its overall investment portfolio;

(c) has sufficient financial resources and liquidity to bear all of the risks of an investment in the Notes, including where the currency for principal or interest payments is different from the potential investor's currency (see also "*Risk Factors—Exchange rate risks and exchange controls*");

(d) understands thoroughly the terms of the Notes and is familiar with the behaviour of any relevant financial markets; and

(e) is able to evaluate (either alone or with the help of a financial adviser) possible scenarios for economic, interest rate and other factors that may affect its investment and its ability to bear the applicable risks.

Legal investment considerations may restrict certain investments. The investment activities of certain investors are subject to investment laws and regulations, or review or regulation by certain authorities. Each potential investor should consult its legal advisers to determine whether and to what extent (1) Notes are legal investments for it, (2) Notes can be used as collateral for various types of borrowing and (3) other restrictions apply to its purchase or pledge of any Notes.

Financial institutions should consult their legal advisers or the appropriate regulators to determine the appropriate treatment of Notes under any applicable risk-based capital or similar rules. In this Prospectus, unless otherwise specified, references to a "**Member State**" are references to a Member State of the European Economic Area, references to "**EUR**", "**€**" or "**euro**" are to the single currency introduced at the start of the third stage of the European Economic and Monetary Union pursuant to the Treaty establishing the European Community, as amended and references to "**USD**", "**U.S. dollar**", "**U.S.$**" and "**$**" are to the lawful currency of the U.S.

Certain figures included in this Prospectus have been subject to rounding adjustments; accordingly, figures shown for the same category presented in different tables may vary slightly and figures shown as totals in certain tables may not be an arithmetic aggregation of the figures which precede them.

In connection with the issue of the Notes, Credit Suisse Securities (Europe) Limited (the "*Stabilisation Manager*") (or persons acting on behalf of the Stabilisation Manager) may over allot Notes or effect transactions with a view to supporting the price of the Notes at a level higher than that which might otherwise prevail. However, stabilisation may not necessarily occur. Any stabilisation action may begin on or after the date on which adequate public disclosure of the terms of the offer of the Notes is made and, if begun, may cease at any time, but it must end no later than the earlier of 30 days after the Issue Date of the Notes and 60 days after the date of the allotment of the Notes. Any stabilisation action or over-allotment must be conducted by the Stabilisation Manager (or persons acting on behalf of the Stabilisation Manager) in accordance with all applicable laws and rules.

This Prospectus is to be read in conjunction with all information which is deemed to be incorporated herein by reference (see "*Information Incorporated by Reference*"). This Prospectus should be read and construed on the basis that such information is incorporated in and forms part of the Prospectus.

Other than in relation to the documents which are deemed to be incorporated by reference (see "*Information Incorporated by Reference*"), the information on the websites to which this Prospectus refers does not form part of this Prospectus and has not been scrutinised or approved by the CSSF.

In the United Kingdom, this Prospectus may be distributed only to, and may be directed only at (a) persons who have professional experience in matters relating to investments falling within Article 19(1) of the Financial Services and Markets Act 2000 (Financial Promotion) Order 2005 (the "**Order**") or (b) high net worth entities falling within Article 49(2)(a) to (d) of the Order, and other persons to whom it may be lawfully communicated, falling within Article 49(1) of the Order (all such persons together being referred to as "**relevant persons**"). Any person who is not a relevant person should not act or rely on this document or any of its contents.

The Prospectus will expire 12 months from its date in relation to Notes which are to be admitted to trading on a regulated market in the European Economic Area (the "**EEA**") and/or offered to the public in the EEA other than in circumstances where an exemption is available under Article 1(4) and/or 3(2) of the Prospectus Regulation. The obligation to supplement a prospectus in the event of significant new factors, material mistakes or material inaccuracies does not apply when a prospectus is no longer valid.

RISK FACTORS

The Issuer and the Guarantor believe that the following factors may affect their ability to fulfil their obligations under the Notes. In addition, factors which are material for the purpose of assessing the market risks associated with the Notes are described below.

The Issuer and the Guarantor believe that the factors described below represent the principal risks inherent in investing in the Notes, but the Issuer and the Guarantor may be unable to pay interest, principal or other amounts on or in connection with any Notes for other reasons which may not be considered significant risks by the Issuer and the Guarantor based on information currently available to them or which they may not currently be able to anticipate. Prospective investors should also read the detailed information set out elsewhere in this Prospectus and reach their own views prior to making any investment decision. All investors should make their own evaluations of the risks associated with an investment in the Notes and consult their own professional advisers if necessary. The market price of the Notes could decline due to the realisation of these risks, and investors could lose part or all of the value of their investments.

Capitalised terms used herein and not otherwise defined shall bear the meanings ascribed to them in "Terms and Conditions of the Notes" below.

1. Risks that apply to the Issuer

(a) The Issuer is a finance vehicle for the members of the Group

The Issuer is a finance vehicle for members of the Group. The Issuer's principal business is raising financing on behalf of the Group in the international bank and debt capital markets. The Issuer does not have any subsidiaries or own, lease, or otherwise hold any real property (including office premises or facilities) and is not expected to consolidate or merge with any other person. To the extent that the proceeds from the Notes will not be used for the repayment of pre-existing financing they will be on-lent by the Issuer to other members of the Group and the ability of the Issuer to fulfil its payment obligations under the Notes will depend upon payments made to it by other relevant members of the Group. Therefore, the Issuer is subject to all risks to which the Group is subject, to the extent that such risks could limit each relevant member of the Group's ability to satisfy its obligations in full and on a timely basis.

2. Risks related to the Guarantor and the Group

2.1 Macroeconomic and political risks

(a) The Group's business, financial condition, results of operations and future prospects are significantly affected by the economic conditions in Greece and abroad

The Group is among the largest industrial and commercial enterprises in Greece with a growing presence in international markets. As at 30 June 2019, it accounted for approximately 65% of domestic refining capacity (with total Greek capacity at 537 million barrels ("**bbl**") per year as of 2018) and holds a significant market share in the domestic fuels distribution and marketing business, according to publicly available information.

As at, and during the six months ended, 30 June 2019, the Group's refining, supply and trading division accounted for 72% of the Group's asset base and 64% of total gross margin. The refining business and its profitability is mainly driven by regional/global supply and demand for crude oil, oil products and their impact on their respective prices and on economic developments also affecting prices. On the other hand, domestic trading and fuel marketing businesses are more exposed and affected by developments in the Greek market. Sales in the domestic market contribute considerably to the Group's business, operating results and cash flows as a significant percentage of the volume (45% for the six-month period ending on 30 June 2019) is sold into the Greek market (including deliveries to aviation and bunkering customers at airports or ports, respectively, in Greece). The remaining share of the total production (approximately 55%), is sold to international markets in the form of exports. If demand in Greece falls, the Group increases its sales volume to the export markets, albeit at a lower trading margin reflecting the differences in logistics costs and market structures.

Greece is emerging from a sovereign debt crisis and severe economic contraction, with real GDP declining cumulatively by nearly 30% since 2008. While the economic decline was temporarily halted in 2014, political uncertainties resulted in a return to recession in 2015 and 2016; it was not until 2017 when a positive GDP growth of 1.5% was recorded and 1.9% in 2018. Greece signed up to a third financial support agreement with European Union ("**EU**") institutions in July 2015, with the IMF also signing up to the third financial support agreement but without contributing any further financing under the agreement, the IMF withdrew in January 2016.

Following the completion of the said third financial support agreement, Greece is subject to a tight periodic monitoring process, and while debt owed to the EU was re-profiled (extended but not reduced nominally), at present no further financial assistance is envisaged under the existing agreement. The Greek government introduced a regime of capital controls in June 2015 in an attempt to, amongst others, support the local banking system; however, since then all of these controls were gradually relaxed and in September 2019 all such controls were lifted and cash transactions and transfers through the banking system operate normally. During the period of the introduction of capital controls the economy suffered a slow-down and fuel consumption recorded a significant drop. While the economy is now back on a growth trajectory and there are no longer capital controls in place, fuels demand growth is limited and the ongoing economic conditions in Greece may adversely affect consumption levels, such as demand for auto fuels and other oil products, which, in turn, may adversely affect the Group's sales and profitability. Likewise, economic conditions may affect the ability of the Group to collect receivables arising from sales into the domestic market.

Furthermore, global economic uncertainty, any contraction or stagnation of the global economy, tightening in global credit conditions, increased inflation or interest rate levels, and/or worsening of the global trade environment could negatively impact global and, conversely, local demand for the Group's products or lead to lower market prices for the Group's products. Such conditions could lead to a reduction of the Group's revenues, operating income and cash flows. Global economic conditions can also impact refining margins, which can greatly impact the Group's results of operations. For more information on refining margins, see "*—A decline in oil refining margins would negatively affect the Group's business, financial condition, results of operations and future prospects*" below. A weakened global economy could also make it more difficult or costly for the Group to obtain financing for its operations and investments or to refinance the Group's debt in the future.

Accordingly, the occurrence of any or all of the above events, or any other adverse developments in global or domestic economic or geopolitical conditions could have a material adverse effect on the Group's business, financial condition, results of operations and future prospects.

(b) A deterioration of the political environment in crude oil producing countries may adversely impact the availability of crude oil feedstock

The Group procures crude oil from a number of suppliers, including national oil companies and international oil traders. The Middle East and North Africa ("**MENA**") region has historically experienced varying degrees of political instability and, most recently, with developments over the last eight years causing disruptions to the global supply chain. Instability in the MENA region may result from a number of factors, including government or military regime change, sanctions, civil unrest or acts of terrorism. Developments in Libya since 2011 (including the Libyan conflict in 2011, the ensuing sanctions against Libya, as well as the political tension in 2013 onwards which led to a significant decline and volatility in the country's production and exports, which have not recovered fully and remain uncertain and volatile since), have had an impact on the ability of the Group's Refineries to procure light sweet crude and affected pricing in the Mediterranean region. Furthermore, the EU sanctions against Iran in 2012 (which were lifted in January 2016), including a ban imposed on the purchase of crude oil since July 2012 and the re-imposition of US sanctions on Iran, which were phased in during November 2018, curtailing crude supply from the country to the Mediterranean region, are examples of supply disruptions that have affected, or are currently affecting, the Group (for more details please refer to the risk factor headed "*The Group's international activities increase the compliance risks associated with economic and trade sanctions imposed by the United States, the European Union and other jurisdictions*"). A number of countries in the MENA region, including Libya, have recently been, and may continue to be, subject to political unrest, including uprisings and government retaliation, as well as terrorist attacks and violence aimed against civilians, employees and facilities, that affect crude oil production and exports. In the past, ISIS (or ISIL - Islamic State in Iraq and the Levant) ("**ISIS**"), an extremist militant group, occupied parts of Iraq and Syria and implemented a fundamentalist regime. In addition, ISIS also gained limited territorial control in Libya and Yemen and acts of war between the ISIS and Kurdish troops in the Kurdistan Region of Iraq, with an impact on the production and transportation of crude oil by of those countries. As at the date of this Prospectus, ISIS occupy or influence lesser parts in Iraq and Syria, without material impact on the oil production and transportation via pipelines.

Due to the concentration of a number of crude oil producing countries in the MENA region, similar future developments as above or other armed conflicts or political instability in the region could reduce the availability of supply alternatives as well as tighten global crude oil balances with a potential impact on the Group's operations and an adverse effect on its financial condition and operating results.

Additionally, the Group has historically purchased much of its crude oil from the Russian Federation. In 2015, approximately 33% of the Group's crude oil purchases came from the Russian Federation through international oil traders. However, in 2018 only 9% of the Group's crude oil purchases came from the Russian Federation, as the Group gradually replaced sourcing of crude from the Russian Federation with other sources on better economic terms. A number of events affect the Group's ability to source crude oil from the Russian Federation including, but not limited to, structural changes in the Russian oil industry, taxation, regulation (including international (for example, UN, EU, US) sanctions), political unrest and logistical issues in transporting crude oil from Novorossiysk or other export terminals in the Black Sea. In the first half of 2019, weather conditions had a negative impact on the logistics of crude supply from the Black Sea (closure of terminals, significant delays on the Bosporus straits), including Russian crude, while the contamination incident in the Druzhba pipeline in April 2019 also curtailed the supply of Russian crude for most of the second quarter of 2019. These events had a significant negative impact on the benchmark margins and supply of crude oil (especially high sulphur crude oil) for Mediterranean refiners, including the Group.

On 14 September 2019, two important oil facilities in Saudi Arabia, accounting for approximately 50% of the country's production and 5% of global crude oil supply, according to press reports, were targeted by drone attacks. As at the date of this Prospectus, production at these facilities has been halted; however production is expected to be restored by the end of September 2019, according to statements by Saudi Aramco. A potential prolonged outage of such a significant percentage of global crude oil supply could affect oil markets, prices of crude oil and crude availability in the region, including the supply of the Group's Refineries, as well as refining margins and financial results of refiners in the region, including the Group. Over the past three years, Saudi Arabia has provided approximately 5 to 7% of the Group's crude oil supply.

The deterioration of the political environment in any of the countries from which the Group sources its crude oil feedstock, or from any crude oil feedstock producing countries more generally, could affect the price of crude oil available to the Group, which could have a material adverse effect on the Group's business, financial condition, results of operations and future prospects. Likewise, a similar effect could be experienced if a particular route of supply is affected.

(c) Volatility in the Greek banking system may impair the Group's ability to obtain financing and increase its cost of debt

A significant part of the Group's credit is provided by the four Greek systemic banks, namely National Bank of Greece, Eurobank, Alpha Bank and Piraeus Bank (the "**Greek Systemic Banks**"). Specifically, as at the end of 2018, the total percentage of the Group's gross outstanding debt owed to the Greek Systemic Banks was 66%.

The ability of the Greek Systemic Banks to continue to support the Group is dependent, among other factors, on their own capitalisation and ability to access international financial markets or receive liquidity support from the ECB or the Bank of Greece. Although macroeconomic conditions in Greece are showing signs of improvement, uncertainties continue to exist, particularly with regard to the Greek Systemic Banks, which may affect the Group's ability to obtain financing and increase its cost of debt. Although the Group, following repayment of its €325 million notes on 4 July 2019, has reduced its total indebtedness significantly over the last three years (with indebtedness to Greek Systemic Banks lowered by approximately €200 million), the Group still relies, in part, on the Greek Systemic Banks. Therefore, the Greek banking system's ability to seek funding from international capital markets and banking systems may create a risk to the Group's funding, which could have a material adverse effect on the Group’s business, financial condition, results of operations and future prospects. Furthermore, in case there is unforeseen disruptions to the Greek banking system the impact on the Group’s customer could also lead to a potential adverse impact on its operations and results.

(d) The uncertainty surrounding the withdrawal of the United Kingdom from the European Union could have a material adverse effect on the Group

On 29 March 2017, the United Kingdom (“**UK**”) notified the European Council of its intent to withdraw from the European Union under Article 50 of the Treaty on European Union (“**Brexit**”), initiating a two-year period during which the UK government and the European Council could negotiate a range of aspects of the withdrawal and the future relationship between the UK and the European Union. The UK was scheduled to leave the European Union on 29 March 2019. That deadline has been extended to 31 October 2019 in order to allow for the approval of a withdrawal agreement (which has to date been rejected three times by Parliament) and related political declaration on the future relationship between the UK and the European Union, with the option to leave earlier if the withdrawal agreement and political declaration are approved prior to that date. There continues to be significant uncertainty as to potential outcomes, which could include departure without a deal, revocation of the Article 50 notice or departure on a negotiated basis, and significant uncertainty as to next steps, including efforts to renegotiate the terms of withdrawal by the new Prime Minister of the UK, a second referendum or a new election.

Brexit could adversely affect economic or market conditions in Europe and could contribute to instability in the global financial markets. Economic uncertainty as a result of Brexit may lead to increased volatility in refining margins and downward pressures on the demand for the Group’s products. For more information on how the Group is affected by global economic conditions, see “*—The Group’s business, financial condition, results of operations and future prospects are significantly affected by the economic conditions in Greece and abroad*”. Brexit has led to a decrease in the value of the sterling against the U.S. dollar and the Euro, as well as general volatility in the currency exchange market. Although sterling is not among the Group’s operational currencies, increased volatility in the currency exchange market that could affect the Group’s functional currency and currencies in which the Group operates (being the Euro and the U.S. dollar) as a result of Brexit could also materially adversely affect the Group’s results of operations if the Group is unable to implement adequate strategies to protect against such volatility. This or any of the above could have a material adverse effect on the Group’s financial condition and results of operations. For more detail on the Group’s exposure to fluctuations in currency exchange, see *“—The Group’s business model involves exposure to certain financial risks, including currency, interest rate, credit risk and default risk, and related operational risk”* and *“—Exchange rate risks and exchange controls”* above.

Despite the fact that the Group has no trading or production operations in the UK, the Group has subsidiaries in the UK, including the Issuer, and, as such, is subject to any legal or regulatory changes that may be introduced in the UK or in the EU with respect to UK companies. There is a risk that such changes may limit the ability of the Group to raise finance, on-lend the proceeds to other members of the Group, increase the cost of its financing arrangements or have tax implications for its existing financing structures, which could have a material adverse effect on the Group’s financial condition.

2.2 Risks related to the Group’s industry

(a) A decline in oil refining margins would negatively affect the Group’s business, financial condition, results of operations and, if long term, future prospects as well

The Group’s operating and financial performance is significantly dependent on the level of refining margins, being the price differential between crude oil and refined products. Refining margins are highly volatile and can be affected by sector economics, particularly the supply and demand for crude oil and oil products, as well as available operating refining capacity. The Group’s refining margins have fluctuated, and will continue to fluctuate, due to numerous factors, including but not limited to:

- variations in global demand for crude oil and refined products and, to a much lesser extent, variations in demand for refined products in the Greek market;
- macroeconomic factors impacting demand for refining products and/or the availability and price of crude oil;

- changes in environmental, production specifications and other regulations, either in the EU or elsewhere, which could increase capital and operating expenditure, as well as lead to an impact on the realised refining margin;
- technological advances and their applications in energy, transport, manufacturing and other sectors, that could affect the global supply of crude oil and demand for oil products with impact on refining margins;
- changes in operating capacity of refineries in the geographical areas that the Group is trading, predominantly in the Greek market, Southeast Europe and the Eastern Mediterranean, that could have an indirect impact on the relevant refining margins that the Group achieves;
- changes in the availability and pricing of supply of crude oil, especially in the regions from which the Group procures most of its crude oil supply, that could affect the Mediterranean region, creating a competitive disadvantage as compared to refineries in other regions;
- changes in the differential pricing and availability of supply of various crude oil grades (such as light vs heavy or sweet vs sour) that could affect the refining margin achieved by the Group's Refineries, compared to that of its competitors; and
- changes in the supply of refined products, including imports into the relevant domestic markets.

Margins also exhibit regional variations as the cost of transportation and local product specifications create regional markets in specific geographic areas. Regional markets may exhibit different behaviour between them for similar products (difference between supply and demand within a region) leading to different levels of prices and hence, refining margins between them, particularly in the short term. A significant part of the performance of refiners within each region depends on factors that they (the refining companies) cannot control, including the supply of crude oil and other feedstock, utilisation rates of other refineries operating in the region and demand for products; these are key parameters defining regional refining margins and can affect refiners' performance and operating results. Furthermore, it is possible that a specific regional market could be influenced by material dislocations in other regions which could lead to flow of products or crude oil between them or even opportunities for price arbitrage. The most relevant market for the Group is the Mediterranean market and this is the reference or benchmark against which most Group refining operations and investments decisions are based.

As many of the factors influencing refining margins are outside of the Group's control, the Group may not be able to adequately prepare for periods of lower refining margins. Any material or sustained decline in the Group's refining margins would have a material adverse effect on the Group's business, financial condition, results of operations and future prospects.

(b) The nature of the Group's operations exposes it to a wide range of health, safety, security and environmental risks

Due to the nature of its business, the Group is exposed to a wide range of health, safety, security and environmental risks. The risks related to the Group's operations include equipment failures, explosions, fire, gaseous leaks, uncontrollable migration of harmful substances and hydrocarbon spills, which could represent a significant risk to people and the environment. If a significant health, safety, security or environmental risk were to materialize, such as an explosion, fire, hydrocarbon spill or other exposure to hazardous materials, it could result in injuries and loss of life, including among the Group's personnel and local communities. Additionally, such risk materialising could lead to environmental harm, production stoppages, damage to refining or petrochemical facilities and other property and equipment, disruption to the Group's business activities and, depending on its cause and severity, could significantly damage the Group's reputation, expose it to regulatory fines and expose its managers and employees to criminal sanctions and civil liability. Such could also negatively affect the Group's ability to satisfy the requirements to bid for, or enter into, new business contracts or renew such contracts or the Group's ability to obtain or retain the licenses required for its operations.

Although the Group has in place an inspection and safety audit process in its production facilities and storage terminals to control and monitor high risk areas and actively participates in international committees which monitor and compare performance in the refining and petrochemicals industries using safety key performance indicators, there can be no assurance that the health, safety, security and environmental risks above will not materialize, any of which could have a material adverse effect on the Group's business, financial condition, results of operations and future prospects.

(c) The Group's operating results and financial condition are exposed to fluctuating prices for oil, oil products and chemicals

Exposure to daily fluctuations in crude oil and refined product prices is another source of risk as all of the Group's purchases, and sales are based on daily benchmark prices published by the industry's most commonly used pricing reference basis, Platts (a provider of energy and commodities information and a source of benchmark price assessments in the physical energy markets ("**Platts**")). The prices of crude oil, oil products and petrochemicals are affected by supply and demand, both globally and regionally, and depend on a variety of factors over which the Group has no control. Such factors include:

- global and regional economic and financial market conditions;
- political stability across oil-producing regions (such as the Middle East, West Africa and South America) and across regions containing key crude oil transportation routes;
- the ability of the Organisation of Petroleum Exporting Countries ("**OPEC**") and other producing nations to influence production levels and prices;
- actions taken by governments (such as the imposition of trade sanctions on an oil-producing nation);
- global refining capacity evolution and utilisation;
- regulatory changes that could provide a competitive advantage or disadvantage to refineries operating in certain countries or regions;
- changes in energy consumption mix;
- terrorism and military conflicts;
- changes in population growth or distribution;
- changes in consumer preferences;
- the competitiveness and levels of adoption of new technologies;
- material changes in the underlying production cost of crude oil;
- natural disasters and climate change; and
- regional dynamics of oil and gas supply and demand and global levels of inventories of crude oil and other related products.

Although the Group is able to limit exposure to daily price fluctuations by monitoring its purchases of crude oil and sales of products against its projected monthly needs, operations and regulatory obligations require that the Group maintains stock levels significantly higher than its daily needs for production (crude) and sales (products). As discussed below under *"—Compulsory Stock Obligations"*, the Group is required to hold excess stock equal to 90 days of its in-market sales originating from imports of products or production from crude oil as part of the strategic oil reserve for the Hellenic Republic. Fluctuations in the price of crude oil will have effect on the carrying value of this inventory, which will in turn affect the Group's results of operations. For example, when oil prices declined by 60% from June 2014 to January 2015, the Group recorded inventory losses of €521 million, affecting its net worth as well as the ability to make dividend payments.

Rapid material and/or sustained changes in prices can also impact the validity of the assumptions on which strategic decisions of the Group are based and, as a result, the ensuing actions derived from those decisions may no longer be beneficial to the Group. Furthermore, high oil prices can lead to increased working capital financing requirements, as well as reduced demand for oil products, which in turn may lead to lower profitability.

Sectors of the chemicals industry are also subject to fluctuations in supply and demand within the international petrochemicals market, with consequent effect on prices and profitability. It is impossible to predict future price movements for crude oil, petrochemical and refined oil products. Although the Group hedges against certain commodity price movements, its margins and results of operations could be adversely affected by significant movements in commodity prices, in particular in relation to the impact of changing valuations of excess inventory. Although the Group attempts to include realistic market projections for commodity prices in its business plan, a material deviation from such assumptions could require the Group to reshape, abandon or reverse certain aspects of its long-term strategy or investment program, which could, in turn, have a material adverse effect on the Group's business, financial condition, results of operations and future prospects.

(d) Introduction of competing renewable fuel technologies or hybrid and electric engines, as well as increasing fuel efficiency of fossil fuel engines may have an impact on the demand for the Group's products and have a material adverse effect on the Group

The oil and gas sector is dominated by large national and independent oil and gas companies, which possess significant cash and financial resources and class-leading technological expertise. These and other competitors are continuously investing substantial amounts in research, development and innovation. In addition, world-leading technology and automotive companies, such as Apple, Google and Tesla, are also conducting extensive research into new, potentially disruptive, technologies, such as the electrification and automation of motor vehicles and ground-breaking battery technologies, which could have a significant impact on demand for oil-based products worldwide if they were to be widely adopted.

This global research effort is, in part, in response to a trend in demand towards greater fuel efficiency and a shift to alternative fuels, prompted by heightened environmental-awareness among governments and consumers. There is a risk that greater-than-expected improvements in fuel efficiency over the near-term, whether due to technological advancements or more stringent regulation, could lower demand for diesel and gasoline, which combined account for approximately 75% of the Group's refineries' product output. For example, automakers globally have, over recent years, significantly improved the efficiency of conventional internal combustion engines through technological innovation and have developed increasingly competitive hybrid and fully-electric motor vehicles. While the effect of fuel efficiency on regional and global refined product demand, especially in the longer term, is uncertain and difficult to quantify, it is expected to partially or fully offset (or even outweigh) the anticipated increase in demand for vehicle fuels driven by population growth and improving living standards in certain parts of the world, particularly in emerging markets.

In the future, regulators may impose stricter fuel efficiency standards which could lead to further decreases in demand for the conventional petroleum-based fuels that the Group currently produces, distils, sells and distributes. For example, several cities have begun the implementation of programs that seek to incentivize the use of more environmentally-friendly vehicles by offering subsidies or tax breaks or by directly banning the use of vehicles using conventional petroleum-based fuels beyond a certain year. The roll-out of these and similar schemes across the Group's key markets would steadily reduce demand for vehicles with diesel and gasoline engines, which would, in turn, lower demand for the products sold by the Group's fuel marketing operations and potentially require the Group to make significant capital investments at its refineries to configure them for an alternative product slate. Legislative changes could also be accompanied by, or serve to accelerate, a shift in consumer preference towards alternative fuels due to increased environmental awareness and the improved competitiveness of "green" technologies.

The emergence of one or more disruptive technologies that rapidly accelerate the pace of change, or suddenly alter the direction of change, could have a negative impact on the Group's long-term strategy. There can be no assurance that the Group would be successful in adjusting its business model in a timely manner to anticipate, or react to, changes in demand resulting from changes in legislation, technologies, consumer preference or other market trends, and the Group's failure to do so could have a material adverse effect on its business, financial condition, results of operations and future prospects.

(e) Maritime disasters may have a material adverse effect on the Group, including its reputation

The Group provides logistics services for the transport of refined intermediate and final petroleum products and chemicals between its manufacturing facilities, from its Refineries to its international subsidiaries in the Mediterranean and for the transport of petroleum products to customers of its marketing subsidiaries in the Greek islands. The operation of the Group's shipping fleet is subject to inherent risks, including the risks of maritime disaster, damage to the environment and loss of or damage to cargo and property. Such events may be caused by mechanical failure, human error and adverse weather conditions, among other factors. The occurrence of any of these events may have, either directly or indirectly, due to negative publicity, a material adverse effect on the Group's reputation, business, financial condition, results of operations and future prospects.

2.3 Risks related to the Group's business activities

(a) An interruption to normal production of the Group's refineries as well as operational issues at any of the Group's refineries may have a material adverse effect on the Group's performance

The Group's business is largely dependent on the operations of its Greek refineries in Aspropyrgos, Elefsina and Thessaloniki (the "**Refineries**"). The operation of any of these Refineries could be significantly affected by an incident that could lead to reducing or discontinuing production for a period that could affect the financial performance of the Group. The production at the Refineries could be adversely affected by extraordinary events, including fire, an explosion, structural collapse, machinery failure, mechanical failure, extended or extraordinary maintenance, road construction or closures of primary access routes, flooding, windstorms or other severe weather conditions. Additionally, disruptions could be caused by failings in the Group's information technology infrastructure as described in "*—The Group is subject to risks associated with failures in technology systems and cyber-security*" below.

The Refineries are scheduled to undergo a full turnaround every four to five years and an intermediate one every two to three years in order to maintain and improve operating performance. During turnaround periods, refineries remain partially or fully shut-down and, as a result, production levels and the ability to generate value from refining margins are adversely affected. Planned shut-downs will typically have an adverse impact on the results of operations, particularly if they take longer than anticipated; this is also the case for unplanned shut-downs on technical or other grounds which may also adversely impact the financial performance of the Group.

Any prolonged and/or significant interruption to normal production at the Refineries could adversely affect the Group's operations, which could have a material adverse effect on the Group's business, financial condition, results of operations and future prospects.

(b) The Group's ability to achieve its strategic objectives depends on its reaction to competitive forces

The oil, gas and petrochemicals industries are highly competitive. There is strong competition, both within the oil and gas industry and with other industries, in supplying the fuel needs of commerce, industry and retail. Competitors may benefit from a number of advantages, including access to significantly greater quantities of alternative oil resources, wider diversification of supply or financial risk, larger financial capacity, improved economies of scale, enhanced specialization and technological innovation and/or broader or deeper technical and operational expertise. Such advantages may enable the Group's competitors to dedicate greater resources to the evaluation and implementation of growth opportunities and make competitive proposals that smaller or less specialized market players are unable to match. The Group also faces, and expects to continue to face, competition from new market entrants in the refining industry where there is new production capacity in the Middle East and where increased imports have begun to arrive in the European market from the U.S., India and the Middle East.

Competition puts pressure on product prices, affects marketing of oil products and requires continuous management focus on maintaining competitiveness through reducing unit costs and improving efficiency. The implementation of the Group's strategy requires continued technological advances and innovation including advances in exploration, production, refining and petrochemical manufacturing technology as well as advances in technology related to energy usage and alternative energy businesses. The Group's performance could be impeded if competitors developed or acquired intellectual property rights to technology giving them an advantage over the Group or if the Group's innovation lagged behind the rest of the industry. For example, in Europe approximately three mbpd of refining capacity has been permanently shut down by the Group's competitors since 2008 because it was not able to compete with other refineries in the region. Conversely, given the nature of the industry, any company which acquires an advantage in terms of operations (such as lower per unit cost) may be able to gain from increased market shares against its competitors, including the Group. Should the Group be unable to achieve its strategic objectives due to competition, it could have a material adverse effect on the Group's business, financial condition, results of operations and future prospects.

(c) An erosion of the Group's business reputation would adversely impact its operation, brand and financial performance

The Group's brand and reputation in all areas and countries of operation are important intangible assets. Key factors which could affect the reputation of the Group relate to product quality, strict adherence to the latest health and safety standards and environmental impact. Although the Group takes all of these risks very seriously and has methodology to try to ensure that all products supplied to the market through its sales channels are of the highest quality and fall within the appropriate quality standards, the Group cannot be certain that steps taken to mitigate these risks will be effective and sufficient at all times, which could have a material adverse effect on the Group's business, financial condition, results of operations and future prospects.

(d) The Group is subject to risks associated with failures in technology systems and cybersecurity

The operation of many of the Group's business processes depends on the uninterrupted availability of its information technology ("**IT**") systems and, to maintain competitiveness, the Group is increasingly reliant on automation, centralized operation and new technologies to manage and monitor its complex production and processing activities. As a consequence, any localized or widespread system failure, whether deliberate (such as an outage resulting from a cyber-attack) or unintentional (such as network, hardware or software failure or in relation to IT upgrades), could have adverse effects at various levels. Threats to the Group's industrial control systems are not limited by geography as its digital infrastructure is inter-connected and accessible globally.

In recent years, incidents in the oil sector and other industries have shown that parties who are able to circumvent barriers aimed at securing industrial control systems are capable and willing to perform attacks that destroy, disrupt or otherwise compromise operations. Although the Group has security barriers, policies and risk management processes in place that are designed to protect its information systems and digital infrastructure against a range of security threats, there can be no assurance that such attacks will not occur, which would have an adverse impact on the Group's operations.

Additionally, in order for the Group to compete effectively and to comply with evolving regulations, the Group must make periodic technological advances. Although the Group and its technology licensors monitor the Group's technology during refinery turnarounds, given the inherent complexity of the equipment and inter-relations with operational risk, there can be no guarantee that the Group's technological upgrades will perform as expected, which could lead to operations downtime or sub-optimal operation of certain equipment or unit of a refinery (for more details on the risk of downtime please see above the risk factor headed *"—An interruption to normal production of the Group's refineries as well as operational issues at any of the Group's refineries may have a material adverse effect on the Group's performance"*). Furthermore, if the Group does not develop or implement the right technology, does not have access to desired technologies or does not deploy its technology effectively, the Group's performance could be negatively affected, which could materially adversely affect the Group's business, financial condition, results of operations and future prospects.

Any failure to protect the Group's technology and/or information systems and digital infrastructure from any of the foregoing or other IT risks could affect the confidentiality, integrity or availability of such systems, including those critical to the Group's operations. In addition, the Group could face regulatory action, legal liability, damage to its reputation, a significant reduction in revenue or increase in costs, a shutdown of operations and losses on investment in affected areas, any of which could have a material adverse effect on the Group's business, financial condition, results of operations and future prospects.

(e) Industrial action or adverse labour relations could be disruptive of business operations and have an adverse effect on operating results

The Group is subject to the risk of labour disputes and adverse employee relations, which could disrupt its business operations. The Group's employees are parties to national or industry collective labour arrangements or benefit from applicable local law, regulation or custom regarding employee rights and benefits. If the Group is unable to negotiate acceptable labour agreements or maintain satisfactory employee relations, the results could include work stoppages, strikes or other industrial action or labour difficulties (including higher labour costs). The latest collective labour agreement with the Group's representative union was signed at the beginning of 2017 and has a term of three years; however, there can be no assurance that the Group will avoid labour disputes and/or adverse employee relations, which could have a material adverse effect on the Group's business, financial condition, results of operations and future prospects.

(f) If the Group fails to retain and attract qualified and experienced employees, its business may be harmed

Refining and oil trading activities are highly complex businesses and require specialist skills acquired over time. In the energy sector, particularly in oil and gas, competition for experienced and qualified senior managers and employees is very strong. Given the rapidly changing and uncertain future of the upstream and downstream oil industry and the petrochemical industry, particularly in light of oil price volatility, evolving legal and regulatory requirements, including with respect to climate policy, and the increasing role of technology in the industry, the Group is increasingly reliant on the availability of a suitably-qualified and experienced workforce. While the Group aims to attract and retain the best possible candidates from domestic and international markets, if the Group is unable to recruit and retain experienced, capable and reliable personnel, especially senior and middle management with appropriate professional qualifications, it may have a material adverse effect on the Group's business, financial condition, results of operations and future prospects.

(g) The Group faces property and liability risks and does not insure against all potential losses

The Group's operations may be affected by a number of property and liability risks, including natural disasters and terrorism that can result in business interruptions and casualty losses. Full insurance cover is either not available to cover these potential risks or not available on commercially acceptable terms. Whilst the Group insures against the majority of potential losses in accordance with customary industry practices, including damage of physical assets, personal injuries, business interruption, terrorist acts and product, environmental or other liabilities, it could be seriously harmed by unexpected events or liabilities. The Group's existing insurance cover may not be sufficient to cover the loss arising from any or all such events, which could have a material adverse effect on the Group's business, financial condition, results of operations and future prospects. Furthermore, it is uncertain whether the Group will be able to continuously renew existing insurance cover on commercially acceptable terms.

(h) If the Group fails to maintain good relations with the interest groups in the communities in which it operates, it may be exposed to negative public opinion

Certain of the Group's key installations are located in, or in proximity to, residential areas (such as the Group's Aspropyrgos and Elefsina refineries in Western Attica and the Thessaloniki refinery in Western Thessaloniki) or otherwise affect the quality of life in local communities that live and/or work in the vicinity of the Group's facilities. It is critical that the Group and its subcontractors maintain good relations with these and other interest groups, including, local and national civil, political, labour and consumer organisations. This is particularly relevant for the activities of oil and gas companies in general, which can be viewed by local communities as having a direct impact on the immediate environment and economic growth in the area. Should the interest of any of these stakeholders run contrary to the Group's own business interests, and should there be no resolution of such conflict, the Group could be affected by litigation, adverse publicity or reputational damage, any of which could have a material adverse effect on its business, financial condition, results of operations and future prospects. This is also relevant for commencement of the new exploration activities which traditionally attract a higher level of reactions from local communities. While the Group and its joint venture partners, where relevant, apply all possible measures and precautions to avoid any adverse impact on health, safety and particularly the environment, local community reactions could be severe, which in turn could have a material adverse effect on its business, financial condition, results of operations and future prospects.

(i) The Group's carrying out of its business in certain sectors through investment in joint ventures and associated companies may reduce its degree of control as well as its ability to identify and manage risks

The Group participates in joint ventures or associated companies, the most important of which is its 50% share in Elpedison B.V. ("**Elpedison**"), a joint venture with Italy's Edison, for power generation and trading in Greece, as well as 35% in DEPA S.A., Greece's incumbent natural gas supply and trading company. In addition, due to the nature of upstream operations the Group engages in a number of joint ventures for the exploration and production ("**E&P"**) of hydrocarbons aiming to minimise the financial exposure and the technical risk, a practice which is very common in the E&P industry. Participation in business activities through entities over which the Group does not have full control may lead to cases where the Group has limited influence over, and control of, the behaviour, performance and cost of operations of entities in which the Group holds an equity interest. Risks can include:

- *Conflicts of interest*: Many of the Group's joint venture projects are long-term arrangements and the interests of the different consortium members may diverge over the life of a project resulting in competing business strategies and priorities. In addition, the Group's joint venture partners may take actions diverging from agreed instructions or requests or contrary to the Group's policies and objectives.

- *Financial*: The Group is exposed to the financial capacity and, hence, credit risk of its joint venture partners. Many of these projects are capital intensive and require significant investments from the partners to fund initial project costs and any cost overruns. If one of the Group's partners is unable or refuses to fund its proportion of such investments, the Group may be unable to complete the project on time and on budget, if at all. In addition, if one of the Group's partners in a joint venture were to suffer an insolvency event, it could lead to the liquidation of that partner's investment in the project, which could, in turn, adversely affect the joint venture operations. In addition, with respect to the Group's E&P concessions, the Group is occasionally required to accept joint and several liability with the Group's joint venture partners towards the awarding governmental authority.

- *Operational*: The Group may be exposed to operational risks, including health, safety and environmental risks, attributable to failures of its partners' operations and activities, and which the Group is not able to control. This is generally the case where one of the Group's partners is the sole operator of the facilities owned by the joint venture. In the case of the Group's E&P projects, liability for the management and operation of such projects is typically shared on a joint and several basis by all of the project partners, except liability that results from gross negligence or wilful misconduct of the operator.

- *Other*: The Group may be affected by any material damage to the business reputation of one of its joint venture partners, which could, in turn, adversely affect the Group's own reputation and/or lead to legal proceedings and/or regulatory risks. This may arise, for example, where a current or historic joint venture partner is the subject of allegations of bribery or corruption or money laundering, is designated for the purposes of international sanctions or receives negative press coverage for purported environmental infringements.

In addition, the contractual provisions relating to the governance of the Group's joint venture arrangements may require the Group to seek the consent of one or more partners to approve certain key decisions and/or may limit the Group's ability to block or veto key decisions where the parties are in disagreement. There can be no assurance that the Group will be successful in the management of its joint venture interests or that it will be able to maximize the value of investments made through its joint ventures. The occurrence of any of the foregoing or other risks could have a material adverse effect on the Group's business, financial condition, results of operations and future prospects.

(j) The success of the Group's strategy depends in part on its ability to grow through acquisitions and investments

Historically, the group has achieved growth in part through acquisitions and its strategy assumes that some future growth will occur inorganically, through further acquisitions and investments. Generally, acquisitions raise significant management and financial challenges, including:

- the need to assess and evaluate accurately the operations, assets and liabilities of the company or business or assets to be acquired;

- the need to integrate the acquired company's infrastructure, such as risk, asset and liability information management systems;

- the resolution of outstanding legal, regulatory, contractual or labour issues arising from the acquisition;

- the need to obtain third-party consents and/or the agreement of other parties affected by the transaction (for example, the other parties to a joint operating agreement);

- the integration of marketing, customer service and product offerings; and

- the integration of different company and management cultures.

There can be no assurance that the Group's past and future acquisitions will be successful, that the Group will be able to identify and finance attractive future acquisition targets, that acquired businesses will be successfully integrated into the Group or that expected synergies, cost savings and revenue-generation opportunities will be realised. Moreover, integrating and consolidating acquired operations, personnel and information systems requires the dedication of management resources that may divert attention from the Group's day-to-day business and disrupt key operating activities. In addition, there can be no assurance that the Group will be able to dispose of its interests in acquired companies or investments without incurring significant losses, if at all.

The investment plan of the Group for the next five years includes investing in new businesses, such as renewables, which are not part of its core business and where the Group has a limited track record and experience. In addition, the Group's investment plan will see an increase in the exposure to the sovereign risk of the countries where the Group will invest. Furthermore, returns from these investments may not be similar to those of the Group's core business and the capital structure of the Group and as a result those businesses may be materially adversely affected. In addition to acquisitions and investments, the Group may also participate in joint ventures. For more information, see "—*The Group's carrying out of its business in certain sectors through investment in joint ventures and associated companies may reduce its degree of control as well as its ability to identify and manage risks*" above.

Although the Group undertakes customary legal, financial, tax, environmental and technical due diligence prior to any material acquisition, in a manner that it believes to be in line with industry practice, such processes may not necessarily reveal all relevant existing or potential liabilities or issues. Nor do such processes enable the Group to become sufficiently familiar with the facilities and infrastructure to exhaustively assess their capabilities and deficiencies. Changes in the economic environment may also affect the accuracy of the Group's assumptions related to the acquired business. Moreover, some structural, subsurface or environmental problems, such as ground-water contamination, are not necessarily observable even when an inspection is undertaken, and others are only observable from an inspection of the interior of the units at an industrial site, which could require a complete shut-down of the unit and, possibly, the plant.

If the Group is not successful in implementing its acquisitions strategy, integrating such acquisitions or some or all of its existing or future acquisitions or investments prove ultimately to be unsuccessful, the Group's business, financial condition, results of operations and future prospects could be materially adversely affected.

(k) The Group's fuel marketing operations rely on the positive recognition of the Group's brand and those of its non-fuel partners, as well as relationships with independent distributors and key non-fuel partners

The success of the Group's fuel marketing operations depends in part on its ability to maintain and enhance the image and reputation of the Group's brand. Additionally, the Group has the right to use the BP brand until the end of 2020 with the option to extend for an additional five years for service stations in Greece. This means that on top of any issues that may arise regarding the reputation of the Group's own brands, there is also a risk that any adverse reputation for BP may have an adverse impact on the Group as well.

Negative publicity involving BP, any of the Group's partners or the energy sector in general, whether or not accurate, or an event or series of events that materially damages the reputation of the Group's brands, or the brands of one of its key partners, could have a negative impact on the value of these brands. Such events, whether in Greece or abroad, have included in the past and may in the future include financial, compliance, strategic or operational risks (such as fuel contamination, health, safety or environmental accidents or leaks at service stations, flooding, fire, criminal activities affecting the Group's service stations, allegations of anti-competitive behaviour or food safety or quality concerns, among others). Negative publicity could result in a decrease in customer demand for the Group's products and services or a decrease in customer traffic to the Group's service stations, either of which could have a material adverse effect on the Group's business, financial condition, results of operations and prospects.

As at 30 June 2019, the Group had approximately 1,700 service stations in Greece, which are operated through its subsidiary, Hellenic Fuels and Lubricants Industrial Commercial S.A. ("**HF**"), while approximately 220 service stations are owned or leased by its subsidiary EKO-KALYPSO S.A. and operated by company appointed managers. While the Group centrally manages the fuel supply for each of these service stations, each independent distributor (or manager for the stations owned by EKO-KALYPSO S.A.) is responsible for managing its respective service station at the operational level. Accordingly, the failure of an independent distributor or manager to operate its service station in accordance with the Group's brand standards or the standards of its non-fuel partners could have a negative impact on customer perception of the Group's service stations and therefore customer demand for the Group's services. Furthermore, the Group must enter into renegotiation, or replace its agreements with independent distributors and non-fuel partners as those agreements expire; however, the Group's independent distributors and non-fuel partners have no obligation to renew their contracts on similar terms or at all, and the terms of any renegotiated contracts may not be as favourable as the terms of the contracts they replace. If a significant number of independent distributors or a key non-fuel partner elects not to renew its relationship with the Group, or defaults on its contract because of insolvency or otherwise, the Group may be unable to find suitable replacement distributors or non-fuel partners in a timely manner on favourable terms or at all. Furthermore, transitioning to new distributors or non-fuel partners may be time consuming and expensive and may result in disruption to the Group's marketing operations, which could have a negative effect on the value of the Group's brand and its EKO and BP-branded services stations, which in turn could have a material adverse effect on its business, financial condition, results of operations and future prospects.

2.4 Risks related to the Group's financial position

(a) The Group's business model involves exposure to certain financial risks, including currency, interest rate, credit risk and default risk, and related operational risk

As a result of the nature of its funding, as well as the requirements of its operations, the Group is exposed to numerous financial risks, many of which are beyond its control, including:

- *Currency risk*: the Group's activities expose it to fluctuations in currency exchanges rates, in particular the U.S. dollar against the Euro. Trading prices of crude oil, natural gas and most refined petroleum products, and thereby a significant portion of the Group's costs and revenue, are generally denominated in, or tied to, the U.S. dollar while the Group's financial statements are prepared in Euro. Thus, a possible devaluation of the U.S. dollar against the Euro leads to a reduction in the realisable value of inventory included in the statement of financial position. Although a significant part of the Group's payables (sourcing of crude oil and petroleum products) is denominated in U.S. dollars and in the case of U.S. dollar devaluation the impact on the statement of financial position is mitigated, in cases of U.S. dollar appreciation the mark-to-market valuation of U.S. dollar denominated debt liabilities leads to a reported foreign exchange loss for the Group, with no compensating benefit as inventories continue to be included in the statement of financial position at cost. Furthermore, while the Group's gross margin and its components (revenues and cost of goods sold) are almost entirely driven and denominated in U.S. dollars, a significant part of its operating expenditure (payroll, utilities, transportation costs, maintenance, third-party services, insurance premiums, spare parts and materials and others) are denominated in Euros. As a result, a stronger U.S. dollar has a positive impact on the Group's profitability. More specifically, the Group estimates that if the Euro had weakened against the U.S. dollar by 10 cents through 2018, the impact on the Operating Profit of the Group for the year would have been approximately €70 million higher in reporting currency terms.

- *Interest rate risk*: As at 30 June 2019, approximately 70% of the Group's gross financial debt was indexed at a spread to benchmark rates of the Europe Interbank Offered Rate (Euribor), and the London Interbank Offered Rate (Libor), whereas the Group's remaining financial debt accrued interest at a fixed rate (including as a result of hedging). Variable interest rates expose the Group to the risk of increasing interest rates, while fixed interest rates expose the Group to the risk of declining interest rate levels. Movements in interest rates can have a material impact on the finance expense related to the Group's indebtedness.

- *Credit risk*: Credit risk arises from cash and cash equivalents, derivative financial instruments and deposits with banks and financial institutions. The Group also faces the risk that certain of its customers, counterparties or business partners fail to pay amounts due under their contractual obligations. Credit risk arises from credit exposures with customer accounts receivables, as well as from financial investments, derivative financial instruments and deposits with financial institutions. If a counterparty fails to honour a payment obligation, particularly a large customer, such a loss will negatively impact the Group's results of operations and cash flows. Whereas the Group has adopted policies to manage its credit risk exposure, including the use of credit insurance policies, there can be no assurance that such tools will prove effective against the risk of default by, or the insolvency of, one or more of the Group's counterparties. For the year ended 31 December 2018, the Group's ten largest customers accounted for approximately 40% of sales revenues. During 2018, sales to the Greek State and associated entities (such as municipalities, hospitals and schools) amounted to approximately 2.4% of sales and the balance outstanding as at 31 December 2018 was approximately 4.2% of the Group's net trading accounts receivable. Sales to the Public Power Corporation amounted to approximately 1.9% of total sales and the balance outstanding as at 31 December 2018 was approximately 5.5% of the Group's net trade accounts receivable. Sales to other related entities which have the legal form of a *société anonyme*, either listed on the stock exchange or partly owned by the State (such as Athens Water Company), are not included in the balances above as there is no direct exposure or dependence on the Greek State. Although the Group proactively manages and seeks to limit its credit risk by having in place credit lines for individual customers, taking financial guarantees from customers and constantly monitoring the financial standing of its counterparties, particularly its largest customers, and the level of outstanding receivables, the possibility of its customers and/or counterparties defaulting on their obligations to the Group due to bankruptcy, lack of liquidity, operational failure, sanctions or other reasons, is a risk that may lead to financial losses.

- *Default risk*: The Group's financing arrangements contain covenants that could limit the Group's ability to finance or refinance future operations and capital needs and the Group's ability to pursue certain business activities that may be in the Group's interest, as well as various events of default. As at the date of this Prospectus, the Group's financial covenants require the Group to maintain certain ratios in line with industry practice. Additionally, certain of the Group's bonds grant investors the right to redeem their bonds in the event of a change of control. If investors exercised such right and the issuer or guarantor of the relevant bonds was not in a position to redeem or purchase such bonds, this would result in a default under the relevant terms and conditions. Although as at the date of the Prospectus the Group is in compliance with all covenants and has not triggered any of the other event of default provisions contained in its financing arrangements, if such covenant or any future covenant of any financing arrangement is breached and the Group is unable to cure the breach or obtain a waiver from the relevant lenders, or any of the other events of default are triggered, the Group could be in default under the terms of such arrangement. A default under any single financing arrangement could result in a default under other financing arrangements and could cause the Group's lenders under such other arrangements to accelerate all amounts due under such financing arrangements. In addition, in an event of default scenario, the lenders under the Group's credit lines could terminate their commitments to extend credit, cease making loans, or institute foreclosure proceedings, and the Group could be forced into bankruptcy or liquidation.

- *Refinancing risk*: Given the reliance of the Group on debt financing, as at the date of this Prospectus approximately €1.7 billion of committed bank facilities and Eurobonds are maturing in the next four years, out of which a significant part will need to be refinanced. The particular needs for refinancing will depend on the Group's operational cash flow generation, capital investment needs and financing cash flows. The Group may not be able to refinance its maturing debt, as this will depend on a number of factors, some of which are out of the Group's control (for more details on factors affecting financing and the cost of financing, please see the risk factor headed *"The Group's industry is capital intensive, and the ability of the Group to obtain financing and repay its outstanding financial indebtedness depends on its operating performance and prevailing capital market conditions"*).

In addition, in the normal course of business, the Group is also subject to operational risk around its treasury and trading activities. Effective controls over these activities are dependent on the Group's ability to process, manage and monitor a large number of complex transactions across many markets and currencies. Shortcomings or failures in the Group's systems, risk management, internal controls processes or personnel could lead to disruption of the Group's business, financial loss, regulatory intervention or damage to the Group's reputation.

Although the Group has an extensive risk management policy and mechanisms that review the application of such policies, there can be no assurance that such policies will be successful. The Group may undertake currency hedging depending on market conditions and its operational requirements but does not do so for all of its activities. The resulting exposures or any failure in its risk management policies could affect the Group's earnings and cash flow and have a material adverse effect on the Group's business, financial condition, results of operations and future prospects.

(b) The Group's industry is capital intensive, and the ability of the Group to obtain financing and repay its outstanding financial indebtedness depends on its operating performance and prevailing capital market conditions

The oil and petrochemical sectors are capital-intensive and significant investments are required to:

- maintain and modernize refinery and petrochemical installations to remain competitive in the face of rapidly-changing demand;
- ensure compliance with evolving and increasingly stringent environmental laws and regulations; and
- fund acquisitions and investments in research, development, technological innovation and digitalization.

To meet these requirements, the Group utilizes funding through a combination of its operating cash flow and earnings retained and not distributed, bank financing or capital markets, and the Group may, in the future, seek additional liquidity from the capital markets. The availability and pricing of such funding is subject to market conditions and other factors that are beyond the Group's control, particularly with respect to bank financing and liquidity from the capital markets. Additionally, between 2007 and 2012, the Group implemented an asset upgrade programme which involved significant capital expenditure, with cash outflows for capital investment from €500 million to €700 million expended per annum in the 2007 to 2012 period. The implementation of the programme combined with the economic downturn in the Greek market and the global financial markets, led to increased leverage and levels of indebtedness.

The Group has established a liquidity risk management policy intended to maintain an appropriate level of liquidity and financial headroom for the Group. The Group finances its capital investment through a variety of means, including internally generated cash and external borrowings, including syndicated bank loans, loans from supranational financial institutions and debt capital markets transactions, to manage its balance sheet and meet its financing requirements. The Group's ability to arrange external financing and the cost of such financing is dependent on numerous factors including its financial condition, the success of its operations, general economic and capital market conditions, developments in the Greek economy, liquidity conditions and sovereign credit issues in Greece and the Eurozone, international monetary policy and other factors affecting benchmarks, interest rates, credit availability from banks or other lenders, investor confidence in the Group, applicable provisions of tax and securities laws and political and economic conditions in any relevant jurisdiction. Factors affecting availability and cost of such external financing are not controlled by the Group. Any inability to repay outstanding financial indebtedness or obtain new external financing may have a material adverse impact on the Group's business, financial condition, results of operations and future prospects.

2.5 Legal and regulatory risks

(a) The Group could incur substantial costs or disruptions in its business if it cannot obtain or maintain necessary permits or authorisations

The Group's operations require numerous permits and authorisations under various laws and regulations. For example, the Refineries, plants and terminals have been granted environmental permits under relevant laws and regulations. These and other authorisations and permits are subject to delay, revocation, renewal or modification and can require operational changes, which may require the Group to incur significant costs to limit the impact or potential impact on the environment and/or health and safety. A violation of these authorisation or permit conditions or other legal or regulatory requirements could result in substantial fines, criminal sanctions, permit revocations, injunctions and/or temporary or permanent refinery shut-downs, any of which could have a material adverse effect on the Group's business, financial condition, results of operations and future prospects.

(b) Risks in relation to compliance with product quality regulations and operational standards

The Group's products are sold directly or through wholesalers in the Greek market or are exported to speciality markets (aviation/marine fuels) and international markets. The Group seeks to produce products which comply with applicable international and local specifications, which have required the Group to make certain investments in its Refineries and production facilities in the past and may continue to do so. The specifications pertain to the physical and chemical attributes of the products, environmental specifications and compliance with relevant international and EU regulations. For example, the International Maritime Organisation ("**IMO**") Regulation will require ships to use marine fuel with sulphur content at or below 0.5%. The overall effect of this regulation is to increase market demand for low-sulphur marine fuel. As a result of these regulations, the Group is implementing a plan to increase its production of low sulphur marine fuel. (for more details please refer to the risk factor headed "*The introduction of the new sulphur cap on marine fuels by the IMO may have a negative impact on the Group's economics*").

Non-compliance with product specifications may result in a financial loss for the Group as well as reputational damage at consumer and brand level. Although the Group seeks to comply with product specifications in its production processes and supply chain, the Group cannot be certain that steps taken to mitigate compliance risks will be effective and sufficient at all times. The Group may also be required to increase capital expenditures. Any of the above could have a material adverse effect on the Group's business, financial condition, results of operations and future prospects.

(c) Compliance with, and changes in, environmental and consumer protection laws may have a material adverse effect on the Group and its ability to compete internationally

The Group's operations and products are subject to extensive environmental and consumer protection laws and regulations adopted by the EU and other jurisdictions in which the Group operates. The nature of certain of the Group's businesses exposes the Group to risks of environmental costs and liabilities. Liability may also arise through the acquisition, ownership or operation of other properties and businesses.

Due to the nature of their business operations, hydrocarbons exploration and production, oil refining, fuels marketing and shipping companies, including the Group and its customers and suppliers, may become subject to increasingly stringent environmental and other regulatory requirements. Certain regulations in the EU favour the production of renewable fuels, in certain cases by subsidizing its production and sale. For example, the initial EU Renewable Energy Directive (2009/28/EC) requires EU member states to set up national renewable energy action plans to increase each state's transport fuels that are derived from renewable sources to a target of 10% by 2020. While the current Renewable Energy Directive requirement stands at 10%, the directive is currently under review and is expected to be amended to reflect a revised target of 14%. Such environmental initiatives could result in significant additional expenditure or reduction or termination of certain operations.

The high cost of compliance with the EU climate policy regulation, in particular, is a competitive disadvantage for all European refineries. The competitive pressure faced by Greek refineries is expected to increase further due to the development and modernisation of refining capacity in neighbouring countries, the Middle East and Southeast Asia, which do not have to incur the high costs of EU regulatory compliance. The performance of each refinery is also subject to individual factors such as the availability of appropriate types of crude oil, actual conditions in the operation of the refinery and differences between the specific refinery configuration and the standard which is used to define the benchmark.

The Refineries participate in the European Emissions Trading System ("**EU ETS"**) for Greenhouse Gases under EU ETS Directive (2003/87/EU), since its inception in 2005. As part of the EU ETS period from 2013 to 2020 ("**Phase III**"), oil refining has been included in the EU list of sectors that are considered to be at risk of 'carbon leakage'[1] and, consequently, continues to receive free carbon dioxide allowances. Those free allowances are based on a benchmark for the sector (Complexity Weighted Tonne or "**CWT**"), which represents the top 10% most efficient facilities in CO2 emissions/CWT. The EU ETS adjusted downwards the amount of those free allowances by applying a Cross Sectorial Correction Factor ("**CSCF**") to all refineries; therefore, even the most efficient ones may present a deficit.

More specifically the Group has been incurring annually around 3.5m tonnes of CO2 emissions on average over the last six years, while the free allowances have been 2.8m tonnes, leading to an annual deficit that has to be covered through purchases of additional allowances of approximately 25% of its annual emissions. Over the last 2 years the price of CO2 emissions allowances has increased by more than 300%, from €5.9/tonne on average in 2017 to €24.8/tonne on year-to-date average price in 2019 (January to mid-September). As a result, the cost from the purchase of additional emission ("**EUAs**") is having an increasing impact on its financial performance, affecting the Group's competitive position compared to refining companies based outside the EU.

According to the revised EU ETS Directive – 2018/410 ("**Phase IV**", 2021-2030), the cap on emissions will be subject to an annual linear reduction factor of 2.2% in line with the 2030 targets, i.e. the overall 40% emissions reduction target and the EU ETS specific 43% emissions reduction target relative to 2005, compared to 1.74% currently. Refineries remain in the carbon leakage list, therefore they will receive free allowances. Moreover, the benchmarks used to determine the level of free allocations to facilities will be updated twice in Phase IV to reflect technological progress since 2008, resulting in significantly lower free allocation. According to the EU time schedule the Phase IV benchmark value for refineries will be finalized in the second quarter of 2020. In addition, the reinforcement of the Market Stability Reserve ("**MSR**"), (i.e. the mechanism established by the EU to reduce the surplus of emission allowances in the carbon market) is estimated to further enhance this upward trend in EUA prices.

In the framework of the EU's long-term strategy for a climate neutral economy by 2050 and the Paris Agreement, compliance with changes in laws, regulations and obligations relating to climate change mitigation and adaptation as well as emission trading could result in additional capital expenditure and reduced profitability resulting from changes in operating costs. It may also have an impact on revenue generation, strategic growth opportunities and the competitiveness of various technologies and fuels. If the Group is unable to identify and apply low carbon footprint solutions for new and existing projects or products to address the relevant compliance and operational risks and challenges, it could face material adverse effect on its business, financial condition, results of operations and future prospects.

(d) Compulsory Stock Obligations in the Greek market

The Group is subject to regulation by governmental and regulatory bodies in line with EU Council Directive 2009/119/EC, as adopted through the relevant Greek legislation. An important regulation which affects the Group's performance and balance sheet relates to the keeping of compulsory stock obligations ("strategic stock reserves", (the "**CSO**")). In most EU member states this requirement is partly or wholly fulfilled by a central stock holding entity ("**CSE**"), which in many cases is state owned, which holds oil products as inventory to fulfil this obligation and passes on the cost to market participants on the basis of certain pre-agreed objective criteria (such as revenues, market shares). At present, for the Greek market, this obligation is taken on by importers which sell finished products in the domestic market and requires that at any point in time the Group (as is the case for all importers) holds stock which is equal to at least 90 days of sales in the domestic market. This calculation is performed on the annual quantities of imported products or crude oil for refining which were sold in the domestic market to most customers (certain customers have the option to maintain their own CSO stocks) at the end of each calendar year and applies for the following year. It should

[1] '*Carbon leakage' is the risk that companies in a certain sector, that are subject to the above emission requirements, may be subject to increased competition from companies that operate in countries outside the EU, with lower or no emission requirements.*

be noted that there is no requirement that differentiates normal operating stocks from CSO stocks and there is no difference on the accounting treatment.

In effect, this obligation leads to keeping stocks which are in excess of the normal operating levels and has an impact in terms of higher funding levels required to maintain the stock as well as bigger exposure to price movements risk. The additional funding cost incurred by the Group for the maintenance of the excess inventory levels entails a premium charged to domestic market sales. Should the Group's stock obligations increase, or should the Group be unable to afford the additional funding cost, it could have a material adverse effect on the Group's business, financial condition, results of operations and future prospects.

(e) The Group is subject to antitrust and similar legislation in the jurisdictions in which it operates

The Group is subject to a variety of antitrust and competition laws and related regulatory policies in the countries in which it operates. In a number of markets, the Group has market positions which may prohibit the Group from making further acquisitions or which could cause antitrust regulators to impose remedies in case of such acquisitions. Although the Group maintains a Competition Policy and a Competition Compliance Manual, there can be no assurance that the Group will not be subject to allegations of violation of such laws and policies. In the event that such allegations are proved, the Group may be subject to fines, payment of damages and other expenses which could have a material adverse effect on the Group's business, financial condition, results of operations and future prospects.

(f) The introduction of the new sulphur cap on marine fuels by the IMO may have a negative impact on the Group's economics

From 1 January 2020, the IMO sulphur cap on marine fuels will drop from 3.5% to 0.5% (the "**IMO Regulation**"). As a result, a significant part of global high-sulphur fuel oil ("**HSFO**") demand, which is a key component of the bunkering fuels blending pool, will be displaced by either middle distillates (marine gasoil) or fuel oil with sulphur content of less than 0.5%. Some vessels may install scrubbers that will enable the treating of HSFO on board; however, based on information currently available, this is expected to be limited at least in the first period of implementation of the new regulation. As a result, the refining industry will have to replace a significant part of the production of HSFO with new compliant very low fuel oil ("**VSFO**") or marine gasoil.

The Group's HSFO output as at the date of this Prospectus is approximately 10 to 12% of its total product output and it relates to its Aspropyrgos refinery which has HSFO production output of around 24%. The Group has designed and tested an alternative production plan to respond to these market changes and reduce the production of HSFO and increase the production of marine gasoil, as well as introduce the new compliant VLSFO. This will be effected primarily through the switch of the Group's feedstock, from higher sulphur crudes to lighter, very low sulphur types of crude oil. Although the Group is ready to switch to the new operating mode following successful tests of the new operating model at its Aspropyrgos refinery and expects the financial impact of the new marine fuels specifications to be positive for the Group, such results will largely depend on prices of various grades of crude oil, as well as products prices and margins. Consequently, there is a risk that the required crude supply for the new operating model may not be available at the desired quantities or will only be available at very high prices, or the new operating model may have a negative impact on the operation of certain units at the Aspropyrgos refinery, any of which could have a material adverse effect on its business, financial condition, results of operations and future prospects.

(g) The Group's international activities increase the compliance risks associated with economic and trade sanctions imposed by the United States, the European Union and other jurisdictions

The United States, the EU and other countries have in the past imposed international trade and economic sanctions on designated countries, companies and individuals. As of the date of this Prospectus, sanctions are in place, for example, with respect to Iran, North Korea, Sudan and Syria. The terms of legislation and other rules and regulations that establish sanctions regimes are often broad in scope, particularly in the U.S., and given the importance of the U.S. to the international financial markets, the imposition of U.S. sanctions on a country, company or individual can result in companies, as in the case of the Group, that do not operate directly in the U.S., being effectively required to cease dealings with such sanctioned country, company or individual to ensure access to the U.S. or international capital or bank debt markets. Non-compliance with U.S. sanctions would severely affect the Group's ability to conduct business with banks and insurance companies that are based or operate in the United States, as well as its access to international capital markets.

Prior to the imposition of sanctions, the Group had historically sourced between 10 to 30% of its crude oil from Iran. Due to sanctions imposed on Iran in 2012, no deliveries of Iranian crude oil or payments to Iran had taken place since 30 June 2012 until 2016, when sanctions were lifted. However, in FY17 and FY18, the Group purchased approximately 22% and 11%, respectively, of its externally sourced crude oil supply from Iran.

Since the 1970s, Iran has been intermittently the subject of international trade and economic sanctions, particularly U.S. sanctions. In January 2016, the Joint Comprehensive Plan of Action ("**JCPOA**") granted a partial repeal to U.S. and European sanctions which enabled the Group, in 2016, to enter into a crude oil supply contract with the National Iranian Oil Company ("**NIOC**") for the supply of crude oil and gradual repayment of the trades payable that were outstanding since 2012. However, in May 2018, the executive branch of the U.S. government announced its withdrawal from the JCPOA and the re-imposition of a new and more stringent sanctions regime on Iran to be phased in by 4 November 2018. Following the announcement of the re-imposition of US sanctions, the Group discontinued deliveries of Iranian crude oil and making payments to NIOC. There can be no assurance that the U.S. sanctions regime imposed on Iran will be repealed or relaxed or that the Group will be granted a full and effective exemption from all relevant parts of the sanctions regime. In contrast thereto, the EU is committed to the JCPOA and to maintaining the growth of trade and economic relations between the EU and Iran. To mitigate the impact of the re-imposed US sanctions, in August 2018, the European Commission amended Council Regulation (EC) No 2271/1996 of 22 November 1996 (the "**Blocking Regulation**") to prohibit EU companies from complying with the re-imposed US sanctions. Whilst violation of the Blocking Regulation currently entails an immaterial monetary penalty, violations of the U.S. sanctions could subject the Group to material penalties, affect its ability to obtain goods and services in the international markets or access the U.S. or international capital or bank debt markets, or cause reputational damage, any of which could have a material adverse effect on the Group's business, financial condition, results of operations and future prospects. Furthermore, the Group's ability to comply with these sanctions and other laws could be adversely impacted by new sanctions or laws, changes to existing sanctions or laws or conflicting legal requirements under such sanctions and laws.

If the Group is found not to be in compliance with the U.S. sanctions on Iran, the Blocking Regulation or any trade sanctions imposed by other jurisdictions, it could have a material adverse effect on the Group's business, financial condition, results of operations and future prospects.

(h) Non-compliance with anti-bribery, anti-corruption, data protection and other similar laws could expose the Group to legal liability and negatively affect its reputation

The Group has activities in countries that present corruption risks and may have weak legal institutions, lack of control and transparency or a business culture that does not reflect, in all respects, the norms that prevail in Western Europe. In addition, governments play a significant role in the oil and gas sector, through ownership of resources, participation, licensing and local consent, which leads to a high level of interactions with public officials. Through the Group's international activities, it is subject to anti-corruption, bribery and data protection laws in multiple jurisdictions. The Group's Code of Business Ethics (the "**Ethics Code**"), along with its Regulatory Compliance Service, sets out the fundamental principles, standards and conduct that, when complied with, should enable it to successfully pursue its mission, accomplish its goals and promote its values by outlining legal and ethical standards that are applicable to the Group's Directors, managers and employees, as well as third parties who work for or on behalf of the Group. The Ethics Code also enables compliance with the General Data Protection Regulation ("**GDPR**"), which created a range of compliance obligations when it came into force within the European Union in May 2018. The Group has adopted a comprehensive Data Protection Policy as part of its Ethics Code; however, violations of the GDPR may still occur and entail financial risks due to penalties for data breach or improper processing of personal data and may also harm the Group's reputation.

Although the Group has fully adopted its Ethics Code, there can be no assurance that incidents of ethical misconduct or non-compliance with applicable laws and regulations or the Ethics Code will not arise, any of which could result in damage to the Group's reputation and repeated compliance failures could call into question the integrity of its operations. Any violation of, or non-compliance with, applicable anti-corruption, bribery or data protection laws could expose the Group to investigations, criminal and/or civil liability, substantial fines, the occurrence of any of which would have a material adverse effect on the Group's business, financial condition, results of operations and future prospects.

(i) The Group's operations are subject to the general risks of litigation, which could adversely affect the Group's financial results and cash flow

The Group is involved, on an ongoing basis, in litigation arising in the ordinary course of business. Litigation may include class actions involving consumers, shareholders, employees or injured persons, and claims related to commercial, labour, employment, antitrust, securities, environmental matters, taxation, customs or duties. Moreover, the process of litigating cases, even if the Group is successful, may be costly, and may approximate the cost of damages sought. These actions could also expose the Group to adverse publicity, which might adversely affect the Group's reputation and/or customer preference for the Group's products. Litigation trends and expenses and the outcome of litigation cannot be predicted with certainty and adverse litigation trends, expenses and outcomes could adversely affect the Group's financial results and cash flow.

3. Risks which are material for the purpose of assessing the market risks associated with the Notes

(a) Exchange rate risks and exchange controls

The Issuer will pay principal and interest on the Notes and the Guarantor will make any payments under the Guarantee in euros. This presents certain risks relating to currency conversions if an investor's financial activities are denominated principally in a currency or currency unit (the "**Investor's Currency**") other than the euro. These include the risk that exchange rates may significantly change (including changes due to devaluation of the euro or revaluation of the Investor's Currency) and the risk that authorities with jurisdiction over the Investor's Currency may impose or modify exchange controls. An appreciation in the value of the Investor's Currency relative to the euro would decrease: (a) the Investor's Currency equivalent yield on the Notes; (b) the Investor's Currency equivalent value of the principal payable on the Notes; and (c) the Investor's Currency equivalent market value of the Notes.

Government and monetary authorities may impose (as some have done in the past) exchange controls that could adversely affect an applicable exchange rate or the ability of the Issuer or the Guarantor to make payments in respect of the Notes. As a result, investors may receive less interest or principal than expected, or no interest or principal at all.

(b) Interest rate risks

Investment in the Notes involves the risk that subsequent changes in market interest rates may adversely affect the value of them.

(c) The Notes may be redeemed prior to maturity

In the event that the Issuer or the Guarantor are obliged to increase the amounts payable in respect of any Notes due to any withholding or deduction for or on account of, any present or future taxes, duties, assessments or governmental charges of whatever nature imposed, levied, collected, withheld or assessed by or on behalf of the United Kingdom or the Hellenic Republic or any political subdivision thereof or any authority therein or thereof having power to tax, the Issuer may redeem all outstanding Notes in accordance with the Terms and Conditions.

In such circumstances an investor may not be able to reinvest the redemption proceeds in a comparable security at an effective interest rate as high as that of the Notes. Potential investors should consider whether and how to reinvest the proceeds of such redemption in light of other investments available at that time. There can be no assurance that holders will be able to reinvest the redemption proceeds at a rate that will provide the same rate of return as their investment in the Notes.

(d) Exercise of put option in respect of certain Notes may affect the liquidity of the Notes in respect of which such put option is not exercised

The Conditions of the Notes provide for early redemption of Notes held by any Noteholder at its option (Condition 6(c) *Redemption at the Option of Noteholders*) in certain circumstances. Depending on the number of Notes in respect of which the put option is exercised, any trading market in respect of those Notes in respect of which such put option is not exercised may become illiquid. This, in turn, may have a negative impact on the market value of the Notes.

(e) Modification, waivers and substitution

The Conditions contain provisions for calling meetings of Noteholders to consider matters affecting their interests generally. These provisions permit defined majorities to bind all Noteholders including Noteholders who did not attend and vote at the relevant meeting and Noteholders who voted in a manner contrary to the majority.

The conditions of the Notes also provide that the Trustee may, without the consent of Noteholders, agree to: (i) any modification of, or to the waiver or authorisation of any breach or proposed breach of, any of the provisions of Notes; or (ii) determine without the consent of the Noteholders that any Event of Default or Potential Event of Default shall not be treated as such; or (iii) the substitution of another company as principal debtor under any Notes in place of the Issuer, in the circumstances described in Condition 13 (*Meetings of Noteholders; Modification and Waiver; Substitution)*.

(f) Change of Tax Law

Statements in this Prospectus concerning the taxation of investors are of a general nature and are based upon current tax law and published practice in the jurisdictions stated. Such law and practice is subject to change, possibly with retrospective effect, and this could adversely affect investors.

In addition, any change in the Issuer's tax status or in taxation legislation or in practice in a relevant jurisdiction could adversely impact (i) the ability of the Issuer to service the Notes and (ii) the market value of the Notes.

(g) Change of law

The conditions of the Notes are based on English law in effect as at the date of this Prospectus. No assurance can be given as to the impact of any possible judicial decision or change to English law or administrative practice after the date of this Prospectus and any such change could materially adversely impact the value of any Notes affected by it.

(h) Denominations involve integral multiples: definitive Notes

The Notes have denominations consisting of a minimum of €100,000 plus one or more higher integral multiples of €1,000 in excess thereof up to and including €199,000. It is possible that the Notes may be traded in amounts that are not integral multiples of €100,000. In such a case a holder who, as a result of trading such amounts, holds an amount which is less than €100,000 in his account with the relevant clearing system at the relevant time may not receive a definitive Note in respect of such holding (should definitive Notes be printed) and would need to purchase a principal amount of Notes such that its holding amounts to €100,000.

If definitive Notes are issued, holders should be aware that definitive Notes which have a denomination that is not an integral multiple of €100,000 may be illiquid and difficult to trade.

(i) There is no active trading market for the Notes

The Notes are new securities which may not be widely distributed and for which there is currently no active trading market. Although application has been made for the Notes to be listed on the Luxembourg Stock Exchange, there is no assurance that such application will be accepted or that an active trading market will develop or, if one does develop, that it will be maintained. If an active trading market for the Notes does not develop or is not maintained, it may result in a material decline in the market price of the Notes, and the liquidity of the Notes may be adversely affected. Therefore, investors may not be able to sell their Notes easily or at prices that will provide them with a yield comparable to similar investments that have a developed secondary market. Further, if additional and competing products are introduced in the markets, this may also result in a material decline in the market price and value of the Notes. Accordingly, there is no assurance as to the development or liquidity of any trading market for the Notes.

(j) The Issuer, the Guarantor and the Notes have not been rated

At the date of this Prospectus, neither the Issuer nor the Guarantor has been assigned a credit rating by any independent credit rating agency and, accordingly, the Notes have not been assigned a credit rating by any independent credit rating agency. Investors will need to make their own assessment of the credit of the Issuer and the Guarantor and the other factors which may affect the value of the Notes without the benefit of an independent credit rating.

There can be no guarantee that a credit rating will be assigned to the Issuer, the Guarantor or the Notes in the future. Even if such a credit rating is obtained, investors in the Notes should be aware that a credit rating is not a recommendation to buy, sell or hold any of the Notes and any credit rating that may be assigned to the Notes may be subject to suspension, change or withdrawal at any time by the rating agency. Any credit rating that may be assigned to the Notes may go down as well as up.

(k) Because the Global Notes are held by or on behalf of Euroclear and Clearstream, Luxembourg, investors will have to rely on their procedures for transfers, payments with the Issuer

For so long as all the Notes are represented by one or both of the Global Notes, investors will be able to trade their beneficial interests only through Euroclear and Clearstream, Luxembourg. While the Notes are represented by one or both Global Notes the Issuer will discharge its payment obligations under the Notes by making payments to Euroclear and Clearstream, Luxembourg for distribution to their account holders. A holder of a beneficial interest in a Global Note must rely on the procedures of Euroclear and Clearstream, Luxembourg to receive payments under the relevant Notes. The Issuer has no responsibility or liability for the records relating to, or payments made in respect of, beneficial interests in the Global Notes.

INFORMATION INCORPORATED BY REFERENCE

The information set out in the table below which has previously been published or is published simultaneously with this Prospectus and has been filed with the CSSF shall be deemed to be incorporated in, and to form part of, this Prospectus provided however that any statement contained in any document incorporated by reference in, and forming part of, this Prospectus shall be deemed to be modified or superseded for the purpose of this Prospectus to the extent that a statement contained herein modifies or supersedes such statement.

Such documents will be made available, free of charge, during usual business hours at the specified offices of the Paying Agents for the time being in London and Luxembourg, unless such documents have been modified or superseded.

Hellenic Petroleum Finance plc

- ***Financial statements and corresponding auditor's report for the year ended 31 December 2018*** (https://www.helpe.gr/userfiles/09deccd3-a8a9-4ae2-b7da-a27a010c9bf8/HPF_FS%202018.pdf)

Independent auditor's report	Pages 8 – 13
Statement of comprehensive income	Page 14
Statement of financial position	Page 15
Statement of changes in equity	Page 16
Statement of cash flows	Page 17
Notes to the financial statements	Pages 18 – 32

- ***Financial statements and corresponding auditor's report for the year ended 31 December 2017*** (https://www.helpe.gr/userfiles/09deccd3-a8a9-4ae2-b7da-a27a010c9bf8/HPF_FS%202017_1.pdf)

Independent auditor's report	Page 8 – 12
Statement of comprehensive income	Page 13
Statement of financial position	Page 14
Statement of changes in equity	Page 15
Statement of cash flows	Page 16
Notes to the financial statements	Pages 17 – 30

Hellenic Petroleum S.A.

- ***Interim Condensed Consolidated Financial Statements for the six month period ended 30 June 2019*** (https://www.helpe.gr/userfiles/8ea1f0cb-9e62-48e4-b947-a27b00fb14bb/HALF-YEAR%20REPORT%202019.pdf)

Independent auditor's review report	Page 31 – 34
Interim Condensed Consolidated Statement of financial position	Page 39
Interim Condensed Consolidated Statement of comprehensive income	Page 40
Interim Condensed Consolidated Statement of changes in equity	Page 41
Interim Condensed Consolidated Statement of cash flows	Page 42

Notes to the Interim Condensed Consolidated financial statements	Pages 43 – 67

- ***Interim Condensed Consolidated Financial Statements for the six month period ended 30 June 2018*** ***(***https://www.helpe.gr/userfiles/8ea1f0cb-9e62-48e4-b947-a27b00fb14bb/HELPE_HALF-YEAR%20REPORT%202018.pdf ***)***

Independent auditor's review report	Page 28 – 29
Interim Condensed Consolidated Statement of financial position	Page 34
Interim Condensed Consolidated Statement of comprehensive income	Page 35
Interim Condensed Consolidated Statement of changes in equity	Page 36
Interim Condensed Consolidated Statement of cash flows	Page 37
Notes to the Interim Condensed Consolidated financial statements	Pages 38 – 66

- ***Annual Financial Report (the "2018 Report") for fiscal year ended 31 December 2018 (as per Article 4 of Law 3556/2007)*** (https://www.helpe.gr/userfiles/8ea1f0cb-9e62-48e4-b947-a27b00fb14bb/BoD%20Report-%202018%20-%20ENG_Full_new.pdf)

Group Consolidated financial statements:	
Independent auditor's report	2018 Report pdf pages 219 – 225
Consolidated statement of financial position	2018 Report pdf page 9
Consolidated statement of comprehensive income	2018 Report pdf page 10
Consolidated statement of changes in equity	2018 Report pdf page 11
Consolidated statement of cash flows	2018 Report pdf page 12
Notes to the consolidated financial statements	2018 Report pdf pages 13 – 83
Unconsolidated financial statements of the Parent Company:	
Independent auditor's report	2018 Report pdf pages 226 – 231
Statement of financial position	2018 Report pdf page 89
Statement of comprehensive income	2018 Report pdf page 90
Statement of changes in equity	2018 Report pdf page 91
Statement of cash flows	2018 Report pdf page 92
Notes to the financial statements	2018 Report pdf pages 93 – 153
Supplementary Information:	
Board of Directors' Consolidated Annual Financial Report for 2018	2018 Report pdf pages 155 – 215
Statement of the Chairman, Chief Executive Officer and one Director on the true presentation of the data in the Annual Financial Report	2018 Report pdf page 217

Complementary information and data pursuant to decision no. 7/448/11.10.07 of the Hellenic Capital Market Commission	2018 Report pdf pages 233 – 237

- ***Annual Financial Report (the "2017 Report") for fiscal year ended 31 December 2017 (as per Article 4 of Law 3556/2007)*** (https://www.helpe.gr/userfiles/8ea1f0cb-9e62-48e4-b947-a27b00fb14bb/Annual_Financial_Report_2017_en_1.pdf)

Group Consolidated Financial Statements:	
Independent auditor's report	2017 Report pdf pages 200 – 207
Consolidated statement of financial position	2017 Report pdf page 9
Consolidated statement of comprehensive income	2017 Report pdf page 10
Consolidated statement of changes in equity	2017 Report pdf page 11
Consolidated statement of cash flows	2017 Report pdf page 12
Notes to the consolidated financial statements	2017 Report pdf pages 13 – 77
Unconsolidated Financial Statements of the Parent Company:	
Independent auditor's report	2017 Report pdf pages 208 – 214
Statement of financial position	2017 Report pdf page 83
Statement of comprehensive income	2017 Report pdf page 84
Statement of changes in equity	2017 Report pdf page 85
Statement of cash flows	2017 Report pdf page 86
Notes to the financial statements	2017 Report pdf pages 87 – 141
Supplementary Information:	
Board of Directors' Consolidated Annual Financial Report for 2017	2017 Report pdf pages 143 – 197
Statement of the Chairman, Chief Executive Officer and one Director on the true presentation of the data in the Annual Financial Report	2017 Report pdf page 198
Complementary information and data pursuant to decision no. 7/448/11.10.07 of the Hellenic Capital Market Commission	2017 Report pdf pages 216 – 220

The information incorporated by reference that is not included in the cross-reference list, is considered as additional information and is not required by the relevant Annexes of the Commission Delegated Regulation (EU) No 2019/980 (the "**Delegated Regulation**"). Moreover, the content of the websites of the Luxembourg Stock Exchange and the Issuer do not form part of this Prospectus.

Following the approval of this Prospectus, a supplement may be prepared by the Issuer and approved by the CSSF in accordance with Article 23 of the Prospectus Regulation. The Prospectus can only be supplemented between the approval date of the Prospectus and the date of commencement of trading of the Notes on the Luxembourg Stock Exchange's regulated market. Statements contained in any such supplement (or contained in any document incorporated by reference therein) shall, to the extent applicable (whether expressly, by implication or otherwise), be deemed to modify or supersede statements contained in this Prospectus or in a document which is incorporated by reference in this

Prospectus. Any statement so modified or superseded shall not, except as so modified or superseded, constitute a part of this Prospectus.

Any documents themselves incorporated by reference in the information incorporated by reference in this Prospectus shall not form part of this Prospectus and are either covered in another part of the Prospectus or are not relevant for the investors.

Any non-incorporated parts of a document referred to herein are either deemed not relevant for an investor or are otherwise covered elsewhere in this Prospectus.

OVERVIEW

This overview is a general description of the Notes and should be read as an introduction to this Prospectus and any decision to invest in the Notes should be based on a consideration of the Prospectus as a whole, including the information incorporated by reference.

Words and expressions defined in the "*Terms and Conditions of the Notes*" *below or elsewhere in this Prospectus have the same meanings in this overview. Reference to* "*Conditions*" *or* "*Terms and Conditions*" *in this Prospectus are to the Terms and Conditions of the Notes.*

The Issuer:	Hellenic Petroleum Finance plc, a public limited company incorporated with limited liability under the laws of England and Wales (registered number 05610284), which is the central treasury and funding vehicle of the Guarantor and its subsidiaries (together, the "**Group**").
The Guarantor:	Hellenic Petroleum S.A. a *société anonyme* organised and existing under the laws of the Hellenic Republic (registration number at GEMI 296601000, former registration number 2443/06/B/8623), which operates in the oil, petrochemicals and electricity industries.
Global Coordinators:	Credit Suisse Securities (Europe) Limited and Goldman Sachs International.
Joint Bookrunners:	Credit Suisse Securities (Europe) Limited, Goldman Sachs International, Alpha Bank A.E., Citigroup Global Markets Limited, Eurobank Ergasias S.A., National Bank of Greece S.A., Nomura International plc and Piraeus Bank S.A..
Trustee:	BNY Mellon Corporate Trustee Services Limited.
The Notes:	€500,000,000 2.00 per cent. Guaranteed Notes due 4 October 2024.
Issue Price:	99.41% of the principal amount of the Notes.
Issue Date:	4 October 2019.
Use of Proceeds:	The proceeds of the issue of the Notes will be used by the Issuer, including to refinance existing financial indebtedness of the Group and to purchase for cash certain of the Issuer's outstanding Eurobond €450 million (as defined below) due 14 October 2021 guaranteed by the Guarantor by way of a tender offer made pursuant to a separate tender offer memorandum dated 23 September 2019, and for general corporate purposes. See "*Use of Proceeds*".
Interest:	The Notes will bear interest from 4 October 2019 at a rate of 2.00% per annum payable semi-annually in arrear on 4 April and 4 October in each year commencing on 4 April 2020.
Status and Guarantee:	The Notes are senior, unsubordinated, unconditional and unsecured obligations of the Issuer. The Guarantee of the Notes (as defined in the section below entitled "*Terms and Conditions of the Notes*") is a senior, unsubordinated, unconditional and unsecured obligation of the Guarantor.
Form and Denomination:	The Notes will be issued in bearer form in denominations of €100,000 and integral multiples of €1,000 in excess thereof up to and including €199,000.
Final Maturity Date:	4 October 2024.

Redemption and Purchase:	See "*Terms and Conditions of the Notes*". Unless previously redeemed, or purchased and cancelled, the Notes will be redeemed at their principal amount on the Final Maturity Date subject as provided in Condition 7 (*Payments*). Notes may be redeemed before their stated maturity at the option of the Noteholders as described in Condition 6(c) (*Redemption at the option of Noteholders*). Except as described above, early redemption will only be permitted for tax reasons as described in Condition 6(b) (*Redemption for tax reasons*).
Put Option Event:	In the case of a change of control (as set out in the definition of Put Option Event in Condition 19 (*Definitions*)) of the Guarantor, each investor will have the right to require the Issuer to redeem its Notes at par together with accrued interest. See Condition 6(c) (*Redemption at the option of Noteholders*) for detail.
Disposals:	The Terms and Conditions of the Notes will contain a restriction on disposal of assets of the Guarantor as further described in Condition 4 (*Disposals*).
Negative Pledge:	The Terms and Conditions of the Notes will contain a negative pledge provision as further described in Condition 3 (*Negative Pledge*).
Cross Acceleration:	The Terms and Conditions of the Notes will contain a cross acceleration provision as further described in Condition 9 (*Events of Default*).
Withholding Tax:	All payments of principal and interest in respect of the Notes and the Coupons by or on behalf of the Issuer or the Guarantor will be made free and clear of, and without withholding or deduction for or on account of, any present or future taxes, duties, assessments or governmental charges of whatever nature imposed, levied, collected, withheld or assessed by or on behalf of the United Kingdom or the Hellenic Republic or any political subdivision thereof or any authority therein or thereof having power to tax, unless the withholding or deduction of such taxes, duties, assessments or governmental charges is required by law. In that event the Issuer or (as the case may be) the Guarantor will pay such additional amounts as will result in receipt by the Noteholders and the Couponholders after such withholding or deduction of such amounts as would have been received by them had no such withholding or deduction been required, subject to customary exceptions. See Condition 8 (*Taxation*). All payments of principal and interest in respect of the Notes will be made subject to any withholding or deduction required pursuant to fiscal and other laws, as provided in Condition 7(c) (*Payments subject to fiscal laws*).
Governing Law:	The Notes, the Trust Deed, the Agency Agreement and the Subscription Agreement will be governed by English law.
Listing and Trading:	Application has been made for the Notes to be admitted to listing on the Official List of the Luxembourg Stock Exchange and for admission to trading on the Luxembourg Stock Exchange's regulated market.
Clearing Systems:	Euroclear and Clearstream, Luxembourg.
Selling Restrictions:	See "*Subscription and Sale*".
Risk Factors:	Investing in the Notes involves risks. See "*Risk Factors*".

Financial Information:	See "*Information incorporated by reference—Hellenic Petroleum Finance plc*" and "*Information incorporated by reference—Hellenic Petroleum S.A.*".

TERMS AND CONDITIONS OF THE NOTES

The following is the text of the Terms and Conditions of the Notes which (subject to completion and amendment) will be endorsed on each Note in definitive form (if issued):

The €500,000,000 2.00 per cent. Guaranteed Notes due 4 October 2024 (the "**Notes**", which expression includes any further notes issued pursuant to Condition 16 (*Further Issues*) and forming a single series therewith) of Hellenic Petroleum Finance plc (the "**Issuer**") are subject to, and have the benefit of, a trust deed dated 4 October 2019 (as amended or supplemented from time to time, the "**Trust Deed**") between the Issuer, Hellenic Petroleum S.A. (the "**Guarantor**") and BNY Mellon Corporate Trustee Services Limited as trustee (the "**Trustee**", which expression includes all persons for the time being trustee or trustees appointed under the Trust Deed) and are the subject of a paying agency agreement dated 4 October 2019 (as amended or supplemented from time to time, the "**Agency Agreement**") between the Issuer, the Guarantor, The Bank of New York Mellon as principal paying agent (the "**Principal Paying Agent**", which expression includes any successor principal paying agent appointed from time to time in connection with the Notes), the paying agents named therein (together with the Principal Paying Agent, the "**Paying Agents**", which expression includes any successor or additional paying agents appointed from time to time in connection with the Notes) and the Trustee. Certain provisions of these Conditions are summaries of the Trust Deed and the Agency Agreement and subject to their detailed provisions. The holders of the Notes (the "**Noteholders**") and the holders of the related interest coupons (the "**Couponholders**" and the "**Coupons**", respectively) are bound by, and are deemed to have notice of, all the provisions of the Trust Deed and the Agency Agreement applicable to them. Copies of the Trust Deed and the Agency Agreement are available for inspection by Noteholders during normal business hours at the specified offices of the Trustee and the Principal Paying Agent, being at the date hereof One Canada Square, London E14 5AL, United Kingdom.

Capitalised terms are defined in Condition 19 (*Definitions*).

1. FORM, DENOMINATION AND TITLE

The Notes are serially numbered and in bearer form in denominations of €100,000 and integral multiples of €1,000 in excess thereof up to and including €199,000 with Coupons attached at the time of issue. No Notes in definitive form will be issued with a denomination above €199,000. Notes of one denomination will not be exchangeable for Notes of another denomination. Title to the Notes and the Coupons will pass by delivery. The holder of any Note or Coupon shall (except as otherwise required by law) be treated as its absolute owner for all purposes (whether or not it is overdue and regardless of any notice of ownership, trust or any other interest therein, any writing thereon or any notice of any previous loss or theft thereof) and no person shall be liable for so treating such holder. No person shall have any right to enforce any term or condition of the Notes or the Trust Deed under the Contracts (Rights of Third Parties) Act 1999.

2. STATUS AND GUARANTEE

(a) *Status of the Notes*:

The Notes constitute unsecured, direct, general and unconditional obligations of the Issuer which will at all times rank *pari passu* among themselves and at least *pari passu* with all other present and future unsecured obligations of the Issuer, save for such obligations as may be preferred by provisions of law that are both mandatory and of general application.

(b) *Guarantee of the Notes*:

The Guarantor has in the Trust Deed unconditionally and irrevocably guaranteed the due and punctual payment of all sums from time to time payable by the Issuer in respect of the Notes. This guarantee (the "**Guarantee of the Notes**") constitutes direct, general and unconditional obligations of the Guarantor which will at all times rank at least *pari passu* with all other present and future unsecured obligations of the Guarantor, save for such obligations as may be preferred by provisions of law that are both mandatory and of general application.

3. NEGATIVE PLEDGE

(a) So long as any Note remains outstanding (as defined in the Trust Deed), except as provided below, no Material Group Member may create or allow to exist any Security Interest over all or any of its present or future revenues or assets to secure any Financial Indebtedness now or hereafter existing.

(b) So long as any Note remains outstanding, no Material Group Member may:

(i) sell, transfer or otherwise dispose of any of its assets on terms where it may be leased to or re-acquired or acquired by a member of the Group;

(ii) sell, transfer or otherwise dispose of any of its receivables on recourse terms; or

(iii) enter into any arrangement under which money or the benefit of a bank or other account may be applied, set off or made subject to a combination of accounts,

(paragraphs (i), (ii) and (iii) above being "**Quasi Security**") in circumstances where the transaction is entered into primarily as a method of raising Financial Indebtedness or of financing the acquisition of an asset.

(c) Conditions 3(a) and 3(b) above do not apply to a Permitted Security Interest.

(d) Condition 3(b) above does not apply to:

(i) any operating lease; or

(ii) any transaction between one member of the Group and another member of the Group.

4. DISPOSALS

(a) Except as provided below, neither the Guarantor nor the Issuer nor any other Material Subsidiary may, whether voluntarily or involuntarily, whether in a single transaction or in a series of transactions and whether related or not, sell, transfer, grant or lease or otherwise dispose of all or any part of its assets or agree to do any of the foregoing.

(b) Condition 4(a) above does not apply if such disposals are effected at any time during which any one of Standard & Poor's Ratings Services, a division of The McGraw-Hill Companies, Inc., Moody's Investors Services Limited, Fitch Ratings Limited or DBRS Ratings Limited (or any successor, replacement or alternative credit rating agency) rates the unsecured, long term debt obligations of the Guarantor as BBB-/Baa3 (or equivalent), as applicable, or above and such disposals do not cause the unsecured, long term debt obligations of the Guarantor to be rated below BBB-/Baa3 (or equivalent), as applicable.

(c) Condition 4(a) above shall not apply to:

(i) any disposal at arm's length, on normal commercial terms;

(ii) any disposal of assets at arm's length and on normal commercial terms in exchange for, or which are immediately replaced by, other assets that are comparable or superior as to type, value and quality;

(iii) any disposal of redundant or obsolete assets not required for the efficient operation of its business;

(iv) any disposal of any asset or revenues approved by the Trustee (acting on the instructions of the holders of at least 25% in principal amount of the Notes or by Extraordinary Resolution);

(v) disposals of cash in connection with any expenditure not prohibited by these Conditions;

(vi) disposals from any member of the Group (other than the Guarantor) to any other member of the Group;

(vii) any amalgamation, merger, de-merger, reconstruction or consolidation involving any member of the Group pursuant to an intra-Group reorganisation on a solvent basis, or otherwise, provided that, to the extent involving the Guarantor or the Issuer, the Guarantor or the Issuer (as applicable) is the surviving company and remains responsible for and bound by all its obligations under the Notes and the Trust Deed;

(viii) a disposal of assets or revenues not otherwise falling within Condition 4(c)(i) to (vii) above (inclusive) the book value of which when aggregated with the book value of other disposals not falling within Condition 4(c)(i) to (vii) above (inclusive) and made since the Issue Date does not equal or exceed an amount equal to 20% of the book value of the consolidated total assets of the Group as determined from the most recently prepared consolidated financial statements;

(ix) any disposal of investments listed or dealt in on any securities exchange or over-the-counter market (not being investments in any member of the Group) in the ordinary course of the Group's treasury transactions;

(x) a disposal of all or part of the Guarantor's shareholding in DEPA S.A. or any asset held under DEPA S.A.;

(xi) disposal of all or part of the Guarantor's shareholding in Elpedison B.V. and/or its Subsidiaries;

(xii) a Permitted Securitisation provided that:

(A) the aggregate principal amount of all indebtedness issued in connection with the Permitted Securitisation other than indebtedness owned by a member of the Group does not exceed 10% of the Group’s consolidated total assets as shown in the latest financial statements of the Group; and

(B) any over collateralisation in connection with any Permitted Securitisation does not exceed 150 per cent;

(xiii) any disposal, or purported disposal at arm's length, of crude oil or other petroleum products by any member of the Group, including transactions related or arising as a result of changes in law with respect to the obligations of the Group to hold Compulsory Stock Obligations; or

(xiv) disposals of receivables under any factoring of receivables which does not fall within the definition of Permitted Securitisation.

5. INTEREST

The Notes bear interest from (and including) 4 October 2019 (the “**Issue Date**”) at the rate of 2.00% per annum, (the “**Rate of Interest**”) payable semi-annually in arrear on 4 April and 4 October in each year (each, an “**Interest Payment Date**”), subject as provided in Condition 7 (*Payments*). The first Interest Payment Date will be in respect of the period from (and including) the Issue Date to (but excluding) 4 April 2020 and the amount payable shall be €10 per €1,000 in nominal amount of the Notes.

Each Note will cease to bear interest from and including the due date for redemption unless, upon due presentation, payment of principal is improperly withheld or refused, in which case it will continue to bear interest at such rate (both before and after judgment) until whichever is the earlier of (a) the day on which all sums due in respect of such Note up to that day are received by or on behalf of the relevant Noteholder and (b) the day which is seven days after the Principal Paying Agent or the Trustee has notified the Noteholders that it has received all sums due in respect of the Notes up to such seventh day (except to the extent that there is any subsequent default in payment).

If interest is required to be paid in respect of a Note on any date other than an Interest Payment Date, it shall be calculated by applying the Rate of Interest to the Calculation Amount, multiplying the product by the relevant Day Count Fraction and rounding the resulting figure to the nearest cent (half a cent being rounded upwards). The amount of interest payable per Note of a given specified denomination will be the product (without any further rounding) of (i) the amount in euro calculated above per €1,000 and (ii) the applicable specified denomination of such Note divided by the Calculation Amount, where:

"**Calculation Amount**" means €1,000;

"**Day Count Fraction**" means, in respect of any period, the number of days in the relevant period, from (and including) the first day in such period to (but excluding) the last day in such period, divided by twice the number of days in the Regular Period in which the relevant period falls; and

"**Regular Period**" means each period from (and including) the Issue Date or any Interest Payment Date to (but excluding) the next Interest Payment Date or, in the case of the last Regular Period, the Final Maturity Date.

6. REDEMPTION AND PURCHASE

(a) *Scheduled redemption*:

Unless previously redeemed, or purchased and cancelled, the Notes will be redeemed at their principal amount on 4 October 2024, (the "**Final Maturity Date**") subject as provided in Condition 7 (*Payments*).

(b) *Redemption for tax reasons*:

The Notes may be redeemed at the option of the Issuer in whole, but not in part, at any time, on giving not less than 30 nor more than 60 days' notice to the Noteholders (which notice shall be irrevocable) at their principal amount, together with interest accrued to the date fixed for redemption, if, immediately before giving such notice, the Issuer satisfies the Trustee that:

(i) (A) the Issuer has or will become obliged to pay additional amounts as provided or referred to in Condition 8 (*Taxation*) as a result of any change in, or amendment to, the laws or regulations of the United Kingdom or any political subdivision or any authority thereof or therein having power to tax, or any change in the application or official interpretation of such laws or regulations (including a holding by a court of competent jurisdiction), which change or amendment becomes effective on or after 2 October 2019; and (B) such obligation cannot be avoided by the Issuer taking reasonable measures available to it; or

(ii) (A) the Guarantor has or (if a demand was made under the Guarantee of the Notes) would become obliged to pay additional amounts as provided or referred to in Condition 8 (*Taxation*) or the Guarantee of the Notes, as the case may be, or the Guarantor has or will become obliged to make any such withholding or deduction as is referred to in Condition 8 (*Taxation*) or the Guarantee of the Notes, as the case may be, from any amount paid by it to the Issuer in order to enable the Issuer to make a payment of principal or interest in respect of the Notes, in either case as a result of any change in, or amendment to, the laws or regulations of the Hellenic Republic or any political subdivision or any authority thereof or therein having power to tax, or any change in the application or official interpretation of such laws or regulations (including a holding by a court of competent jurisdiction), which change or amendment becomes effective on or after 2 October 2019; and (B) such obligation cannot be avoided by the Guarantor taking reasonable measures available to it;

provided, however, that no such notice of redemption shall be given earlier than 90 days prior to the earliest date on which the Issuer or the Guarantor would be obliged to pay such additional amounts or the Guarantor would be obliged to make such withholding or deduction if a payment in respect of the Notes were then due or (as the case may be) a demand under the Guarantee of the Notes were then made.

Prior to the publication of any notice of redemption pursuant to this paragraph (b), the Issuer shall deliver or procure that there is delivered to the Trustee:

(A) a certificate signed by two Authorised Signatories of the Issuer stating that the circumstances referred to in paragraphs (i)(A) and (i)(B) above prevail and setting out the details of such circumstances or (as the case may be) a certificate signed by two Authorised Signatories of the Guarantor stating that the circumstances referred to in paragraphs (ii)(A) and (ii)(B) above prevail and setting out the details of such circumstances; and

(B) an opinion in form and substance satisfactory to the Trustee of independent legal advisers of recognised standing to the effect that the Issuer or (as the case may be) the Guarantor has or will become obliged to pay such additional amounts or (as the case may be) the Guarantor has or will become obliged to make such withholding or deduction as a result of such change or amendment.

The Trustee shall be entitled to accept such certificate and opinion as sufficient evidence of the satisfaction of the circumstances set out in paragraphs (i)(A) and (i)(B) above or (as the case may be) paragraphs (ii)(A) and (ii)(B) above, in which event they shall be conclusive and binding on the Noteholders.

Upon the expiry of any such notice as is referred to in this Condition 6(b), the Issuer shall be bound to redeem the Notes in accordance with this Condition 6(b).

(c) *Redemption at the option of Noteholders*:

Within 10 Business Days after becoming aware of the occurrence of a Put Option Event, the Issuer shall give notice (a "**Put Option Notice**") to the Noteholders in accordance with Condition 17 (*Notices*) specifying the nature of the Put Option Event and the procedure for exercising the option contained in this Condition 6(c). The holder of each Note will have the option (the "**Noteholder Option**") to require the Issuer to redeem or, at the Issuer's option, purchase (or procure the purchase of) that Note on the Put Date (as defined below) at its principal amount, together with any interest accrued up to (but excluding) the Put Date.

The Noteholder Option may be exercised by the holder delivering its Note(s), on any Business Day falling within the period (the "**Put Period**") of 45 days after a Put Option Notice is given, at the specified office of any Paying Agent, accompanied by a duly signed and completed notice of exercise in the form (for the time being current) obtainable from the specified office of any Paying Agent (a "**Put Notice**") and in which the holder may specify a bank account (in the currency of the Notes) to which payment is to be made under this Condition 6(c). The Notes should be delivered together with all Coupons appertaining, thereto maturing after the date 15 days after the expiry of the Put Period (the "**Put Date**").

The Paying Agent to which such Note(s) and Put Notice are delivered will issue to the Noteholder concerned a non-transferable receipt in respect of the Note(s) so delivered. Payment in respect of any Note(s) so delivered will be made, if the holder duly specified a bank account (in the currency of the Notes) in the Put Notice to which payment is to be made, on the Put Date by transfer to that bank account and, in every other case, on or after the Put Date against presentation and surrender or (as the case may be) endorsement of such receipt at the specified office of any Paying Agent. A Put Notice, once given, shall be irrevocable. For the purposes of Condition 7 (*Payments*) and the definition of "outstanding" in clause 1.1 of the Trust Deed, receipts issued pursuant to this Condition 6(c) shall be treated as if they were Notes. The Issuer shall redeem or, at the option of the Issuer, purchase (or procure the purchase of) the relevant Notes on the Put Date at their principal amount, together with any interest accrued up to (but excluding) the Put Date unless previously redeemed or purchased. Upon redemption or purchase of the Notes by the Issuer as mentioned in this Condition 6(c), any related receipts as mentioned above will be of no further value and shall be void.

If 80% or more in nominal amount of the Notes outstanding immediately prior to the Put Date have been redeemed or purchased pursuant to the foregoing provisions of this Condition 6(c), the Issuer may, on not less than 30 or more than 60 days' notice to the Noteholders given within 30 days after the Put Date, redeem, at its option, the remaining Notes as a whole at a redemption price of the principal amount thereof plus interest accrued to but excluding the date of such redemption.

(d) *No other redemption*:

The Issuer shall not be entitled to redeem the Notes otherwise than as provided in Condition 6(a) to 6(c).

(e) *Purchase*:

The Issuer, the Guarantor or any of their respective Subsidiaries may at any time purchase Notes in the open market or otherwise and at any price, *provided that* all unmatured Coupons are purchased therewith.

(f) *Cancellation*:

All Notes redeemed as scheduled under Condition 6(a) above by the Issuer, Guarantor or any of their respective Subsidiaries and any unmatured Coupons attached to or surrendered with them shall be cancelled and may not be held, reissued or resold.

7. PAYMENTS

(a) *Principal*:

Payments of principal shall be made only against presentation and (*provided that* payment is made in full) surrender of Notes at the specified office of any Paying Agent outside the United States by euro cheque drawn on, or by transfer to a euro account (or other account to which euros may be credited or transferred) maintained by the payee with, a bank in a city in which banks have access to TARGET2.

All references to principal herein shall include any purchase price payable pursuant to Condition 6(c) (*Redemption at the option of Noteholders*) by or on behalf of the Issuer or the Guarantor.

(b) *Interest*:

Payments of interest shall, subject to Condition 7(f) below, be made only against presentation and (*provided that* payment is made in full) surrender of the appropriate Coupons at the specified office of any Paying Agent outside the United States in the manner described in Condition 7(a) above.

(c) *Payments subject to fiscal laws*:

Payments will be subject in all cases to (i) any fiscal or other laws and regulations applicable thereto in the place of payment, but without prejudice to the provisions of Condition 8 (*Taxation*) and (ii) any withholding or deduction required pursuant to an agreement described in Section 1471(b) of the U.S. Internal Revenue Code of 1986 (the "**Code**") or otherwise imposed pursuant to Sections 1471 through 1474 of the Code, any regulations or agreements thereunder, any official interpretations thereof, or (without prejudice to the provisions of Condition 8 (*Taxation*)) any law implementing an intergovernmental approach thereto. No commissions or expenses shall be charged to the Noteholders or Couponholders in respect of such payments.

(d) *Deduction for unmatured Coupons*:

If a Note is presented without all unmatured Coupons relating thereto, then:

(i) if the aggregate amount of the missing Coupons is less than or equal to the amount of principal due for payment, a sum equal to the aggregate amount of the missing Coupons will be deducted from the amount of principal due for payment; *provided, however, that* if the gross amount available for payment is less than the amount of principal due for payment, the sum deducted will be that proportion of the aggregate amount of such missing Coupons which the gross amount actually available for payment bears to the amount of principal due for payment;

(ii) if the aggregate amount of the missing Coupons is greater than the amount of principal due for payment:

(A) so many of such missing Coupons shall become void (in reverse order of maturity) as will result in the aggregate amount of the remainder of such missing Coupons (the "**Relevant Coupons**") being equal to the amount of principal due for payment; *provided, however, that* where this sub-paragraph would otherwise require a fraction of a missing Coupon to become void, such missing Coupon shall become void in its entirety; and

(B) a sum equal to the aggregate amount of the Relevant Coupons (or, if less, the amount of principal due for payment) will be deducted from the amount of principal due for payment; *provided, however, that*, if the gross amount available for payment is less than the amount of principal due for payment, the sum deducted will be that proportion of the aggregate amount of the Relevant Coupons (or, as the case may be, the amount of principal due for payment) which the gross amount actually available for payment bears to the amount of principal due for payment.

Each sum of principal so deducted shall be paid in the manner provided in Condition 7(a) above against presentation and (*provided that* payment is made in full) surrender of the relevant missing Coupons. No payments will be made in respect of void coupons.

(e) *Payments only on a Presentation Date*:

A holder shall be entitled to present a Note or Coupon for payment only on a Presentation Date and shall not, except as provided in Condition 5, be entitled to any further interest or other payment if a Presentation Date is after the due date.

"**Presentation Date**" means a day which (subject to Condition 10 (*Prescription*)):

(i) is or falls after the relevant due date;

(ii) is a Business Day in London, Athens and the place of the specified office of the Paying Agent at which the Note or Coupon is presented for payment; and

(iii) in the case of payment by credit or transfer to a euro account as referred to above, is a TARGET Settlement Day.

In this Condition 7, "**Business Day**" means, in relation to any place, a day on which commercial banks and foreign exchange markets settle payments and are open for general business (including dealing in foreign exchange and foreign currency deposits) in that place.

(f) *Payments other than in respect of matured Coupons*:

Payments of interest other than in respect of matured Coupons shall be made only against presentation of the relevant Notes at the specified office of any Paying Agent outside the United States.

(g) *Partial payments*:

If a Paying Agent makes a partial payment in respect of any Note or Coupon presented to it for payment, such Paying Agent will endorse thereon a statement indicating the amount and date of such payment.

(h) *Initial Paying Agents:*

The names of the initial Paying Agents and their initial specified offices are set out at the beginning of these Conditions. The Issuer and the Guarantor reserve the right, subject to the prior written approval of the Trustee, at any time to vary or terminate the appointment of any Paying Agent and to appoint additional or other Paying Agents provided that there will at all times be a Principal Paying Agent.

Notice of any variation, termination or appointment and of any changes in specified offices will be given to the Noteholders promptly by the Issuer in accordance with Condition 17 (*Notices*).

8. TAXATION

All payments of principal and interest in respect of the Notes and the Coupons by or on behalf of the Issuer or the Guarantor shall be made free and clear of, and without withholding or deduction for or on account of, any present or future taxes, duties, assessments or governmental charges of whatever nature imposed, levied, collected, withheld or assessed by or on behalf of the United Kingdom or the Hellenic Republic or any political subdivision thereof or any authority therein or thereof having power to tax, unless the withholding or deduction of such taxes, duties, assessments or governmental charges is required by law. In that event the Issuer or (as the case may be) the Guarantor shall pay such additional amounts as will result in receipt by the Noteholders and the Couponholders after such withholding or deduction of such amounts as would have been received by them had no such withholding or deduction been required, except that no such additional amounts shall be payable in respect of any Note or Coupon presented for payment:

(a) by or on behalf of a holder which is liable to such taxes, duties, assessments or governmental charges in respect of such Note or Coupon by reason of its having some connection with the jurisdiction by which such taxes, duties, assessments or charges have been imposed, levied, collected, withheld or assessed other than the mere holding of the Note or Coupon; or

(b) more than 30 days after the Relevant Date except to the extent that the holder of such Note or Coupon would have been entitled to such additional amounts on presenting such Note or Coupon for payment on the last day of such period of 30 days.

In these Conditions, "**Relevant Date**" means whichever is the later of (1) the date on which the payment in question first becomes due and (2) if the full amount payable has not been received in a city in which banks have access to TARGET2 by the Principal Paying Agent or the Trustee on or prior to such due date, the date on which (the full amount having been so received) notice to that effect has been given to the Noteholders.

Any reference in these Conditions to principal or interest shall be deemed to include any additional amounts in respect of principal or interest (as the case may be) which may be payable under this Condition 8 or any undertaking given in addition to or in substitution of this Condition 8 pursuant to the Trust Deed.

If the Issuer or the Guarantor becomes subject at any time to any taxing jurisdiction other than the United Kingdom (in the case of the Issuer) or the Hellenic Republic (in the case of the Guarantor), references in these Conditions to the United Kingdom or the Hellenic Republic shall be construed as references to the United Kingdom or (as the case may be) the Hellenic Republic and/or such other jurisdiction.

9. EVENTS OF DEFAULT

If any of the following events (each an "**Event of Default**") occurs and is continuing, then the Trustee at its discretion may and, if so requested in writing by holders of at least one quarter of the aggregate principal amount of the outstanding Notes or if so directed by an Extraordinary Resolution, shall (subject in each case to the Trustee having been indemnified and/or provided with security and/or prefunded to its satisfaction), (but, in the case of the happening of any of the events described in Conditions 9(b), 9(d), 9(e), 9(f), 9(g) (other than the winding up or dissolution of the Issuer or the Guarantor), 9(h) and 9(i) below, only if the Trustee shall have certified in writing to the Issuer and the Guarantor that such event is, in its opinion, materially prejudicial to the interests of the Noteholders) give written notice to the Issuer and the Guarantor declaring the Notes to be immediately due and payable, whereupon they shall become immediately due and payable at their principal amount together with accrued interest without further action or formality:

(a) *Non-payment*:

the Issuer fails to pay any amount of principal in respect of the Notes within seven business days of the due date for payment thereof or fails to pay any amount of interest in respect of the Notes within 14 business days of the due date for payment thereof; or

(b) *Breach of other obligations*:

the Issuer or the Guarantor defaults in the performance or observance of any of its other obligations under or in respect of the Notes or the Trust Deed and such default (i) is, in the opinion of the Trustee, incapable of remedy or (ii) being a default which is, in the opinion of the Trustee, capable of remedy, remains unremedied for 30 days (or such longer period as the Trustee may permit) after the Trustee has given written notice thereof to the Issuer and the Guarantor; or

(c) *Cross-acceleration of Issuer, Guarantor or Material Subsidiary*:

(i) any Financial Indebtedness of the Issuer, the Guarantor or any of their respective Material Subsidiaries is not paid when due (including failure to make any payment due under any guarantee and/or indemnity given by the Issuer, the Guarantor or any of their respective Material Subsidiaries in relation to any Financial Indebtedness of any other person) or (as the case may be) within any originally applicable grace period; or

(ii) any such Financial Indebtedness becomes due and payable prior to its stated maturity as a result of an event of default (howsoever described) otherwise than at the option of the Issuer, the Guarantor or (as the case may be) the relevant Material Subsidiary or (provided that no event of default, howsoever described, has occurred) any person entitled to such Financial Indebtedness,

provided that the amount of Financial Indebtedness referred to in paragraph (i) and/or paragraph (ii) above individually or in the aggregate exceeds €50,000,000 (or its equivalent in any other currency or currencies); or

(d) *Unsatisfied judgment*:

one or more final and unappealable judgment(s) or court order(s) for the payment of any amount is rendered against the Issuer, the Guarantor or any Material Subsidiary and continue(s) unsatisfied and unstayed for a period of 45 days after the date(s) thereof or, if later, the date therein specified for payment, unless, in each case, the aggregate amount of such sum is less than €25,000,000 or its equivalent in any currency; or

(e) *Security enforced*:

a secured party, pursuant to the enforcement of such security, takes possession, or a receiver, manager or other similar officer is appointed over, of the whole or any part of the undertaking, assets and revenues of the Issuer, the Guarantor or any of their respective Material Subsidiaries, unless, in each case, the aggregate value of the assets, undertaking or revenues in relation to which the secured party has taken possession or receiver etc. has been appointed is less than €25,000,000 or its equivalent in any currency; or

(f) *Insolvency, etc.*:

in respect of the Issuer, the Guarantor or any Material Subsidiary:

(i) it is unable to pay its debts as they fall due; or

(ii) (A) it admits in writing its inability to pay its debts as they fall due or, (B) in the case of the Guarantor or any Material Subsidiary having its centre of main interests in Greece, its cessation of payments pursuant to Article 3 part 1 of the Greek Bankruptcy Law; or

(iii) by reason of actual or anticipated financial difficulties, it:

(A) begins negotiations with any creditors for the rescheduling of all or a substantial part of its indebtedness; or

(B) files for the rehabilitation process under Article 99 et seq. of the Greek Bankruptcy Law; or

(iv) it suspends making payments on all or any class of or a substantial part of its debts or announces its intention to do so; or

(v) a moratorium is declared in respect of all or a substantial part of its indebtedness; or

(vi) the Issuer, the Guarantor or any of its Material Subsidiaries ceases, or threatens to cease, to carry on all or a substantial part all of its business which is substantial in relation to the business of the Group as a whole, except as a result of any disposal permitted pursuant to a Permitted Transaction; or

(g) *Winding up, etc*.:

in the case of the Guarantor or any Material Subsidiary having its centre of main interest in Greece, an order for its winding-up (accompanied or not by a reorganisation plan under Article 108 of Greek Bankruptcy Law), administration or dissolution is made, including, in the form of an injunction for the taking of temporary protective measures (*proliptika metra*) in the meaning of Articles 10, 99 or 106a of the Greek Bankruptcy Law, in the context of or for the purposes of opening proceedings for rehabilitation under Article 99 et seq. of the Greek Bankruptcy Law or bankruptcy under the Greek Bankruptcy Law, or compulsory administration (*anagastiki diahirisi*) or special administration under articles 62 and 68 of Law 4307/2014 or, in the case of the Issuer, the Guarantor or any Material Subsidiary not having its centre of main interest in Greece, any other analogous step or procedure is taken in any jurisdiction, provided that the following shall be deemed not to be an Event of Default under this Condition 9(g):

(i) any step or procedure which is part of a Permitted Transaction;

(ii) a petition for winding-up presented by a creditor which is being contested in good faith and with due diligence and is discharged or struck out within 30 days; or

(iii) any step or procedure which occurs in a jurisdiction where the Guarantor or any Material Subsidiary has assets, the book value of which do not exceed in aggregate €50,000,000; or

(h) *Failure to take action, etc*.:

any action, condition or thing at any time required to be taken, fulfilled or done (each a "**Required Step**") in order to ensure that the obligations of the Issuer and the Guarantor under or in respect of the Notes and the Trust Deed are legal, valid and binding is not already taken, fulfilled or done within 15 days of it being required to be taken, fulfilled or done; or

(i) *Unlawfulness*:

it is or will become unlawful for the Issuer or the Guarantor to perform or comply with any of its obligations under or in respect of the Notes or the Trust Deed; or

(j) *Guarantee not in force*:

the Guarantee of the Notes is not (or is claimed by the Guarantor not to be) in full force and effect; or

(k) *Controlling shareholder*:

the Issuer ceases to be a Subsidiary of the Guarantor.

10. PRESCRIPTION

Claims for principal shall become void unless the relevant Notes are presented for payment within ten years of the appropriate Relevant Date. Claims for interest shall become void unless the relevant Coupons are presented for payment within five years of the appropriate Relevant Date.

11. REPLACEMENT OF NOTES AND COUPONS

If any Note or Coupon is lost, stolen, mutilated, defaced or destroyed, it may be replaced at the specified office of the Paying Agent in Luxembourg, subject to all applicable laws and stock exchange requirements, upon payment by the claimant of the expenses incurred in connection with such replacement and on such terms as to evidence, security, indemnity and otherwise as the Issuer may reasonably require. Mutilated or defaced Notes, Coupons or Talons must be surrendered before replacements will be issued.

12. TRUSTEE AND PAYING AGENTS

Under the Trust Deed, the Trustee is entitled to be indemnified and relieved from responsibility in certain circumstances and to be paid its fees, costs and expenses in priority to the claims of the Noteholders. In addition, the Trustee is entitled to enter into business transactions with the Issuer, the Guarantor and any entity relating to the Issuer or the Guarantor without accounting for any profit.

In connection with the exercise by it of any of its trusts, powers, authorities and discretions (including, without limitation, any modification, waiver, authorisation, determination or substitution), the Trustee will have regard to the general interests of the Noteholders as a class and shall not have regard to any interests arising from circumstances particular to individual Noteholders or Couponholders (whatever their number) and, in particular but without limitation, shall not have regard to the consequences of any such exercise for individual Noteholders or Couponholders (whatever their number) resulting from their being for any purpose domiciled or resident in, or otherwise connected with, or subject to the jurisdiction of, any particular territory or any political sub-division thereof and the Trustee shall not be entitled to require, nor shall any Noteholder or Couponholder be entitled to claim, from the Issuer, the Guarantor, the Trustee or any other person any indemnification or payment in respect of any tax consequence of any such exercise upon individual Noteholders or Couponholders except to the extent already provided for in Condition 8 (*Taxation*) and/or any undertaking given in addition to, or in substitution for, Condition 8 (*Taxation*) pursuant to the Trust Deed.

In acting under the Agency Agreement and in connection with the Notes and the Coupons, the Paying Agents act solely as agents of the Issuer, the Guarantor and (to the extent provided therein) the Trustee and do not assume any obligations towards or relationship of agency or trust for or with any of the Noteholders or Couponholders.

The Issuer and the Guarantor reserve the right (with the prior approval of the Trustee) at any time to vary or terminate the appointment of any Paying Agent and to appoint a successor principal paying agent and additional or successor paying agents; *provided, however, that* the Issuer and the Guarantor shall at all times maintain (a) a principal paying agent and (b) a paying agent in London.

Notice of any change in any of the Paying Agents or in their specified offices shall promptly be given to the Noteholders.

13. MEETINGS OF NOTEHOLDERS; MODIFICATION AND WAIVER; SUBSTITUTION

(a) *Meetings of Noteholders*:

The Trust Deed contains provisions for convening meetings of Noteholders to consider any matters affecting their interests, including the modification of any provision of these Conditions or the Trust Deed. Any such modification may be made if sanctioned by an Extraordinary Resolution. Such a meeting may be convened by the Issuer and the Guarantor (acting together) or by the Trustee and shall be convened by the Issuer and the Guarantor upon the request in writing of Noteholders holding not less than one-tenth of the aggregate principal amount of the outstanding Notes. The quorum at any meeting convened to vote on an Extraordinary Resolution will be one or more persons holding or representing in the aggregate more than 50% in principal amount of the outstanding Notes or, at any adjourned meeting, one or more persons being or representing Noteholders whatever the principal amount of the Notes held or represented; *provided, however, that* certain proposals (including, *inter alia*, any proposal to change any date fixed for payment of principal or interest in respect of the Notes, to reduce the amount of principal or interest payable on any date in respect of the Notes, to alter the method of calculating the amount of any payment in respect of the Notes or the date for any such payment, to change the currency of payments under the Notes, to amend the terms of the Guarantee of the Notes or to change the quorum requirements relating to meetings or the majority required to pass an Extraordinary Resolution (each, a "**Reserved Matter**")) may only be sanctioned by an Extraordinary Resolution passed at a meeting of Noteholders at which one or more persons holding or representing not less than three-quarters or, at any adjourned meeting, not less than one quarter of the aggregate principal amount of the outstanding Notes form a quorum. Any Extraordinary Resolution duly passed at any such meeting shall be binding on all the Noteholders and Couponholders, whether present or not.

In addition, (i) consent given by way of electronic consents through the relevant clearing system(s) (in a form satisfactory to the Trustee) by or on behalf of the holders of not less than three-fourths in principal amount of the Notes for the time being outstanding or (ii) a resolution in writing signed by or on behalf of the holders of at least 75% in principal amount of the Notes then outstanding, will, in each case, take effect as it were an Extraordinary Resolution of the Noteholders. Such a resolution in writing may be contained in one document or several documents in the same form, each signed by or on behalf of one or more Noteholders.

(b) *Modification and waiver*:

The Trustee may agree, without the consent of the Noteholders or Couponholders, to any modification of, or to the waiver or authorisation of any breach or proposed breach of, any of these Conditions or any of the provisions of the Trust Deed or the Agency Agreement, or determine, without any such consent as aforesaid, that any Event of Default or Potential Event of Default (as defined in the Trust Deed) shall not be treated as such (provided that, in any such case, it is not, in the opinion of the Trustee, materially prejudicial to the interests of the Noteholders) or may agree, without any such consent as aforesaid, to any modification which, in its opinion, is of a formal, minor or technical nature or to correct a manifest error.

Any modification, abrogation, waiver, authorisation, determination or substitution shall be binding on the Noteholders and the Couponholders and, unless the Trustee agrees otherwise, any modification or substitution shall be notified by the Issuer to the Noteholders as soon as practicable thereafter in accordance with Condition 17 (*Notices*).

(c) *Substitution*:

The Trust Deed contains provisions under which the Guarantor or any Subsidiary of the Guarantor may, without the consent of the Noteholders or Couponholders assume the obligations of the Issuer as principal debtor under the Trust Deed, the Notes and the Coupons, subject to:

(i) except in the case of the substitution of the Guarantor, the Notes being unconditionally and irrevocably guaranteed by the Guarantor;

(ii) the Trustee being satisfied that the substitution is not materially prejudicial to the interests of the Noteholders; and

(iii) certain conditions specified in the Trust Deed are fulfilled.

No Noteholder or Couponholder shall, in connection with any substitution, be entitled to claim any indemnification or payment in respect of any tax consequence thereof for such Noteholder or (as the case may be) Couponholder except to the extent provided for in Condition 8 (*Taxation*) (or any undertaking given in addition to or substitution for it pursuant to the provisions of the Trust Deed).

14. INFORMATION REPORTING

The Guarantor shall, (i) within four months after the last day of each of its financial years; and (ii) within three months after the last day of each of its half-yearly financial periods, publish the Reporting Information on its website and deliver a copy to the Trustee.

For the purposes of this Condition 14:

"**Accounting Standards**" means IFRS as endorsed by the EU or any other internationally recognised set of accounting standards deemed equivalent to IFRS by the Committee of European Securities Regulators from time to time.

"**Independent Auditors**" means Ernst & Young (Hellas) Certified Auditors Accountants S.A. or such other internationally recognised firm of accountants as may be selected by the Guarantor for this purpose from time to time.

"**Reporting Information**" means: (i) for any financial year, the Guarantor's consolidated financial statements for such period, audited by the Independent Auditors and prepared in accordance with Accounting Standards consistently applied with the corresponding financial statements for the preceding period. Such Reporting Information shall be accompanied by a report thereon of the Independent Auditors with accompanying notes and annexes; and (ii) for any half-yearly financial period, the Guarantor's consolidated financial statements for such period, accompanied by a report thereon by either the Independent Auditors or management of the Guarantor and, in the case of both (i) and (ii), such management reports, operational information and key performance indicators, as are required to be disclosed by a company whose shares are traded in the General Category (Main Market) of the Athens Stock Exchange or any other Regulated Market (as defined in Directive 2014/65/EU).

15. ENFORCEMENT

The Trustee may at any time, at its discretion and without notice, institute such proceedings and/or take such other steps or action (including lodging an appeal in any proceedings) against or in relation to the Issuer and/or the Guarantor as it thinks fit to enforce the provisions of the Trust Deed, the Notes, the Coupons or otherwise, but it shall not be bound to institute such proceedings or take such other steps or action or to take any other action unless:

(a) it has been so requested in writing by the holders of at least one quarter of the aggregate principal amount of the outstanding Notes or has been so directed by an Extraordinary Resolution; and

(b) it has been indemnified and/or provided with security and/or prefunded to its satisfaction.

No Noteholder or Couponholder may proceed directly against the Issuer or the Guarantor unless the Trustee, having become bound to do so, fails or is unable to do so within 60 days and such failure or inability is continuing.

16. FURTHER ISSUES

The Issuer may from time to time, without the consent of the Noteholders or Couponholders and in accordance with the Trust Deed, create and issue further notes having the same terms and conditions as the Notes in all respects (or in all respects except for the first payment of interest) so that the same shall be consolidated and form a single series with the

Notes. The Issuer may from time to time, with the consent of the Trustee, create and issue other series of notes having the benefit of the Trust Deed.

17. NOTICES

All notices to the Noteholders will be valid if published in a leading English language daily newspaper with general circulation in Europe as the Trustee may approve. It is expected that publication will normally be made in the Financial Times. The Issuer shall also ensure that notices are duly published in a manner which complies with the rules and regulations of any stock exchange or the relevant authority on which the Notes are for the time being listed. Any such notice will be deemed to have been given on the date of the first publication or, where required to be published in more than one newspaper, on the date of the first publication in all required newspapers. If publication as provided above is not practicable, notice will be given in such other manner, and shall be deemed to have been given on such date, as the Trustee may approve. Couponholders will be deemed for all purposes to have notice of the contents of any notice given to the Noteholders in accordance with this Condition 17.

18. GOVERNING LAW AND JURISDICTION

(a) *Governing law*:

The Trust Deed (including the Guarantee), the Notes and the Coupons and any non-contractual obligations arising out of or in connection with the Trust Deed, the Notes and the Coupons are governed by, and construed in accordance with, English law.

(b) *Jurisdiction*:

Each of the Issuer and the Guarantor has in the Trust Deed (i) agreed for the benefit of the Trustee and the Noteholders that the courts of England shall have exclusive jurisdiction to settle any dispute (a "**Dispute**") arising out of or in connection with the Notes (including any non-contractual obligation arising out of or in connection with the Notes); (ii) agreed that those courts are the most appropriate and convenient courts to settle any Dispute and, accordingly, that it will not argue that any other courts are more appropriate or convenient; (iii) designated a person in England to accept service of any process on its behalf; (iv) consented to the enforcement of any judgment; and (v) to the extent that it may in any jurisdiction claim for itself or its assets immunity from suit, execution, attachment (whether in aid of execution, before judgment or otherwise) or other legal process, and to the extent that in any such jurisdiction there may be attributed to itself or its assets or revenues such immunity (whether or not claimed), agreed not to claim and irrevocably waived such immunity to the full extent permitted by the laws of such jurisdiction. The Trust Deed also states that nothing contained in the Trust Deed prevents the Trustee or any of the Noteholders or Couponholders from taking proceedings relating to a Dispute ("**Proceedings**") in any other courts with jurisdiction and that, to the extent allowed by law, the Trustee or any of the Noteholders or Couponholders may take concurrent Proceedings in any number of jurisdictions.

(c) The Guarantor irrevocably appoints Hellenic Petroleum Finance plc at 8th Floor, 20 Farringdon Street, London EC4A 4AB or, if different, its registered office for the time being or at any address of the Issuer in Great Britain at which process may be served on it in accordance with the Companies Act 2006 as its agent for the service of process in England in respect of any Proceedings and has undertaken that in the event of such agent ceasing so to act it will appoint such other person as the Trustee may approve as its agent for that purpose. The Guarantor agrees that a failure by a process agent to notify it of any process will not invalidate service. Nothing in this paragraph (c) shall affect the right of the Trustee or any of the Noteholders to serve process in any other manner permitted by law. This paragraph (c) applies to Proceedings in England and to Proceedings elsewhere.

19. DEFINITIONS

In these Conditions, the following terms have the following meanings:

"**Accounting Principles**" means, for the purposes of the preparation and/or audit of any financial statements of the Issuer, the Guarantor and the Group, IFRS as endorsed by the EU or other applicable industry accounting standards.

"**Authorised Signatory**" has the meaning given to it in the Trust Deed.

"**Compulsory Stock Obligations**" means the obligation of an economic operator to maintain emergency oil stocks in accordance with Article 3 of Directive 2009/119/EC, as transposed into Greek legislation by virtue of Article 3 of Law 4123/2013 and as further specified by the CSO Regulation.

"**CSO Regulation**" means the regulation for the maintenance of emergency stocks, issued by virtue of the Ministerial Decision D1/B/21196/19.11.2013.

"**DEPA S.A.** " means "DEPA PUBLIC GAS OPERATION OF GREECE S.A." a Greek company limited by shares, operating under the provisions of Greek Law 4548/2018 duly registered with the General Commercial Registry under Serial no. 556901000 (former no. 17913/01/B/88/514) and any of DEPA S.A's Subsidiaries.

"**EIB Facility**" means the facility made available under a finance contract dated 26 May 2010 between the European Investment Bank and the Guarantor relating to the Hellenic Petroleum Refinery Upgrade/A, as amended, restated, supplemented or replaced.

"**Extraordinary Resolution**" has the meaning given to it in the Trust Deed.

"**Financial Indebtedness**" means (without double counting) any indebtedness for or in respect of:

(a) moneys borrowed;

(b) any acceptance credit (including any dematerialised equivalent);

(c) any bond, note, debenture, loan stock or other similar instrument;

(d) any redeemable preference share;

(e) any lease liability recognised;

(f) receivables sold or discounted (otherwise than on a non-recourse basis);

(g) the acquisition cost of any asset to the extent payable more than 180 days after the later of its acquisition or possession by the party liable, where the advance or deferred payment is arranged primarily as a method of raising finance or financing the acquisition of that asset;

(h) the acquisition cost of any asset acquired in connection with a capital project of the party liable to the extent payable more than 120 days after the date the party liable has accepted that asset;

(i) any derivative transaction protecting against or benefiting from fluctuations in any rate or price, other than a hedging transaction entered into in the ordinary course of business and not entered into for speculative purposes (and, except for non-payment of an amount, the then mark to market value of the derivative transaction will be used to calculate its amount);

(j) any other transaction (including any forward sale or purchase agreement) which has the commercial effect of a borrowing;

(k) any counter-indemnity obligation in respect of any guarantee, indemnity, bond, letter of credit or any other instrument issued by a bank or financial institution; or

(l) any guarantee, indemnity or similar assurance against financial loss of any person in respect of any item referred to in the above paragraphs.

"**Group**" means the Issuer, the Guarantor and their Subsidiaries from time to time.

"**Holding Company**" of any person means a company in respect of which that person is a Subsidiary.

"**IFRS**" means the International Financial Reporting Standards (formerly International Accounting Standards) as endorsed by the European Union, issued by the International Accounting Standards Board together with the interpretations issued by the International Financial Reporting Interpretations Committee of the International Accounting Standards Board (as amended, supplemented or re-issued from time to time).

"**Material Group Member**" means the Guarantor, the Issuer or a Material Subsidiary.

"**Material Subsidiary**" means, at any time, any Subsidiary of the Guarantor whose total assets as reported in the most recent audited financial statements is equal to or exceeds 15% of the total assets of the Group as reported by the most recent audited Group consolidated financial statements.

If there is a dispute as to whether or not a member of the Group is or is not or was or was not a Material Subsidiary, a certificate of two Authorised Signatories of the Guarantor will be, in the absence of manifest error, conclusive.

"**Moody's**" means Moody's Investors Service Limited or any successor to its rating business.

"**Participating Member State**" means any member state of the European Union that has the euro as its lawful currency in accordance with legislation of the European Union relating to Economic and Monetary Union.

"**Permitted Securitisation**" means any transaction or series of transactions where Financial Indebtedness is incurred by a Material Group Member in connection with a securitisation of assets or factoring of receivables.

"**Permitted Security Interest**" means:

(a) any Security Interest or Quasi Security on a vessel owned or to be acquired by the Guarantor or any Material Group Member (other than in respect of vessels carrying liquefied natural gas) to secure payment of the purchase price of such vessel and/or the price of repairs or modifications to such vessel or to secure payment of loans to finance or refinance such purchase price or such price of repairs or modifications;

(b) any Security Interest securing Project Debt only;

(c) any Security Interest or lien arising by operation of law or any lien or retention of title arrangement arising by agreement to substantially the same effect and (in each case) in the ordinary course of its business;

(d) any Security Interest for retained taxes, assessments or other similar charges which either are not delinquent or are being contested in good faith by appropriate proceedings for which the Guarantor has set aside in its books of account reserves to the extent required by IFRS, as consistently applied;

(e) any Security Interest on an asset:

    (i) acquired by the Guarantor or a Material Group Member; or

    (ii) of any person which becomes a Material Group Member, after the Issue Date, but only to the extent that the principal amount secured by that Security Interest has not been incurred or increased in contemplation of, or since, the acquisition or the date on which that person became a Material Group Member (as the case may be);

(f) any Security Interest the principal purpose and effect of which is to allow the setting off or netting of obligations:

(i) with those of a financial institution; or

(ii) under swaps or other derivative agreements,

in the ordinary course of the cash management arrangements of the Group;

(g) any Security Interest securing any financial obligation of a member of the Group incurred in connection with a Permitted Securitisation;

(h) any Security Interest created with the prior written consent of the Trustee (acting on the instructions of the holders of at least 25% in principal amount of the Notes or by Extraordinary Resolution of the Noteholders);

(i) any cash collateral arrangement provided by a bank or financial institution in respect of (i) the EIB Facility or (ii) any other facility agreement between the Guarantor and the International Finance Corporation, other similar financial institution or supranational organisation, or any other type of security which has the same effect in an aggregate principal amount not exceeding €200 million at any time;

(j) any Security Interest securing indebtedness the principal amount of which (when aggregated with the amount of any other indebtedness which has the benefit of a Security Interest not allowed under the preceding paragraphs) does not exceed an amount equal to at any time 12.5% of the Group's consolidated total assets as shown in the latest audited financial statements of the Group;

(k) any cash collateral provided by a member of the Group to banks or financial institutions in respect of letters of credit issued by that bank or financial institution to suppliers to the Group in the ordinary course of trading and in line with usual industry practices in an aggregate principal amount not exceeding €750 million,

provided that the aggregate principal amount of all indebtedness which has the benefit of a Security Interest referred to in paragraphs (a) to (i) above shall not exceed an amount equal to at any time 15% of the Group's consolidated total assets as shown in the latest financial statements of the Group.

"**Permitted Transaction**" means:

(a) an intra-Group re-organisation of a member of the Group on a solvent basis; or

(b) any reconstruction, amalgamation, reorganisation, demerger, merger or consolidation or a transaction involving the transfer of shares on terms approved by the Trustee or by an Extraordinary Resolution of the Noteholders.

"**Person**" means any individual, company, corporation, firm, partnership, joint venture, association, organisation, state or agency of a state or other entity, whether or not having separate legal personality.

"**Potential Event of Default**" means an event or circumstance which could, with the giving of notice, lapse of time, the issuing of a certificate and/or fulfilment of any other requirement provided for in Condition 9 (*Events of Default*), become an Event of Default.

"**Project**" means, in respect of a person, any particular project of such person for the ownership, creation, development or exploitation of any of its assets.

"**Project Assets**" means, in respect of a Project, any assets used in connection with that Project.

"**Project Company**" means, in respect of a Project, a company which owns the Project Assets.

"**Project Debt**" means any Financial Indebtedness incurred by a Project Company in connection with a Project which is permitted to remain outstanding under these Conditions where the provider of the Financial Indebtedness has no recourse against any member of the Group or its assets, except for recourse to:

(a) the Project Assets;

(b) the Project Company for the purpose of enforcing a Security Interest against it, so long as:

(i) the recourse is limited to recoveries in respect of the Project Assets; and

(ii) if the Project Assets do not comprise all or substantially all of the Project Company's business, the provider of the Financial Indebtedness has no right to take any step towards its winding up or dissolution or the appointment of a liquidator, administrator, administrative receiver or similar officer in respect of it or its assets (other than the Project Assets);

(c) a member of the Group to the extent of its shareholding or other interest in the Project Company if all or substantially all of the business of the Project Company comprises the Project Assets; and

(d) a member of the Group under any form of assurance, undertaking or support, where:

(i) the recourse is limited to a claim for damages (not being liquidated damages or damages required to be calculated in a specific way) for breach of an obligation; and

(ii) the obligation is not in any way a guarantee, indemnity or other assurance against financial loss or an obligation to ensure compliance by another person with a financial ratio or other test of financial condition**.**

"**Put Date**" has the meaning given to it in Condition 6(c) (*Redemption at the option of Noteholders*).

"**Put Notice**" has the meaning given to it in Condition 6(c) (*Redemption at the option of Noteholders*).

"**Put Option Event**" shall be deemed to have occurred if any person or group of associated persons, other than the Hellenic Republic and/or Paneuropean Oil & Industrial Holdings S.A. or any of their respective Affiliates, acquires:

(A) more than 50% of the ordinary shares of the Guarantor;

(B) the right to exercise more than 50% of the votes exercisable at the general meeting of the Guarantor; or

(C) the right to elect the majority of the members of the board of directors of the Guarantor, where "**Affiliate**" means, in relation to a Person, a Subsidiary or a Holding Company of that Person, or any other Subsidiary of a Holding Company of that Person.

"**Put Period**" has the meaning given to it in Condition 6(c) (*Redemption at the option of Noteholders*).

"**Security Interest**" means any mortgage, mortgage prenotice (under Articles 1274 et seq. of the Greek Civil Code), pledge, lien, charge, assignment, hypothecation or security interest or any other agreement or arrangement having a similar effect.

"**Subsidiary**" means an entity of which an investor:

(a) has direct or indirect control in accordance with Annex A of Greek Law 4308/2014; or

(b) has direct or indirect control or owns directly or indirectly more than 50 per cent. of the voting capital or similar right of ownership and control for this purpose means the power to direct the management and the policies of the entity whether through the ownership of voting capital, by contract or otherwise.

"**TARGET2**" means the Trans-European Automated Real-Time Gross Settlement Express Transfer payment system which utilises a single shared platform and which was launched on 19 November 2007.

"**TARGET Settlement Day**" means any day on which TARGET2 is open for the settlement of payments in euro.

SUMMARY OF PROVISIONS RELATING TO THE NOTES IN GLOBAL FORM

The following is an overview of the provisions to be contained in the Global Notes which will apply to, and in some cases modify, the Conditions while the Notes are represented by the Global Notes.

Exchange:

The Temporary Global Note generally will be exchangeable, in whole or in part, for interests in the Permanent Global Note not earlier than 40 days after the Issue Date upon certification as to non-U.S. beneficial ownership. No payments will be made under the Temporary Global Note unless exchange for interests in the Permanent Global Note is improperly withheld or refused. In addition, interest payments in respect of the Notes cannot be collected without such certification of non-U.S. beneficial ownership.

The Permanent Global Note will become exchangeable in whole, but not in part, (free of charge to the holder) for Notes in definitive form ("**Definitive Notes**") if one of the following events (each, an "**Exchange Event**") occurs:

(a) Euroclear or Clearstream, Luxembourg is closed for business for a continuous period of 14 days (other than by reason of holiday, statutory or otherwise) or announces an intention permanently to cease business or does in fact do so and no alternative clearing system satisfactory to the Trustee is available;

(b) the Issuer would suffer a disadvantage as a result of a change in laws or regulations (taxation or otherwise) or as a result of a change in the practice of Euroclear and/or Clearstream, Luxembourg which would not be suffered were the Notes in definitive form and a certificate to such effect signed by two (2) Directors is given to the Trustee; or

(c) any of the circumstances described in Condition 9 (*Events of Default*) occurs.

Thereupon (in the case of paragraph (a) above) the holder of the Permanent Global Note (acting on the instructions of one or more of the Accountholders (as defined below)) or the Trustee may give notice to the Issuer and the Principal Paying Agent and (in the case of paragraph (b) above) the Issuer may give notice to the Trustee and the Noteholders, of its intention to exchange the Permanent Global Note for Definitive Notes on or after the Exchange Date (as defined below).

On or after the Exchange Date the holder of the Permanent Global Note may or, in the case of paragraph (b) above, shall surrender the Permanent Global Note to, or to the order of, the Principal Paying Agent. In exchange for the Permanent Global Note the Issuer will deliver, or procure the delivery of, an equal aggregate principal amount of Definitive Notes in the denomination of €100,000 and integral multiples of €1,000 in excess thereof up to and including €199,000 (having attached to them all Coupons in respect of interest which has not already been paid on the Permanent Global Note), security printed in accordance with any applicable legal and stock exchange requirements and in or substantially in the form set out in the Trust Deed. On exchange of the Permanent Global Note, the Issuer will procure that it is cancelled and, if the holder so requests, returned to the holder together with any relevant Definitive Notes.

For these purposes, "**Exchange Date**" means a day specified in the notice requiring exchange falling not less than 60 days after that on which such notice is given and being a day on which banks are open for general business in the place in which the specified office of the Principal Paying Agent is located and, except in the case of exchange pursuant to paragraph (a) above, in the place in which the relevant clearing system is located.

In addition, the Temporary Global Note and the Permanent Global Note will contain provisions which modify the Terms and Conditions of the Notes as they apply to the Temporary Global Note and the Permanent Global Note. The following is a summary of certain of those provisions:

Payments:

On and after 13 November 2019, no payment will be made on the Temporary Global Note unless exchange for an interest in the Permanent Global Note is improperly withheld or refused. All payments in respect of Notes represented by a Global Note will, subject as set out below, be made against presentation for endorsement and, if no further payment falls to be made in respect of the Notes, surrender of such Global Note to or to the order of the Principal Paying Agent or such other Paying Agent as shall have been notified to the Noteholders for such purposes. A record of each payment made will be endorsed on the appropriate part of the schedule to the relevant Global Note by or on behalf of the Principal Paying Agent, which endorsement shall be prima facie evidence that such payment has been made in respect of the Notes. Payments of interest on the Temporary Global Note (if permitted by the first sentence of this paragraph) will be made only upon certification as to non-U.S. beneficial ownership unless such certification has already been made.

Payments of principal and interest in respect of the Notes will not be made within the United States.

Exercise of put option:

For so long as all of the Notes are represented by one or both of the Global Notes and such Global Note(s) is/are held on behalf of Euroclear and/or Clearstream, Luxembourg, the option of the Noteholders provided for in Condition 6(c) (*Redemption at the option of Noteholders*) may be exercised by an Accountholder giving notice to the Principal Paying Agent in accordance with the standard procedures of Euroclear and Clearstream, Luxembourg (which may include notice being given on his instructions by Euroclear or Clearstream, Luxembourg or any common depositary for them to the Principal Paying Agent by electronic means) of the principal amount of the Notes, in respect of which such option is exercised, and at the same time presenting or procuring the presentation of the relevant Global Note to the Principal Paying Agent for notation accordingly within the time limits set forth in that Condition.

Notices:

For so long as all the Notes are represented by one or both of the Global Notes and such Global Note(s) is/are held on behalf of Euroclear and/or Clearstream, Luxembourg, notices to Noteholders may be given by delivery of the relevant notice to Euroclear and/or Clearstream, Luxembourg (as the case may be) for communication to the relevant Accountholders rather than by publication as required by Condition 17 (*Notices*), provided that, so long as the Notes are listed on the Luxembourg Stock Exchange, notice will also be given by publication in a daily newspaper published in Luxembourg and/or on the Luxembourg Stock Exchange's website, *www.bourse.lu*, if and to the extent that the rules of the Luxembourg Stock Exchange so require. Any such notice shall be deemed to have been given to the Noteholders on the second day after the day on which such notice is delivered to Euroclear and/or Clearstream, Luxembourg (as the case may be) as aforesaid.

Accountholders:

For so long as all of the Notes are represented by one or both of the Global Notes and such Global Note(s) is/are held on behalf of Euroclear and/or Clearstream, Luxembourg, each person (other than Euroclear or Clearstream, Luxembourg) who is for the time being shown in the records of Euroclear or Clearstream, Luxembourg as the holder of a particular principal amount of such Notes (each an "**Accountholder**") (in which regard any certificate or other document issued by Euroclear or Clearstream, Luxembourg (which certificate or other document may comprise any form of statement or print-out of electronic records provided by the relevant clearing system (including Euroclear's EUCLID or Clearstream, Luxembourg's Cedcom System)) as to the principal amount of such Notes standing to the account of any person shall, in the absence of manifest error, be conclusive and binding for all purposes) shall be treated as the holder of such principal amount of such Notes for all purposes (including but not limited to, for the purposes of any quorum requirements of, or the right to demand a poll at, meetings of the Noteholders) other than with respect to the payment of principal and interest on such principal amount of such Notes, the right to which shall be vested, as against the Issuer, the Guarantor and the Trustee, solely in the bearer of the relevant Global Note in accordance with and subject to its terms and the terms of the Trust Deed. Each Accountholder must look solely to Euroclear or Clearstream, Luxembourg as the case may be, for its share of each payment made to the bearer of the relevant Global Note.

Calculation of Interest:

For so long as all of the Notes are represented by one or both of the Global Notes, if interest is required to be paid in respect of a Note on any date other than an Interest Payment Date, such interest shall be calculated in respect of the aggregate outstanding nominal amount of the Notes represented, by such Global Note(s).

Prescription:

Claims against the Issuer and the Guarantor in respect of payments under the Notes represented by a Global Note will be prescribed after 10 years (in the case of principal) and five years (in the case of interest) from the Relevant Date (as defined in Condition 8 (*Taxation*)).

Cancellation:

Cancellation of any Note represented by a Global Note and required by the Conditions of the Notes to be cancelled following its redemption or purchase will be effected by endorsement by or on behalf of the Principal Paying Agent of the reduction in the principal amount of the relevant Global Note on the relevant part of the schedule thereto.

Euroclear and Clearstream, Luxembourg:

Notes represented by a Global Note are transferable in accordance with the rules and procedures for the time being of Euroclear and Clearstream, Luxembourg, as appropriate. References in the Global Notes and this summary to Euroclear and/or Clearstream, Luxembourg shall be deemed to include references to any other clearing system approved by the Trustee.

Legend:

The following legend generally will appear on the Permanent Global Notes:

"Any U.S. person who holds this obligation will be subject to limitations under the U.S. income tax laws, including the limitations provided in Sections 165(j) and 1287(a) of the Internal Revenue Code."

Conditions:

For so long as all of the Notes are represented by one or both of the Global Notes, Condition 7(h) (*Initial Paying Agents*) shall not apply.

USE OF PROCEEDS

The net proceeds of the issue of the Notes will be used, in the sole discretion of the Issuer, including to refinance existing financial indebtedness of the Group and to purchase for cash certain of the Issuer's outstanding Eurobond €450 million (as defined below) due 14 October 2021 guaranteed by the Guarantor by way of a tender offer made pursuant to a separate tender offer memorandum dated 23 September 2019 (the "**Tender Offer**"), and for general corporate purposes. To the extent that the proceeds from the Notes will not be used for the repayment of pre-existing financing they will be on-lent by the Issuer to other members of the Group.

DESCRIPTION OF THE ISSUER

Description of Hellenic Petroleum Finance plc

1. History

Hellenic Petroleum Finance plc ("**HPF**" or the "**Issuer**") was incorporated in England and Wales (registered number 05610284) on 2 November 2005 as a public company limited by shares, established and operating under the Companies Act 1985 (as amended). Its registered office is 8th Floor, 20 Farringdon Street, London, United Kingdom EC4A 4AB and its email address is HPFUK@tmf-group.com and its Legal Entity Identifier (LEI) is 213800WHOD92H1CDZ111.

HPF is a direct, wholly-owned subsidiary of Hellenic Petroleum S.A. ("**Hellenic Petroleum**" or the "**Guarantor**" or the "**Company**" or the "**Parent Company**"). Hellenic Petroleum is the parent company of the group (Hellenic Petroleum and its subsidiaries constitute the "**Group**").

2. Principal Activities

The Issuer is the financing vehicle for the Group and its objectives include "to borrow or raise money by any method and to obtain any form of credit or finance". The Issuer's principal business is raising financing on behalf of the Group in the international bank and debt capital markets. This includes the issuance of securities, pursuant to Article 4(e) of its Memorandum of Association. The Issuer will lend the net proceeds of its borrowings to companies in the Group. Hellenic Petroleum guarantees the payment of principal, premium (if any), interest and any other amounts due under the guaranteed debt securities issued by the Issuer. All such transactions between the Issuer and Hellenic Petroleum and the other companies of the Group are agreed at market terms.

3. Share Capital

HPF was incorporated on 2 November 2005 with an issued share capital of £50,000, divided into 50,000 shares of £1 each. On 1 February 2007, HPF increased its issued share capital to £380,000 by issuing 330,000 ordinary shares at par value of £1 each. On 11 October 2007, HPF further increased its issued share capital to £6,970,000 by issuing 6,590,000 ordinary shares at par value of £1 each.

All of HPF's issued shares are held directly by Hellenic Petroleum.

HPF's shares are not listed on any stock exchange and are not traded on any other organised market.

HPF has no subsidiaries.

4. Administrative, Management and Supervisory Bodies

The Directors of HPF are as follows:

Name	Function	Other Principal Activities
Kenneth Howard Prince-Wright	Director	Independent non-executive member of the Board of Directors of TRASTOR REIC (listed Greek real estate investment company) Advisor at Aberdeen Standard Investment Treasurer of the Board of Directors of "Make a Wish International" Member of the Supervisory Board of Hellenic Petroleum International AG Chairman of the Board of Directors of OTSM Société Anonyme of Maintenance Compulsory Stocks and Trading of Crude Oil and Petroleum Products Member of the Board of Directors of DMEP HOLDCO Limited and DMEP (UK) Limited
Nita Ramesh Savjani	Director	Director at TMF Global Services (UK) Limited
Andreas Shiamishis	Director	CEO and executive member of the Board of Directors Hellenic Petroleum Chairman of the Board of Directors of HF Vice-chairman of the Supervisory Board of Hellenic Petroleum International A.G Member of the Board of Directors of Elpedison SA
Panos Shiatis	Director	Deputy Group Finance Controller – Hellenic Petroleum
Christina Stampoultzi	Director	Senior Legal Counsel – Corporate Secretary – Hellenic Petroleum
Vasilis Tsaitas	Director	Director – Head of Investor Relations – Hellenic Petroleum

The business address of each of the Directors is 8th Floor, 20 Farringdon Street, London, United Kingdom EC4A 4AB.

There are no potential conflicts of interest of the directors referred to above between any duties to HPF and their private interests and/or other duties.

5. Financial Statements

The following tables set out the statements of comprehensive income, financial position and cash flows of the Issuer. Such information is derived from the audited financial statements of the Issuer as at and for the years ended 31 December 2017 and 31 December 2018, which includes certain reclassifications to the comparatives figures from figures as originally issued and published. The financial statements of the Issuer are prepared in accordance with the International Financial Reporting Standards as endorsed by the EU ("**IFRS**"). The financial statements relating to the years ended 31 December 2017 and 31 December 2018 and the accompanying notes, are incorporated by reference into this Prospectus. See the section headed "*Information Incorporated by Reference*". Such financial information should be read in conjunction with the financial statements, reports and the notes thereto incorporated by reference into this Prospectus.

STATEMENT OF COMPREHENSIVE INCOME

	Year ended 31 December	
	2017	**2018**
	(EUR thousands)	
Interest receivable	52,133	43,667
Interest payable	(51,384)	(42,974)
Net interest income	**749**	**693**
Administrative expenses	(506)	(432)
Net foreign exchange (losses)/gains	(11)	18
Profit before income tax	**232**	**279**
Income tax expense	(45)	(57)
Profit for the year	**188**	**223**

STATEMENT OF FINANCIAL POSITION

	As at 31 December	
	2017	**2018**
	(EUR thousands)	
ASSETS		
Non-current assets		
Loans and Receivables	721,023	449,343
Current assets		
Loans and Receivables	83,000	335,200
Prepayments and accrued income	14,608	14,175
Cash and cash equivalents	8,511	2,087
	106,120	**351,462**
Total assets	**827,143**	**800,805**
EQUITY		
Share capital	10,000	10,000
Retained earnings	12,352	12,575
Total equity	**22,352**	**22,575**
LIABILITIES		
Non-current liabilities		
Interest bearing loans and borrowings	761,607	446,715
Current liabilities		
Interest bearing loans and borrowings	29,882	318,386
Income tax payable	80	32
Interest payable and other liabilities	13,221	13,097
	43,183	**331,516**
Total liabilities	**804,791**	**778,230**
Total equity and liabilities	**827,143**	**800,805**

STATEMENT OF CASH FLOWS

	For the year ended 31 December	
	2017	**2018**
	(EUR thousands)	
Cash flows from operating activities		
Profit (loss) before income tax	232	279
Adjustments for:		
Amortisation of deferred borrowing costs	5,378	3,215
Finance income - net	(6,126)	(3,908)
Net changes in assets/ liabilities relating to operating activities		
Increase in prepayments	(5)	(9)
Decrease in other payables	(106)	(120)
Cash flows from operating activities	**(627)**	**(542)**
Income tax paid	(20)	(104)
Loan fees paid	**(1,317)**	**-**
Net cash used in operating activities	**(1,964)**	**(646)**
Cash flows from investing activities		
Loans granted to related parties	(120,972)	(11,820)
Loans repayments received from related parties	297,500	31,300
Interest received	66,719	44,109
Net cash generated from investing activities	**243,247**	**63,589**
Cash flows from financing activities		
Proceeds from borrowings	79,002	-
Repayments of borrowings	(264,381)	(30,000)
Interest paid	(47,727)	(39,367)
Net cash generated from/(used in) financing activities	**(233,106)**	**(69,367)**
Net increase/(decrease) in cash and cash equivalents	**8,177**	**(6,424)**
Cash and cash equivalents at the beginning of the year	335	8,511
Cash and cash equivalents at the end of the year	**8,511**	**2,087**

DESCRIPTION OF THE GUARANTOR

OVERVIEW

Hellenic Petroleum is one of the largest refiners in South East Europe and operates three large refineries, with activities across the energy industry spectrum and an operating presence in six countries. Hellenic Petroleum is listed on the Athens Stock Exchange with a market capitalisation of €2.7 billion as at 19 September 2019. Hellenic Petroleum also has a secondary listing of global depository receipts on the London Stock Exchange. As at 30 June 2019, the Group employed 3,652 full time employees. For the financial year ended 31 December 2018, the Group's Adjusted EBITDA amounted to €730 million, on total revenues of €9.8 billion.

The activities of the Group are mainly focused on oil refining and the marketing of oil products and include:

- *refining, supply and trading of oil products, both in Greece and internationally*. The Group owns three out of the four refineries operating in Greece (Aspropyrgos, Elefsina and Thessaloniki) with a nominal annual refining capacity of 17 million tonnes of crude oil, or total capacity of 344 thousand barrels per day ("**kbpd**"). It also supplies approximately 70% of the domestic market needs in the Republic of North Macedonia, according to the national statistics agency of the Republic of North Macedonia, through the VARDAX pipeline and the OKTA facilities;
- *fuels marketing both in Greece and South Eastern European markets*. With a network of approximately 2,000 petrol stations as at 30 June 2019 and, according to internal Group estimates, a leading position both in the domestic market (with approximately 1,700 domestic petrol stations), through its subsidiary Hellenic Fuels and Lubricants Industrial and Commercial S.A. ("**HF**") (formerly Hellenic Fuels S.A., and, in turn, formerly, BP Hellas), as well as in the international market (with approximately 280 international petrol stations) through its subsidiaries in Cyprus, Serbia, Bulgaria and Montenegro;
- *petrochemicals/chemicals production and trading*. The Group owns and operates the only vertically integrated petrochemicals complex in Greece that produces polypropylene, with a focus on the export market;
- *oil and gas exploration and production in Greece*. The Group is developing a portfolio of exploration assets in Greece, both onshore and offshore, primarily in partnership with international upstream companies;
- *power generation and trading*. The Group operates two combined cycle natural gas plants with a total capacity of 810 MW, through Elpedison, a joint venture with the Italian company Edison, which is the second largest independent power producer by installed capacity in Greece. It is also active in renewables, with a portfolio of approximately 600 MW in various development stages (out of which 26 MW are currently operating); and
- *supply and trading of natural gas*. The Group has a 35% participation in DEPA, which is the main importer and supplier of natural gas in Greece.

HISTORY

The Company originated from the Public Petroleum Corporation S.A., which was established in Greece as a société anonyme (company limited by shares) on 26 July 1975. Its share capital was wholly-owned by the Greek State. As part of a privatisation process, the Company merged with three other state-owned companies in 1998 and was renamed 'Hellenic Petroleum S.A.'. In the same year, Hellenic Petroleum was listed on the Athens Stock Exchange (primary listing, ticker symbol "ELPE") and on the London Stock Exchange (secondary listing through global depositary receipts) and disposed of 23% of the Greek State shares. Its registered address is 8a Chimarras Street, 15125, Maroussi, Greece and the telephone number of the registered office is +30 210 630 2000.

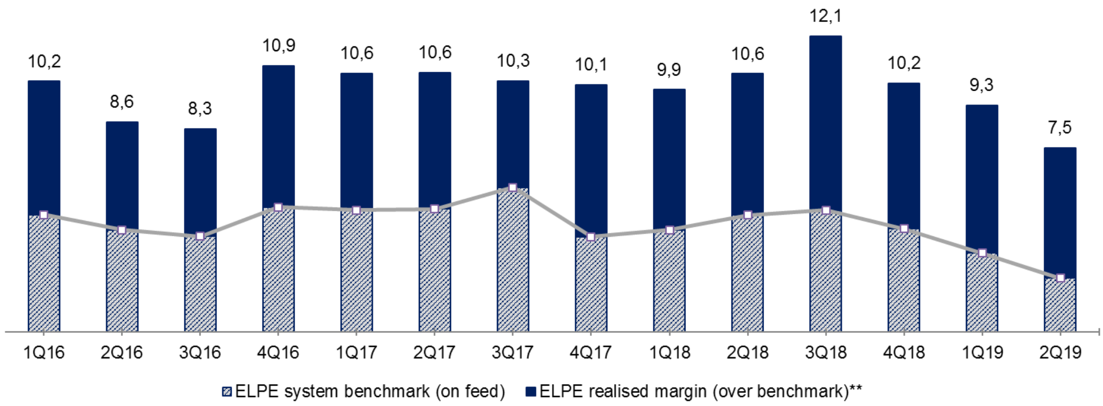
STRENGTHS

High complexity interconnected refining system, well positioned for the IMO Regulation

The Group benefits from a high-complexity, integrated regional refining hub for crude imports (with 37% of all crude imports in Europe coming into the Eastern Mediterranean or 46% if Russia is excluded). Following a period of significant investment from 2009 through 2012 the Group was able to increase middle distillates production, which is a key growth market globally, particularly so in the Mediterranean oil products market. For example, in FY18, the Group's net product yield was 51%, 22%, 12%, 10% and 5% for middle distillates, gasoline, fuel oil, Naphtha/other and liquefied petroleum gas ("**LPG**"), respectively. The Group also benefits from a flexible crude slate, as it is able to source crude oil from a wide variety of sources (see "—*Advantageous location and supportive logistics assets*" below). The Group benefits from a highly complex refining system, with a Nelson Complexity Index ("**NCI**") of 9.3.

Following the upgrades, the Group has benefited from its integrated complex refining and petrochemical operations. The Group produces and markets polypropylene, Biaxially Oriented Polypropylene ("**BOPP**") Film, polymers and solvents through the further processing of its refinery production. 80 to 85% of the Group's total petrochemical production is integrated by using propylene produced at Aspropyrgos. The Group now has a well-invested asset base with no major upgrades required in the medium term, which has helped generate the Group's realised refining margins.

Over the last few years, the Group has been able to consistently outperform its benchmark margin, as seen in the graph below that sets out the Group's refining margin breakdown (calculated using actual crude feed weights) on a quarterly basis since 2016.



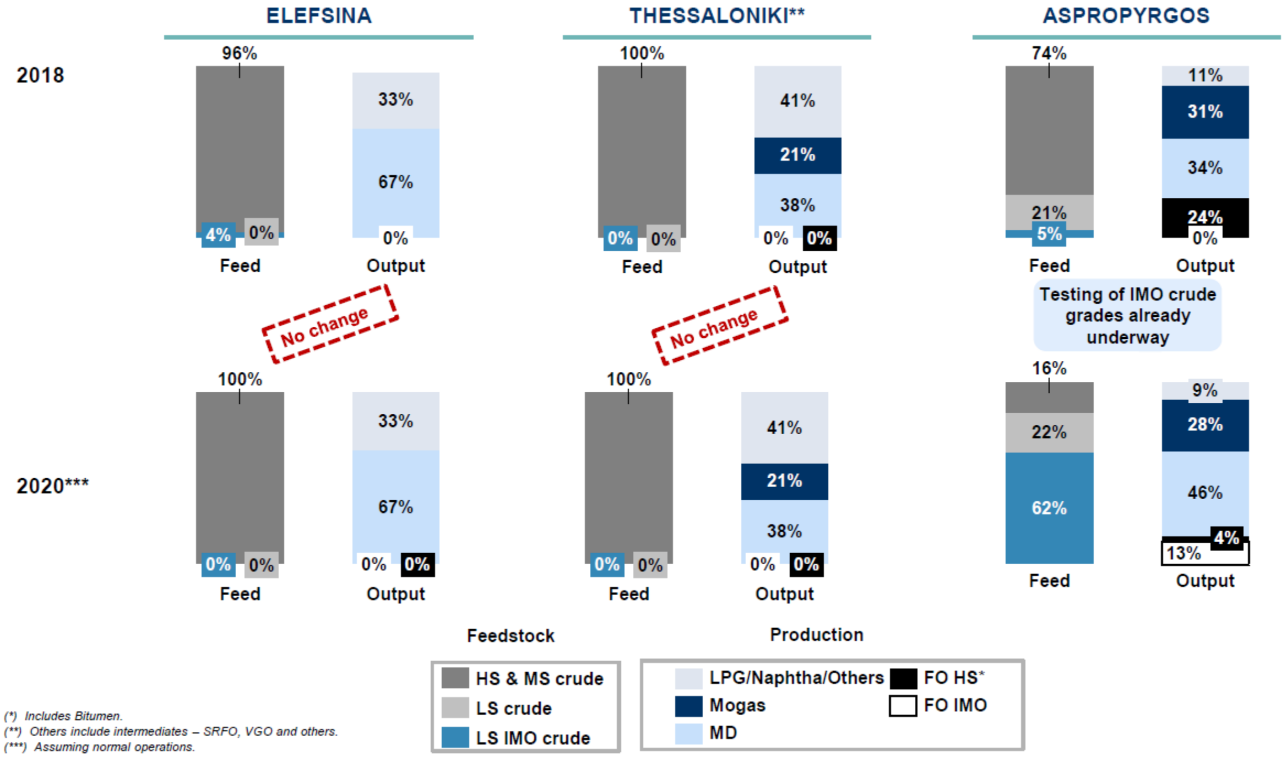
(**) includes propylene contribution which is reported under petrochemicals

The key drivers for the Group's refining margin performance include the following:

- crude slate optimisation: access and flexibility to process a variety of crude oil grades, which allows the Group to capture market discounts in feedstock;
- efficient refining operations: density escalation, as a result of high white products yield, improved yield performance, as well as materialisation of synergies between the Refineries (mostly in the form of intra-refinery flows of intermediates for upgrading to high value products);
- commercial/wholesale premia: competitive logistical and trading capabilities, which enable the Group to achieve superior returns against the regional Platt's pricing.

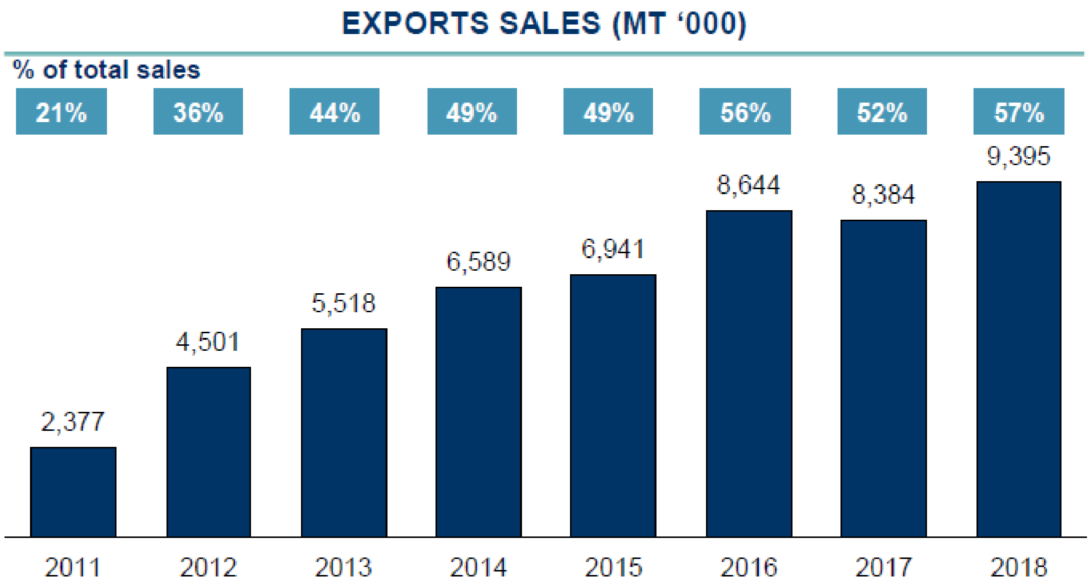
The Group is also well positioned for the new IMO Regulation, which comes into effect on 1 January 2020. As a result of the IMO Regulation, a significant part of global HSFO demand, which is a key component of the bunkering fuels blending pool, will be displaced by either middle distillates (marine gasoil) or fuel oil with sulphur content of less than 0.5%. As at the date of this Prospectus, the Group will require only a very minimal change of the Group's feedstock and, due to the high complexity of the Group's systems, no additional capital expenditures to operate optimally for the IMO Regulation. As such, the Group has announced a plan to significantly reduce its production of HSFO, while increasing production of marine gasoil, as well as the new compliant fuel oil. This will be effected through the change of the Group's feedstock, which will include lighter, very low sulphur crude oil. The Group has already successfully conducted tests for the new operating model at Aspropyrgos refinery and is ready to switch to the new operating mode. The Group currently intends to switch to the new operating mode in the fourth quarter of 2019, which should allow the

Group to take advantage of the increased demand for fuel oil with sulphur content of less than 0.5%. The graphic below sets out the current feedstock requirements and outputs of the Refineries, compared to what the Group believes they will be in 2020 following the switch to the new operating model.



Advantageous location and supportive logistics assets

The Group's three coastal Refineries all have sea access, pipelines and truck loading facilities. Their location provides the ability to fully capture the complexity advantage for optimisation of the crude slate, subject to availability and market conditions. The Eastern Mediterranean, which is a hub for crude oil imports, offers a wide range of attractive feedstock sourcing opportunities (from Russia and Central Asia through the Black Sea and Mediterranean, North Africa and the Middle East), offering ample supply combined with flexibility of raw material sourcing. This increases security of supply and enables the Group to respond to production or supply shortages of certain crude oil grades (with supply from Iran and Libya being two recent examples) without materially affecting its operations. Furthermore, the Group's flexible and complex refining operations combined with strong logistics assets allow for the materialisation of crude oil price differentials and netbacks. The Group's location also gives it access to attractively priced Middle Eastern crude oil, which provide an alternative to Brent and Ural benchmarks and allows the Group to outperform the Urals-based benchmark.



The Group's extensive logistics platform gives it additional flexibility and competitiveness in the region, which is one of the key drivers behind the Group's above benchmark refining margins. Aspropyrgos and Thessaloniki refineries also have rail loading facilities. All three Refineries also have natural gas supply via dedicated pipeline connection to the national grid. There is pipeline connectivity between, *inter alia*, Aspropyrgos and Elefsina refineries, the Group's storage facilities, major customers' facilities, Athens airport and certain army facilities. The Group also has significant storage capacity, as set out in the table below.

	Refineries
Storage capacity (mm3[(1)])	6.9
Crude	3.1
Products	3.8
	Fuel marketing
Storage capacity (mm3)	1.1
Domestic	0.4
International	0.7
	Total
Storage capacity (mm3)	**8.0**

Notes
(1) thousand cubic metres.

Furthermore, the Mediterranean market is short in middle distillates, the main output of the Refineries, with the shortage expected to increase over the medium to long term according to the Group's estimates from approximately 600 kbpd in 2015 to approximately 1,100 kbpd in 2025 to 2030, providing a growing market for the Group's exports, which have been consistently increasing over the last few years (approximately 50 to 60% of the Group's sales were exported in each of the last three years). The table below sets out the diesel shortage in the Mediterranean market in 2015 and the expected shortage through 2035, according to a market study commissioned with a third party expert consultant by the Group:

	2015	2020	2025	2030	2035
Diesel shortage (MT(1) '000)......................	(604)	(867)	(1,117)	(1,097)	(1,036)

Notes
(1) metric tonnes.

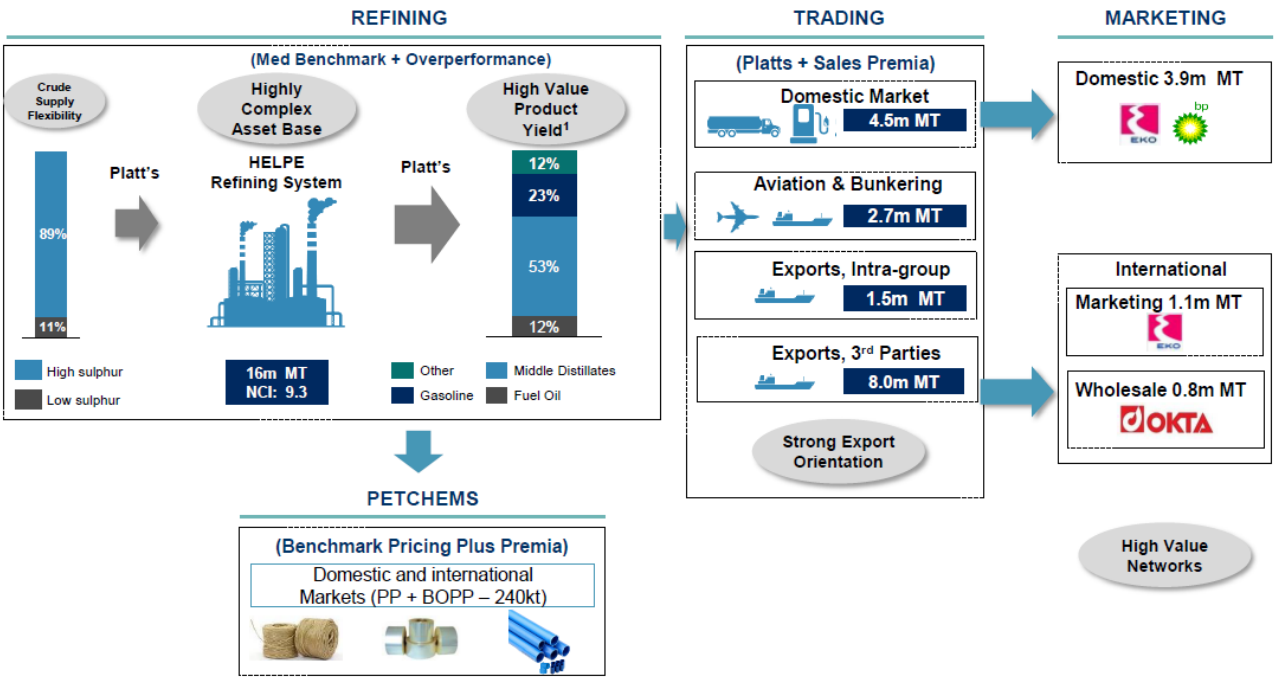
The Company also expects the demand for middle distillate in the region to grow in the short term.

Leading domestic business supported by strong marketing position

The Group enjoys a leading position in the refining market in Greece as a vertically integrated refiner and also has a growing regional network. According to information published by refining companies operating in Greece, the Group's technologically-advanced Refineries account for approximately 65% of the country's crude distillation capacity, with the Company supplying approximately 60% of the Greek market. The Group's refining business is also supported by a strong fuels marketing position in Greece which provides a route to market for its refined products. The Group has 1,739 petrol stations in Greece, with 232 company-owned, company operated ("**COMO**") sites and 1,507 company-owned, dealer-operated ("**CODO**")/deal-owned, dealer-operated ("**DODO**") sites. The Group markets its fuel through both the BP brand and the EKO brand, both of which have strong consumer recognition. The Group also has a leading marketing position in aviation and bunkering, with presence in the country's main airports. The domestic marketing business is supported by significant infrastructure which provides the Group with an excellent footprint in both the mainland and in the retail markets of the Greek islands, as well as in the geographically dispersed airport facilities. This comprises storage and supply terminals, aircraft refuelling stations, two LPG bottling plants and a lubricant production and packaging unit.

Diversified business limits exposure to refining cycle

The Group benefits from an integrated and diversified business model. Its fuels marketing and petrochemicals businesses complement its refining margin returns, which increases the Group's earnings stability. Furthermore, in 2018, approximately 32% of the Group's total sales from refining, supply and trading were directed to subsidiary fuels marketing companies, which offers strategic advantages in trading and optimising returns. In addition, the Group has significant integration in its petrochemical business, where 80 to 85% of the Group's total petrochemicals production is vertically integrated by using propylene that is produced at the Aspropyrgos refinery, increasing total financial contribution significantly. The graphic below illustrates how the Group's businesses are integrated.



Note:

[1] Normalised operations based on current configuration. Schematic excludes gas, power, renewables, engineering and shipping operations.

The Group estimates that around 40% of its Adjusted EBITDA came from its refining business (operations only) in the year ended 31 December 2018. According to similar estimates and a normal refining input of 110 to 125 million bbl, a variation in refining margins of U.S.$1/bbl would have an annualised impact of approximately €100m on the Group's Adjusted EBITDA profitability. However, approximately 75% of the Group's Adjusted EBITDA during the year ended 31 December had no or low dependency on benchmark refining margin, resulting instead from retail sales, petrochemicals, wholesale supply and logistics and refining over-performance.

Well-invested asset base with low maintenance requirements

The Group underwent a period of significant investment from 2009 through 2012, investing approximately €1.5 billion in its Elefsina refinery and approximately €250 million in other upgrades during that period (with an average capital expenditure of €629 million from 2009 through 2012). The Group has had a much lower capital expenditure requirement since completing these investments, with an average annual capital expenditure of approximately €150 million from 2013 through 2018. Over the next few years, the Group's annual maintenance capital expenditure is expected to remain at similar levels as the last five years. The Group has a well invested asset base in its core business, with no major upgrader projects contemplated in the future. The implementation of the Group's investment plan (for details see "*Strategy*" section below) is expected to have an additional cumulative impact over the period of €400 million. Additionally, the Group will require only a very minimal change of the Group's feedstock and, due to the high complexity of the Group's systems, no additional capital expenditures to operate optimally for the IMO Regulation.

Significantly enhanced capital structure and financing cost base

The Group has delivered a strong financial performance following its investment period from 2010 through 2012, which is consistent with industry dynamics. In 2017 and 2018, the Group experienced strong profitability and cash flow generation as set out in the table below.

	Year ended 31 December		**Six months ended 30 June**	
	2017	**2018**	**2018**	**2019**
	(€ million)			
Revenue from contracts with customers	7,995	9,769	4,667	4,457
Operating profit	662	514	379	208
Reported EBITDA	851	711	473	323
Adjusted EBITDA	834	730	336	252
Adjusted net income	372	296	128	70
Net debt	1,800	1,460	1,916	1,398
Capital employed	4,171	3,855	4,431	3,766
Net cash flow[1]	258	641	(42)	146

Notes
(1) Net cash flow is defined as operating cash flow plus investing cash flows.

Improved cash flows from operations, the sale of DESFA and lower financing costs, as a result of successful refinancing and renegotiation of existing facilities and loans have significantly improved the capital structure of the Group. Gross debt has been reduced by approximately €130 million in the last two and a half years (with an additional €319.8 million reduction with the repayment of the €325 million notes on 4 July 2019), with all key credit ratios improving in that period. Gearing (calculated as Net Debt over Capital Employed) was reduced from 45% to 37% over the same period, the lowest in ten years. Furthermore, the Group's net finance expenses dropped from €201 million in 2016 to €133 million (excl. the impact of IFRS16) in the 12-month period ending 30 June 2019.

Experienced management with track record of strong performance

The Group benefits from an experienced management team with a track record of strong performance. For example, CEO Andreas Shiamishis benefits from 30 years of experience across finance, commerce and energy sectors, while Chairman Ioannis Papathanasiou benefits from over 30 years of parliamentary and political experience in finance, trade and industry and is the former Minister of Finance in Greece. The Group's strategic planning and new activities general manager, George Alexopoulos benefits from 21 years of experience in the energy sector. Over the past decade, the Group's management team has overseen the upgrade of core assets and converted Elefsina into a zero-fuel oil refinery. They have also exited non-core markets and strategically entered new market, while starting up new refineries, crude optionality and end-to-end supply chain management. The management team has also overseen a cost reduction and a competitiveness improvement plan, which has yielded benefits of approximately €300 million per year in the period between 2008 and 2014.

STRATEGY

Realise benefit of investments and maintain high cash flow

Following a period of heavy investment for the Group between 2009 and 2012, where it upgraded its refining asset base and increased vertical integration with its petrochemicals and fuels marketing business, the Group has been optimizing its new refining model and maximizing the full potential of the Refineries, as well as the synergies between them. The Group also plans to further develop its international trading activities in the Mediterranean and the Balkans, leveraging on its position and importance in the East Mediterranean market and aiming to increase outreach to final customers and economic returns. Furthermore, ahead of the upcoming changes in bunker fuel specifications (new IMO Regulation, effective from 2020), the Group has also begun preparations to supply the market with new compliant fuels, while reducing the output of HSFO. More specifically, in order to produce more compliant fuels, the Group is increasing the volume of low sulphur crude oil grades as a share of total feed at Aspropyrgos refinery. Testing new types of "IMO compliant" crude oil has successfully taken place and the refinery will be ready to switch to the new operating mode in 4Q19. The other two refineries will continue on the same operation mode, as they don't produce any cracked HSFO. Elefsina refinery, which produces mostly middle distillates with almost zero output of residues and HSFO and high flexibility in crude processing, will be able to take advantage of the new regulation already, while Thessaloniki refinery produces Straight Run Atmospheric Residue ("**SRAR**"), which is converted to high value products at Elefsina and Asporpyrgos refineries. Overall the Group expects to be able to improve its financial performance, subject to market conditions (for more information, see "*Risk Factors—The introduction of the new sulphur cap on marine fuels by the IMO may have a negative impact on the Group's economics*").

In 2018, the Group made significant progress regarding operational optimisation at the Elefsina refinery and implemented a series of synergies between the Refineries. Production increased to 15.5 million tons across the Group, with a substantial positive effect on the Group's financials.

Redefine and de-risk business model

Following a significant change of the Group's refining sales channel mix, with exports rising from 10% to 20% of the Group's total sales in 2010 and 2011, to more than 50% over the last few years as a result of the decline in domestic market demand, as well as the increase in Group sales following the upgrade of its refineries. Increasing export share, while at lower returns compared to the domestic market, improved the Group's risk profile, as dependence on the Greek market was drastically reduced. Given such developments and high export volumes, the Group is exploring ways to increase returns of its crude import and products exports business through reviewing its structure and expanding its trading business.

Continue competitiveness improvement

The Company is continuing to improve its competitiveness in the market and has prepared and started to implement its "Transformation Program 2019-2023", with anticipated annual EBITDA benefits of approximately €80 to €100 million, which include:

- Operational and cost optimisation, benchmarking versus the safest and most competitive European refineries.
- Implementing energy efficiency plans across business units with the aim of improving the environmental footprint, while capturing economic benefits. The program focuses on energy and gases recovery projects on various refining units, with a target of reducing total CO_2 emissions by 5 to 6%
- Implementing a digital transformation strategic program in the Group's business units and central services, with emphasis in the areas of production scheduling, turnaround management, oil movement operations, maintenance & reliability management, predictive analytics and equipment performance
- New programs for optimizing procurement of equipment and services, extending the scope, reorganising and optimising procurement and tender processes.
- Retail transformation, with an emphasis on extending the COMO service stations network as well as increasing the non-fuel retailing products and services offering.

In 2018, energy transformation plans were developed on all business units aiming to reduce CO_2 emissions by 200,000 tons over the five-year period. The first stage of the Group's core business digital transformation study was completed in 2018, and development of procurement optimisation planning will follow.

Manage business portfolio to develop selective growth areas and renewables portfolio

The Group plans to continue to manage its business portfolio by exploring areas of growth and strategically disposing of assets. For example, in 2018, the sale process of 66% of the share capital of DESFA (31% owned by HRADF and

35% by HELPE SA) to "SENFLUGA Energy Infrastructure Holdings S.A.", a consortium composed of the Snam S.p.A., Enagás Internacional S.L.U. and Fluxys S.A., for a total consideration of €535 million (HELPE share: €284 million) was successfully completed and proceeds were received. Additionally, in view of the proposed DEPA privatization, the Group will seek to further strengthen its position in the Natural Gas sector by maximizing the value of its participation in the sector, with an emphasis on new activities that complement the Group's portfolio.

The Group is also developing selective growth areas, such as expanding its renewable energy portfolio, restructuring its gas and power business and exploring exploration and production opportunities in Greece. The Group also undertook development of its exploration and production operations, implementing its strategy to further expand its exploration portfolio in Western Greece in cooperation with reputable companies in this sector, such as ExxonMobil, TOTAL, Repsol and Edison. The Group plans to continue investing in opportunities in the exploration and production sector.

In the Renewable Energy Sources sector, the Group has approximately 600 MW of power projects in various stages of development on top of the 26 MW already in operation, of which a 9 MW photovoltaic ("**PV**") project in the area of Karditsa was put onstream at the end of 2018. In the near term, through development of its portfolio or selective acquisitions, the Group will seek to have in place PV, wind and biomass projects with a total installed capacity of 300 MW. Based on projects currently in the market with a similar profile as the ones contemplated by the Group, the Group estimates that the total annual impact on its operating profitability, once all those investments are completed and integrated with the existing operations, will amount to approximately €30 million (as compared to €3 million as at LTM 1H19), subject to market conditions. The Group also intends to continue improving its own operational parameters and reducing its environmental and carbon footprint going forward.

In addition to long term maintenance investments in its facilities and infrastructure, the Group has been planning to invest approximately €400 million in growth capital expenditure for the five-year period from 2019 through 2023, with significant financial benefits. In its core business, the Group has identified high return investment opportunities, mainly in its complex refineries, to increase high value product output. The Group estimates its total incremental annual EBITDA from its investments in core business and renewables to be up to €100 million, based on current market conditions.

Maintain strong financial position

The Group has also been taking steps to deleverage its business model and balance sheet by maximising cash flows and controlling capital expenditure. The Group's exit from the high-pressure gas transportation business with the sale in December 2018 of 66% of DESFA's share capital for a total cash consideration of €535 million (Group's share of proceeds: €284 million) supported the acceleration of the Group's balance sheet deleveraging process. Over the last few years, following the reduction of gross debt and average interest cost, the Group has reduced its net financial cost by 32% between 2014 and 2018. In 2018, the Group decreased its financial costs by 12% as compared to 2017 and reached a gearing ratio of 38% (2017: 43%), its lowest since 2009.

OPERATIONS

The Group is one of the largest refiners in South East Europe and operates three large Refineries, with activities across the energy industry spectrum and has a presence in six countries. The Group undertakes a range of activities, including supply, refining and trading of petroleum products, both in Greece and elsewhere; fuels marketing, both in Greece and elsewhere; petrochemicals production and trading; oil and gas exploration and production; power generation and natural gas; and provision of consulting and engineering services to hydrocarbon related products.

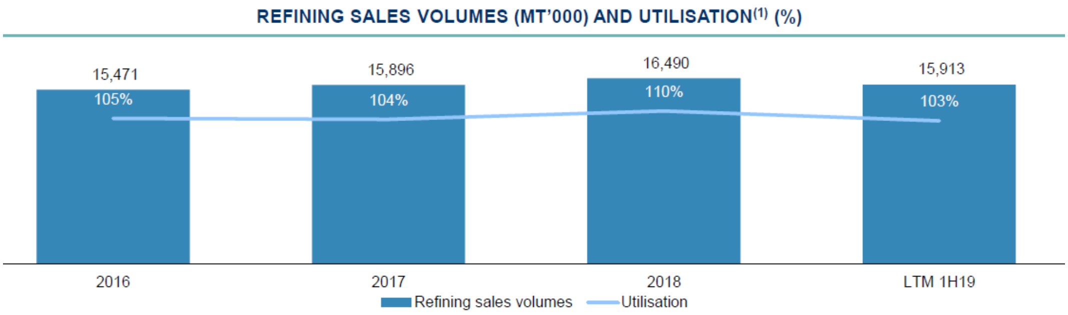
Refining, Supply and Trading

The core of the Group's business is the refining, supply and trading sector ("**Refining**"). This sector accounts for the largest proportion of the Group's assets and investments.

In Greece, the Group owns and operates three of the country's four refineries. The Group's Refineries are located in Aspropyrgos, Elefsina and Thessaloniki and with a combined refining capacity of 17 MTmn, they represent approximately 65% of Greek domestic refining capacity, according to publicly available information published by refining companies operating in Greece, with an NCI of 9.3 and a Solomon complexity index of 10.9 (study year: 2018). The NCI was developed in the 1960s and is a measure of a refinery's conversion capacity versus its primary distillation capacity. A higher NCI denotes increased conversion capacity and is considered a proxy of increased refining margins, the key profitability driver in the refining business. The Solomon complexity index is a similar metric with proprietary technical coefficients.

The Aspropyrgos refinery has a nominal annual refining capacity of 148 kbpd, and 8.0 MTmn of annual product output and its NCI is 9.7. The Elefsina refinery has a nominal crude refining capacity of 106 kbpd, with 5.6 MTmn of annual product output and its NCI is 12.0, following the recently completed upgrade. The Elefsina refinery restarted commercial operations, following the completion of a large upgrade and modernisation programme, in the second half of 2012; over the following years performance gradually stabilised and since 2014 further operational improvements in the refinery's units enabled the realisation of financial returns as per the investment plan and led to a significant contribution to Group's results. Finally, the Thessaloniki refinery has a nominal crude refining capacity of 90 kbpd with 3.7 MTmn of annual product output, and NCI of 5.8.

The Group consistently invests in the competitiveness of its Refineries based on international benchmarking and identified opportunities. Implementation of those initiatives led to "Mechanical Availability", (i.e., a measure of the refinery's reliability, defined as the weighted average of the annualised individual process units downtime due to scheduled turnarounds) and "Process Unit Utilization", (i.e., the key refinery utilisation indicator, defined as the weighted average of the individual process units utilisation (measured as actual production over nominal capacity)), enabling a consistent increase in production levels. The Group has also significantly improved its energy efficiency in the last three years, with its total fuel and loss as a share of total feed dropping from 8.4% to 7.4%, with material economic benefits. The graphic below sets out refining sales volumes (MT'000) and quarterly average Process Unit Utilisation.



In the twelve months ended 31 December 2018, the Group's refining segment achieved net production of 15.5 MTmn and sales of 16.5 MTmn, out of which approximately 57% was exported and 43% was sold in the domestic market, which includes the Greek automotive fuels and aviation and bunkering markets. Out of the 9.4 MTmn exported, approximately 84% was sold to third parties, with the balance supplying Group subsidiaries.

According to publicly available information published by refining companies operating in Greece, the Elefsina refinery has the largest crude oil and oil products storage facility in Greece, consisting of 84 storage tanks with a total capacity of 3.3 million cubic metres ("**m^3**").

The Refineries have a combined crude oil and oil products storage capacity of 6.9 million m^3 in total. The key characteristics of the Refineries are presented in the following table:

Refinery	**Crude distillation capacity (kbpd)**	**Annual refining Capacity MTmn**	**Configuration Type**	**Storage capacity (m^3)**	**Nelson Complexity Index**
Aspropyrgos	148	7.5	Cracking	2.2	9.7
Elefsina	106	5.2	Hydrocracking / Coking	3.3	12.0
Thessaloniki	90	4.3	Hydroskimming	1.4	5.8

Aspropyrgos refinery

Aspropyrgos is an FCC (as defined below) type focused on gasoline, complex refinery built in 1958. Following a series of revamps and upgrade programmes, as outlined in the table below, it is now one of the most modern refineries in Europe.

Year	Upgrade project
1971	Increased crude distillation capacity from 30 kbpd to 91 kbpd
1985	Further increase of crude distillation capacity to 115 kbpd
1986	Initial conversion project, including the installation of a fluid catalytic cracker ("**FCC**"), a mild hydrocracker, a visbreaker and a continuous catalytic reformer ("**CCR**")
1999	Further increase of crude distillation capacity to 148 kbpd
2004	Extended revamp of the conversion units

The refinery has a large number of primary distillation units and downstream conversion units. The main conversion unit is the FCC, which has a nominal capacity of 49 kbpd, complemented by a vacuum unit, a mild hydrocracker and a visbreaker for the upgrading of atmospheric residue. The refinery has significant gasoline production capacity through its isomerisation and CCR units. Following the revamp and upgrade projects listed in the table above, the refinery is fully compliant with the most recent environmental regulations and safety requirements and produces oil products in accordance with EU specifications. The refinery is very flexible as far as production, storage and distribution of finished products are concerned, as it can process high, medium or low sulphur crude oils ('in separate runs') and produce all market grades of fuel oil, while gasoline or diesel production can be maximised selectively according to economic drivers. It has a large private harbour and is equipped with modern bottom-loading facilities for truck loading and rail terminals. It also has a crude oil pipeline network connecting it with the discharging port and storage facility at nearby Pachi, Megara, and a finished and semi-finished products pipeline connecting it to the Elefsina refinery. It is also connected, via a fuel pipeline, to the Athens International Airport (Eleftherios Venizelos), as the primary aviation fuel supplier through its associate operator company, Athens Airport Fuel Pipeline Company S.A.

The maintenance frequency for Aspropyrgos refinery involves a full scope general turnaround of a 30 to 40 day duration every 5 or 6 years, and a midterm turnaround of 15 days duration every 2.5 to 3 years covering the catalyst change out of Hydrotreating units and limited equipment maintenance in crude units. The last general turnaround was held in 2015, whereas the next is scheduled to take place in 2020.

In September 2014, the connection of the refinery to the natural gas network was successfully completed. Utilisation of natural gas was low until 2015 due to high natural gas price relative to fuel oil. However, as of 2016 the use of natural gas has become profitable due to lower natural gas prices and higher CO2 prices. Furthermore, the environmental impact and regulations support the use of natural gas over fuel gas on the refinery's gas turbines for power generation. The Company estimates that the Aspropyrgos refinery recognized a benefit of €1.8 million from natural gas usage over alternative fuels in 2018.

Elefsina refinery

Elefsina is a 106 kbpd refinery that completed a major upgrade programme towards the end of 2012 (the "**Elefsina Project**"), which cost approximately €1.5 billion. The Elefsina Project consisted of the construction of three main units, which comprised of a 40 kbpd hydrocracker, a 20 kbpd flexicoker and a 50 kbpd vacuum unit.

The refinery's large storage capacity of 3.3 million m^3 for crude oil and oil products and its logistics infrastructure for handling imports and exports make the refinery even more strategically important than its complex production assets suggest. The infrastructure includes large private port facilities, which can simultaneously accommodate a number of large vessels, and a modern station of 18 berths for truck loading. The refinery is connected via pipelines to the crude terminal at Pachi, Megara and the Aspropyrgos refinery.

The upgrade has significantly enhanced the Group's competitiveness, as it has increased the production of middle distillates, which on average command the highest cracks compared to other products, at the expense of high sulphur fuel oil and enabled maximisation of the utilisation of sour crude oil in order to produce diesel ("**ULSD**"). As a result of the upgrade, the Elefsina refinery NCI has increased from 1.45 to 12.0, while its Solomon complexity index amounts to 14.6 (study year: 2018). Such a significant increase denotes that the value of the oil products produced at the refinery has increased considerably, as the product mix comprises a higher percentage of middle distillates and almost zero fuel oil or any residues.

The investment also reduced emissions, thus significantly improving the environmental impact. Specifically, comparing actual 2018 emissions with environmental studies before the upgrade, sulphur dioxide ("**SO^2**") emissions decreased by 73.8%, nitrogen oxide ("**NOx**") emissions by 18.8% and particulate matter ("**PMS**") emissions by 94.2%, exceeding expectations. Finally, following the upgrade, the refinery has increased its flexibility in relation to the sourcing of crude oil, being able to process 100% high sulphur, heavy crude grades.

The maintenance frequency for Elefsina refinery involves a full scope general turnaround of a 35 to 40 days duration every 3.5 to 4 years, and a midterm turnaround lasting 30 days every two years, covering the catalyst change out of Hydrotreating units, Hydrocracker unit, as well as maintenance activities of the Flexicoking unit and limited activities in the crude units. The last general turnaround was held in 2017, whereas the next is scheduled to take place in late 2019.

In November 2015, the Elefsina refinery was successfully connected to the natural gas network. The refinery can use natural gas in a number of processes, mainly as an alternative to naphtha and LPG for the production of hydrogen, which is used in the hydrocracker complex for the production of diesel. Current pricing levels favour complete substitution of naphtha by natural gas for hydrogen production, whereas the level of LPG used is optimized based on seasonal prices and market demands, with notable financial benefits for the refinery's operation (estimated at €24.5 million in 2018).

Thessaloniki refinery

The Thessaloniki refinery is a hydroskimming refinery, with a capacity of 90 kbpd. It has two truck loading stations, with 41 berths, and rail terminals with five berths. It has storage areas with the capacity to store 1.4 million m^3 of oil products. It is the sole refinery operating in Northern Greece and its supply area includes both the domestic market as well as neighbouring South Eastern European countries. The refinery's environmental performance is being continuously improved through upgrades and investments.

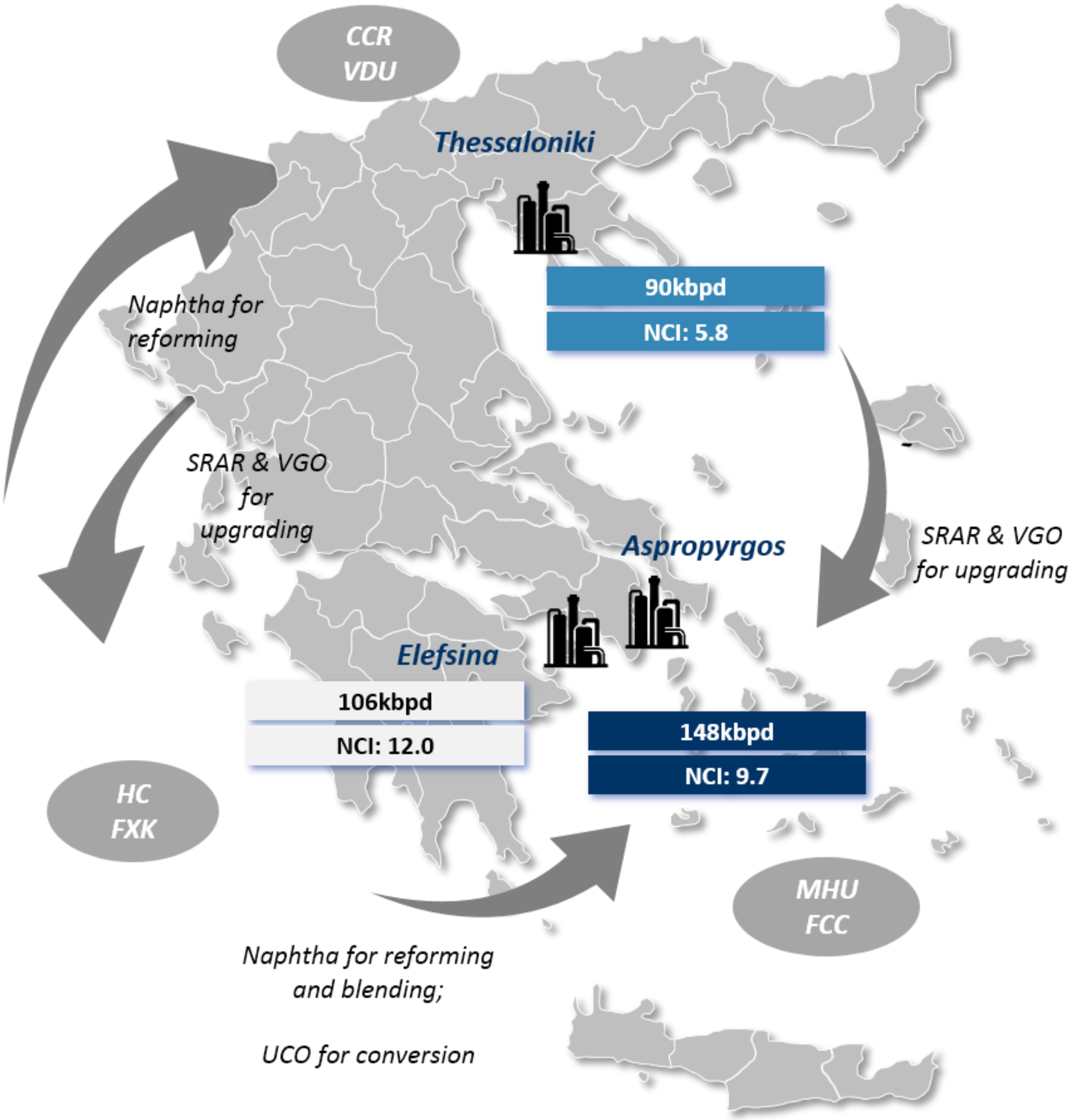
In 2011, the refinery successfully completed an upgrade project, which comprised of three main elements: (a) revamping of the refinery's distillation unit so that the switch required from heavy to light crudes would not affect the total effective capacity of the refinery; (b) increasing tankage capacity to be able to store and blend more qualities of crude oil and enhance the flexibility for optimisation of crude feedstock; and (c) the addition of a CCR, with a capacity of 15 kbpd, which increased gasoline production and an Ultra-Low Sulphur Auto Diesel Oil ("**ULSADO**") unit for the increase of desulphurisation capacity. The project enhanced the refinery's ability to serve regional gasoline and diesel markets and improve the Group's profitability as a result of higher utilisation.

The Thessaloniki refinery is linked via pipeline to the Group's OKTA facilities in Skopje.

The maintenance frequency for Thessaloniki refinery involves a full scope general turnaround of a 25 days duration every 4 years and a midterm turnaround of 10 days duration every two years, covering the catalyst change out of Hydrotreating units and limited equipment maintenance in crude units. The last general turnaround was held in late 2016, whereas the next is scheduled to take place in 2021.

Inter-refinery flows

The Refineries are managed as one single system and monthly purchases of crude oil, monthly production plans and sales forecasts are prepared centrally for the entire system, aiming to maximise the value of the Group's refining and trading profitability by taking into consideration the prevailing regional (East Mediterranean/South East European) prices and domestic demand. Furthermore, there are significant synergies among Refineries in the form of intra refinery flows of secondary feedstock with benefits in trading and logistics. More specifically, key inter-refinery flows include (a) the entire residue production of Thessaloniki refinery (SRAR and Vacuum Gas Oil ("**VGO**"), two intermediate products) being used as a feedstock in the conversion units of Elefsina and Aspropyrgos refinery to produce higher value products, (b) Naphtha produced in Elefsina reformed to gasoline in Aspropyrgos and Thessaloniki CCR units and (c) Unconverted Oil ("**UCO**") from Elefsina Hydrocracker for further cracking at Aspropyrgos FCC as per the schematic below.



The yield of middle distillates (for example, diesel and jet fuel) of the Group's refining system was 51%, with that of gasoline at 22% in 2018. A table of the Group product mix is displayed below:

	1Q17	2Q17	3Q17	4Q17	1Q18	2Q18	3Q18	4Q18	1Q19	2Q19
					(% of total)					
Middle Distillates[(1)]	51%	50%	38%	50%	51%	50%	52%	50%	51%	51%
Gasoline	22%	20%	24%	20%	22%	22%	21%	22%	24%	22%
Fuel Oil	13%	12%	27%	16%	12%	12%	10%	13%	11%	10%
LPG	5%	5%	5%	4%	5%	6%	6%	5%	5%	6%
Naphtha/Other[(2)]	10%	12%	6%	9%	9%	11%	11%	11%	9%	11%
Total	100	100	100	100	100	100	100	100	100	100

Notes

(1) Middle distillates include products that come out at the middle of the column of the distillation process and includes gasoil, diesel and jet fuel ("**Middle Distillates**").

(2) "Other" includes bitumen, sulphur and coke, among others.

OKTA

Since 1999, the Group has owned and operated the OKTA facility in Skopje, Republic of North Macedonia, via its subsidiary company EL.P.ET. Valkaniki. OKTA has storage facilities with a 300,000 m^3 capacity and is linked to the Thessaloniki refinery via a pipeline. Following an upgrade, the pipeline is now suitable to carry white products rather than crude, although it will not be used to carry white products until all permits are in place. The OKTA facility is also active in the trading of refined products in the South Balkans region. In 2018, OKTA sales remained at the same level as 2017 at 756,000 tons.

Wholesale Trading

The Group is also engaged in the wholesale trading of refined products in three main market channels (the domestic market, aviation and bunkering and exports). In FY18, wholesale supply and logistics attributed €240 million to the Group's Adjusted EBITDA. Sales are conducted by Hellenic Petroleum to the fuels marketing companies in Greece, including its subsidiary, HF, as well as to certain special customers, such as the country's armed forces, in relation to both ground fuels which are subject to excise duties and the duty-free aviation and bunkering sector. The Group exports a significant part of its production, approximately 50 to 60%, to the Group's international subsidiaries, as well as to third parties. All of the Group's refined products comply with prevailing European standards unless there is a specific request for different standards. Profitability among the key market channels varies and depends on a number of factors, including logistics, competitive position, regulation, supply-demand balances and market risk. The pricing structure for the domestic market and the aviation and bunkering markets is competitive at the Mediterranean level, including commercial premia, over a Free on Board (the "**FOB**") price to cover the cost of logistics, cost to serve wholesale customers and cost of maintaining CSO, where applicable. The pricing of exports is driven by regional supply/demand balances for each product and priced at FOB plus commercial premia, where applicable.

Sales ('000 MT)[(1)]	**2013**	**2014**	**2015**	**2016**	**2017**	**2018**	**LTM[(2)]1H19**
Domestic	4,424	4,567	4,749	4,404	4,885	4,414	4,439
Aviation & Bunkering	2,461	2,271	2,415	2,386	2,734	2,672	2,723
Exports	5,518	6,589	6,942	8,644	8,384	9,395	8,677
Total	**12,403**	**13,427**	**14,106**	**15,434**	**16,013**	**16,481**	**15,867**

Notes

(1) Please note that sales exclude Hellenic Petroleum crude oil sales to OKTA and OKTA sales to other third parties, as well as other domestic refiners.

(2) Last twelve months ("**LTM**").

Crude Oil Supply and recent developments

The coastal location of the Refineries and their flexibility in processing a wide range of crude oil types constitute particularly important competitive advantages, both in contributing to Group profitability through flexible sourcing and to assist with responding to sharp supply shortages of specific types of crude oil.

The crude oil supply chain is centrally managed and coordinated by the Group's Supply and Trading department through term contracts and spot transactions. Since the second half of 2014, the market experienced an increase in supply options for most types of crude oil, mainly due to higher production in the US, the key driver for global crude oil oversupply and later, the return of Iranian crude oil supply with the lifting of sanctions and increasing production from Iraq, all of which had a positive impact on the crude oil supply in the Mediterranean. Over the last 18 months, the imposition of US sanctions on Iran and Venezuela, as well as the control of production of countries, which are members of OPEC, has led to a reduction of high sulphur / heavier crude grades, affecting also the Mediterranean region. The Group adjusted its crude oil purchases accordingly by decreasing the share of crude oil from Russia from 41% in 2014 to 10% in 2018 and increasing that from Iraq to 29%. Crude oil imports from Kazakhstan were 18% in 2018 and 11% from Iran, reflecting the cease of trading from 3Q18 onwards.

Over the ten quarters ended 30 June 2019, the participation of light (sweet) crude oil in the total crude mix has ranged from 35 to 47%. In the three months ended 30 June 2019, the participation of light (sweet) crude oil in the total crude mix reached 47%.

Crude slate per origin for 2016, 2017, 2018 and for the six-month period ended 30 June 2019 ("**1H19**") is displayed below.

Crude intake (%)	2016	2017	2018	1H19
Iraq	21%	22%	29%	32%
Kazakhstan	23%	16%	18%	21%
Libya	2%	9%	7%	6%
Iran	15%	22%	11%	0%
Saudi Arabia	5%	5%	6%	6%
Egypt	9%	4%	5%	6%
Russia	16%	9%	10%	13%
Other (incl. other non-crude feedstock)	10%	13%	14%	16%
Total	**100%**	**100%**	**100%**	**100%**

Historically, Iranian crude oil accounted for approximately 10 to 30% of the Group's total crude oil purchases. Iranian crude oil participation in the Group's crude mix was based on its relative pricing and product yield and the supply was based on supply contracts which had been in place for more than 20 years. Due to EU sanctions imposed in 2012, the Group stopped purchasing Iranian crude oil at the beginning of 2012 and from 30 June 2012, when EU sanctions became effective, and it did not trade or enter into any transaction with Iranian companies until the lifting of such sanctions in January 2016. As reported in the financial statements for the year ended 31 December 2015, the Group's trade creditors include significant overdue amounts in respect of crude oil imports from Iran, which were received before the implementation of sanctions, as part of a long-term contract with the National Iranian Oil Company ("**NIOC**"). While sanctions were effective, the Group was not able to effect payment for these deliveries, due to the restriction on payments to Iranian banks and state entities through the international banking system.

Following the lifting of EU sanctions by EU Council Decision 2016/37 on 16 January 2016 ("**Implementation Day**") according to Article 2 of EU Council Decision 2015/1863 of 18/10/2015, Hellenic Petroleum and NIOC executed heads of agreement (the "**NIOC Agreement**") on 22 January 2016. The NIOC Agreement outlines the recommencement of the commercial relationship between the two parties, offering an additional source of crude oil, in line with the original contractual provisions agreed between the parties. Furthermore, the NIOC Agreement provides for the payment of outstanding invoices through a settlement which includes cash and product prepayments. However, on 8 May 2018, the US administration announced the re-imposition of US sanctions on Iran. As a result, in addition to purchases of crude oil, transportation, insurance and payments for Iranian crude oil were not possible. Given the nature of the Group's operations as well as the associated risks of non-compliance with US sanctions (as described in "*Risk Factors—The Group's international activities increase the compliance risks associated with economic and trade sanctions imposed by the United States, the European Union and other jurisdictions*") the Group ceased its trading relationship with the NIOC in 2Q18. For more information see "*Risk Factors—A deterioration of the political environment in crude oil producing countries may adversely impact the availability of crude oil feedstock*".

Fuels Marketing

In addition to wholesale refinery (ex-refinery) sales, the Group is also active in the distribution and marketing of oil products, both in Greece, through its subsidiary, HF, and abroad, through subsidiary companies in Cyprus, Serbia, Bulgaria, Republic of North Macedonia (through OKTA's wholesale business presented above) and Montenegro. The Group's marketing companies in Greece and abroad are mainly supplied by the Refineries, with the exception of certain markets that are supplied by local refiners based on economic considerations.

In fuels marketing, the Group has approximately 2,000 petrol stations in the region (1,739 in Greece, 41 in Montenegro, 55 in Serbia, 90 in Bulgaria, 94 in Cyprus and 26 in Republic of Northern Macedonia) at which it conducts its fuel marketing activities, with a leading position in the markets of Greece (market share: approximately 30%), Cyprus and Montenegro and a strong position in Serbia and Bulgaria. The table below sets out the Group's fuel marketing sales volumes for 2016 through 2018 (does not include OKTA sales).

	2016	2017	2018
		('000MT)	
Greece	**3,538**	**4,058**	**3,902**
-Cyprus	390	413	399
-Bulgaria	401	346	298
-Serbia	116	119	123
-Montenegro	223	228	232
International	**1,130**	**1,107**	**1,093**
Total	**4,668**	**5,165**	**4,955**

The key facts for the marketing business for the twelve-month period ending 31 December 2018 are as follows:

	Greece	Cyprus	Bulgaria	Montenegro	Serbia	Total
Petrol stations	1,738	94	90	41	55	2,018
Sales Volume (metric tonnes '000)	3,902	399	298	232	123	4,954
Sales revenue (EURm)	2,424	286	287	164	173	3,334
Adjusted EBITDA (EURm)	42.7	23.4	10.8	10.3	6.2	93.4
Retail market share (according to Group estimates)	32%	34%	7%	48%	6%	-
Retail position (according to Group estimates)	1	1	4	1	5	-
Employees	490	56	67	109	47	769

The Group's Greek and international subsidiary fuel marketing sales are set out in the table below.

	2016	2017	2018	LTM 1H19
Total Greek marketing sales volume (metric tonnes '000)	3,538	4,058	3,902	3,942
Total international marketing sales volume (metric tonnes '000) (without OKTA)......................................	1,129	1,106	1,052	1,076

Greek marketing

In Greece, the Group has an extensive network with approximately 1,700 service stations as at 31 December 2018 owned by HF (a BP licensee for ground fuels marketing in Greece acquired from the BP Group in 2009). In September 2016, the Group merged its two subsidiaries, Hellenic Fuels S.A. and EKO Industrial and Commercial Petroleum Company S.A., by absorption of the latter by the former. Following the merger, Hellenic Fuels S.A. was renamed "Hellenic Fuels and Lubricants Industrial and Commercial S.A.". HF has the right to use the BP brand until the end of 2020 (with the option to extend for five additional years). Infrastructure comprised 15 storage and supply terminals, 23 aircraft refuelling stations in the country's main airports, two LPG bottling plants and one lubricant production and packaging unit. This extensive logistics infrastructure is the result of the acquisition and consolidation of a number of companies in the retail market during the past 12 years. The existing infrastructure provides the Group with an excellent footprint both in the mainland and in the retail markets of Greek islands, as well as in the geographically dispersed airport facilities.

The Group's acquisition of BP's business in Greece in 2009 enabled the Group to strengthen its position in the domestic fuel marketing business, almost doubling its market share in the first years post acquisition and increasing it further since to 32% in retail as at the date of this Prospectus, according to the Group's estimates and benefiting from capturing substantial synergies between the marketing entities and the Refining segment.

International activities

The Group's strategy for international marketing aims to maintain and further grow its strong market position in Cyprus and Montenegro and increase its presence in the growing markets of Serbia and Bulgaria. Since 2004, the Group's international service station network in the aforementioned four countries has evolved, through a series of acquisitions and new developments, to approximately 300 service stations (including the Republic of North Macedonia) as at 31 December 2018.

The international retail business model differs from the domestic one as it is more capital intensive (higher number of COMO sites rather than DODO stations) and higher throughput rates (8.0 m^3/day for the international business compared to 3.4 m^3/day for the domestic business, according to Group management accounts for the twelve months ended 31 December 2018), due to fewer retail stations per capita.

In Montenegro, Hellenic Petroleum owns and operates 41 service stations as at 31 December 2018 and holds a significant market share, according to information publicly provided by the local government. The local subsidiary, Jugopetrol A.D., is also the principal wholesale supplier of oil products in the Montenegrin market and operates the country's largest terminal for the storage of oil products which is also used to supply independent third parties.

In Cyprus, the Group operates a network of 94 service stations as at 31 December 2018, in the country under the EKO brand with a significant market share (according to internal estimates). The local subsidiary also operates a terminal for the storage and handling of oil products in Larnaca, as well as an LPG facility, which includes an LPG cylinder bottling plant. Due to a local Government decision to move the tank farms from their current location (close to the city of Larnaca) to a new location, the Group's local subsidiary (and other local trading companies) is relocating to a privately-owned premise in Vassiliko in the next two years.

In the Republic of North Macedonia, the Group's subsidiary OKTA holds a leading share in the domestic wholesale market, also operating a network of 26 service stations as at 31 December 2018 under the OKTA brand.

The Group also maintains a strong presence in the retail markets of Bulgaria and Serbia, operating 90 and 55 fuel stations as at 31 December 2018, respectively, with a significant market share. Moreover, EKO Bulgaria has substantially improved its position in the wholesale trading by taking advantage of the refinery sector export capabilities.

Production & Trading of Petrochemicals and Chemicals

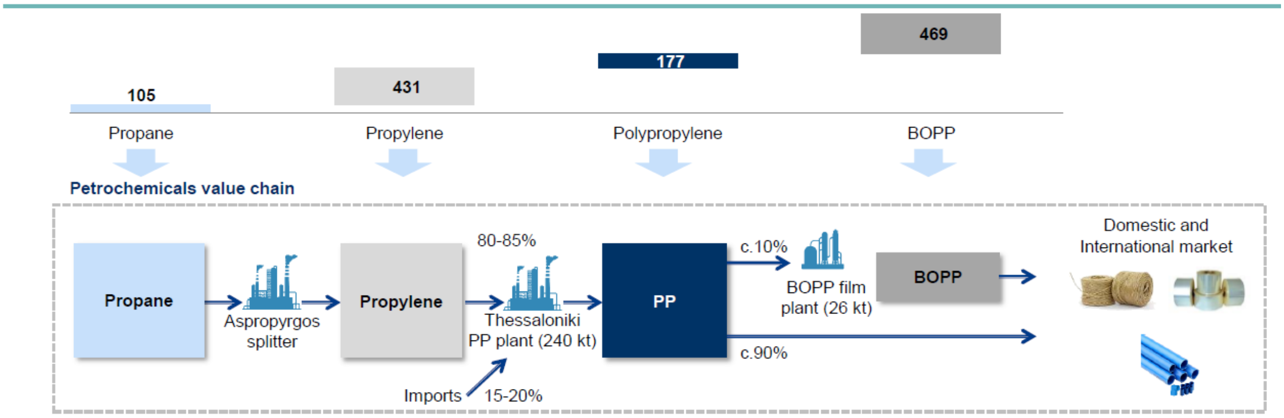
The Group is the only petrochemicals producer in Greece, with a market share exceeding 50%. Petrochemicals production is vertically integrated with the refining sector. The Group has significant export activities, with international petrochemical sales in selected markets in the Mediterranean, including Turkey, Italy and North Africa, representing approximately 65% of the Group's total petrochemical sales during the year ended 31 December 2018.

The Group owns and operates a chemicals and petrochemicals complex in Thessaloniki, which is adjacent to its refinery and produces polypropylene, with a capacity of 240,000 tonnes per annum and industrial solvents. The main input used in the production of polypropylene is propylene which is produced in the Aspropyrgos refinery and is shipped to Thessaloniki, covering 80 to 85% of the Thessaloniki polypropylene complex's need for raw material. The Group utilises Lyondell Basell's Spheripol techonology for its polypropylene production.

Hellenic Petroleum's wholly-owned subsidiary, Diaxon S.A., is the sole producer in Greece of BOPP film which is used predominantly in the packaging industry. BOPP film is sold both in Greece and in the Mediterranean market.

The Group's vertically integrated chain of propylene, polypropylene and BOPP is a key value driver for the production of petrochemicals as it enables the sharing of a common infrastructure and the common procurement of auxiliary supplies, technical services and utilities. The graphic below sets out the Group's margin contribution by petrochemical product as of FY18.

GROSS MARGIN CONTRIBUTION BY PRODUCT (€/T)(1)



Notes
(1) Source: Platts, Company data

Power & Gas

Power generation and trading

The Group was the first independent private power producer in Greece following the liberalisation of the domestic electricity market. T Power S.A. (since renamed Elpedison S.A.) was established in 2003 as a wholly-owned subsidiary of Hellenic Petroleum with a 390MW combined cycle gas turbine ("**CCGT**") plant which has been operational since 2005. The plant is adjacent to the Thessaloniki refinery.

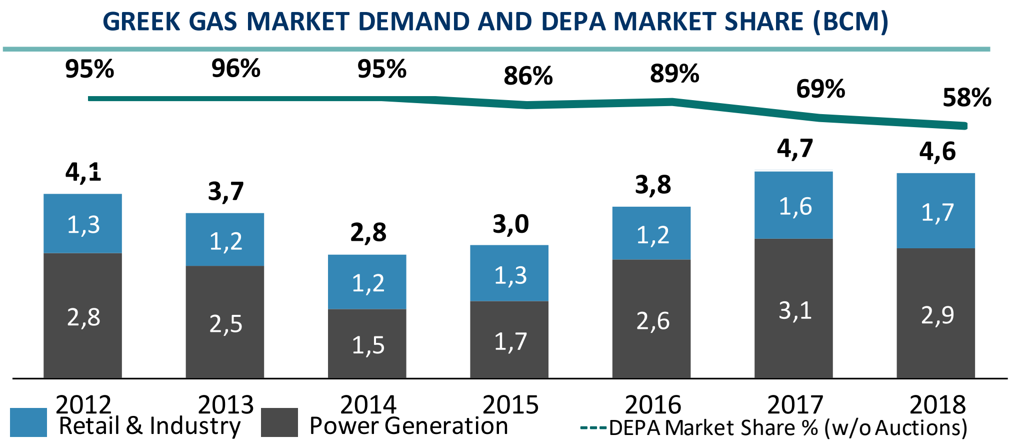
In 2008, Hellenic Petroleum and Edison, Italy's second largest electricity producer, signed a strategic alliance agreement for the production and trading of electricity. The alliance has taken the form of the joint venture Elpedison B.V., which through its wholly owned (following the Group's acquisition of minority interests in July 2019) subsidiary

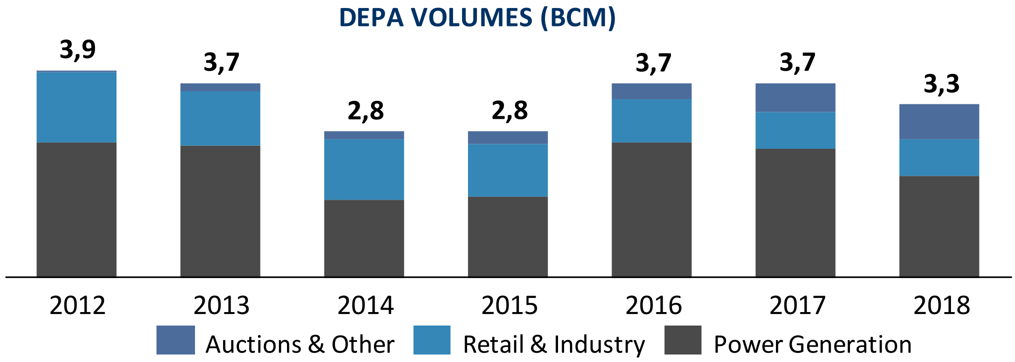
Elpedison S.A., owns and operates two plants with a total installed CCGT capacity of 810MW, one in Thisvi, Viotia, with 420MW capacity, operational since December 2010, as well as the Thessaloniki plant. Both plants contributed approximately 2,400 GWh in domestic production in 2018.

On the supply side, Elpedison S.A., is one of the largest independent alternative electricity suppliers (according to reports from LAGIE and ADMIE), with sales of approximately 1,700 GWh (2018) mainly to medium and low voltage customers (market share: 3.4% in December 2018).

Natural Gas

The Group is active in the natural gas sector through its 35% participation in DEPA S.A., with the remaining 65% owned by the HRDAF. DEPA Group is active in importing natural gas in Greece through pipelines and the Revithoussa LNG terminal, as well as in the supply of natural gas to approximately 150 large industrial customers and various small and medium sized clients through the wholesale market. DEPA is also active in the natural gas retail market through EPA Attiki, which supplies Natural Gas to small and medium size consumers. In addition, through the Gas Distribution Companies ("**EDA**"), DEPA is active in the distribution of medium and low-pressure gas throughout Greece, with a Network covering more than 5,000 km. Finally, DEPA also participates in international gas transportation projects. The graphic below sets out Greek gas market demand (according to information published by DESFA) and DEPA volumes in bcm (according to information published by DEPA) market share.





At the end of 2018, the Group, together with HRADF, sold 66% of the share capital of DESFA (Group share: 35%), which manages and develops the National System of Natural Gas Transmission, to a consortium of European companies, Snam S.p.A, Enagas and Fluxys. The transaction was concluded for a consideration of €535 million (HELPE share of sale proceeds: €284 million).

In the context of restructuring its position in the retail market, DEPA proceeded to similar transactions during 2018, in EPA ATTIKI and THESSALONIKI-THESSALIA (ZENITH), as well as EDA ATTIKI. More specifically, DEPA sold 51% of the share capital of ZENITH to the Italian Company Eni Gas e Luce, at a price of €57 million and purchased 49% of the share capital of EPA and EDA Attiki, that it did not own, from Attiki Gas BV (Shell) for a consideration of €39 million and €111 million respectively. The table below sets out the DEPA Group's results from 2012 through 2018.

DEPA results and contribution to HP Group, 2012-2018							
	As at 31 December						
	2012	**2013**	**2014**	**2015**	**2016**	**2017**	**2018**
Revenue	1,882	1,553	1,088	939	885	1,142	931
Adjusted EBITDA	201	196	144	94	227	237	219
Earnings After Tax	133	147	83	33	131	133	99
Adjusted NI Share to ELPE	37	60	30	23	36	46	35
ELPE Book Value	551	598	590	598	631	659	348

Oil and Gas Exploration and Production

The Group is engaged in the exploration and production of hydrocarbons. Its main activities are focused on Greece through a series of joint ventures with international partners. Its main activities are as follows:

Blocks	**Type**	**Ownership**	**Status**
Patraikos Gulf	Offshore lease	HELPE (50%) Edison (50%)	• Leads and prospects mapped with 3D seismic • One committed exploration drilling until April 2020
Sea of Thrace Concession	Offshore concession	HELPE (25%) Carfrac (75%)	• Prospective exploration area surrounding the Prinos oilfield and Kavala gas field
NW Peloponnese	Onshore lease	HELPE (100%)	• G&G exploration and environmental studies
Arta- Preveza	Onshore lease	HELPE (100%)	
Block 2 (Offshore W. Greece)	Offshore lease	Total (50%) HELPE (25%) Edison (25%)	
Block 10 (offshore W. Greece)	Offshore lease	HELPE (100%)	• Lease agreement signed
Block 1 (Offshore W. Greece)	Offshore lease	HELPE (100%)	• Submitted bids
Ionian Block (Offshore W. Greece)	Offshore lease	Repsol (50%) HELPE (50%)	• Lease agreement signed
West of Crete/SouthWest Crete Blocks	Offshore lease	Total (40%) Exxonmobil (40%) HELPE (20%)	• Lease agreement signed

The Group spent €0.2 million and €1.4 million in the years ended 31 December 2017 and 2018, respectively, on early exploration phase expenditure. No revenues were achieved for this period. The Group plans to continue its exploration plan, which will lead to an increase in exploration expenses in the next three to five years; however, the Company believes that such increase will not materially affect the cash flow generation of the Group. The Group will evaluate its options for further exploration activity, including inviting additional partners and adjusting the level of its participation in each of the joint ventures in line with contractual commitments, subject to results of the early exploration phase, market conditions and the Group's strategy.

Renewable Energy Sources

Hellenic Petroleum - Renewable Energy Sources SA (ELPE Res) ("**HELPE Renewables**") was founded in 2006 and is a fully owned Group subsidiary. The company's object of business is the production and trading of energy products produced by renewable energy sources either directly or through participation in project specific companies (SPVs). HELPE Renewables' target is the development of a significant renewable energy portfolio (wind, solar, biomass, etc.), over the next few years, diversifying thereby its energy portfolio and partial offset of the Group's greenhouse emissions.

By the end of 2018, the following stations were in operation:

- 7 PV stations located on property owned by the Group with a total nominal capacity of 19 MW. These include 4 PV projects with a total capacity of 17.6 MW of the first tender process organized by RAE (2016);

- Wind farm with a capacity of 7 MW in Pylos in Messinia; and
- 10 PV own production with net-metering systems totalling approximately 100 KW, installed at EKO and BP fuel stations.

The Group’s development portfolio comprises:

- PV projects with a capacity of 112 MW;
- 130 MW photovoltaic portfolio, in cooperation with LARCO;
- PV projects of 265 MW capacity, through development agreements;
- Wind projects with a capacity of 70 MW; and
- 4 biomass power and heat generation units (using agricultural residues as source of energy) with a total capacity of 20 MW.

In total, the Group, on its own or in agreement with developers, has projects with a total capacity of approximately 600 MW under various development stages as at the date of this Prospectus. At the same time, HELPE Renewables assesses investments in its own production for its own consumption at the Group facilities. The Group’s five-year plan for its renewables business is to reach 300MW installed capacity with an investment of approximately €250 million, which the Group estimates will generate EBITDA of approximately €30 million.

HELPE Renewables follows the Safety and Environment (“**S&E**”) procedures adopted by the Group with regard to compliance, reporting, risk and accidents prevention and management, both during the construction phase as well as operation. A S&E engineer is appointed for each new project, entrusted with monitoring the relevant issues, supervising works and the S&E licensing stage, as well as the validity term and the renewal of licenses.

Engineering

Asprofos, a Group subsidiary, is the largest Greek engineering firm and largest energy consulting services provider in South-Eastern Europe. It operates in accordance with internationally accepted standards and practices, certified by ISO 9001, ELOT 1429, ISO 14001 and OHSAS 18001. In 2018, it employed 225 qualified professionals and its turnover reached €12.4 million and provided services to 90 new projects. It covers services ranging from engineering design to project management and covers customers’ needs across different sectors in energy.

HEALTH AND SAFETY

The health, safety and well-being of its employees are the Group's most important priorities and the basic corporate value for all its activities because they are required for its business success. For this reason, the Group takes extensive safety measures concerning all personnel, staff contactors and visitors in all of the Group’s workplaces. The Group continuously invests in prevention, staff and partners’ training and infrastructure in health and safety to ensure that it complies with the strictest criteria at both national and European level. In 2018, approximately €22 million was invested in safety improvements in the Group's facilities in Greece and abroad.

All Group facilities set targets to monitor, control and improve their Health and Safety performance, with a regular periodic review of the targets. Specific safety indicators’ objectives are set and tracked, based on international industry association proposals.

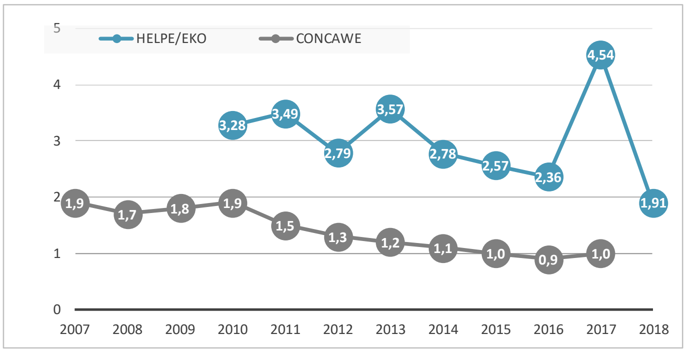
In 2018, the Group recorded a significant decrease in Health and Safety incidents as compared to 2017, with lost workday accidents reaching the lowest levels recorded in recent years, while also achieving its goal regarding reporting, investigating and communicating the lessons learned from previous Health and Safety incidents and implementing correction actions from near misses in all facilities of the Group.

Overall, in 2018, out of a total of 8,917,070 man-hours, the Group recorded 17 work-related accidents (60% decrease in 2017) related to all personnel (own and staff contractors) employed in the Refineries and chemical plants of HELPE SA and its fuels marketing subsidiary HF.

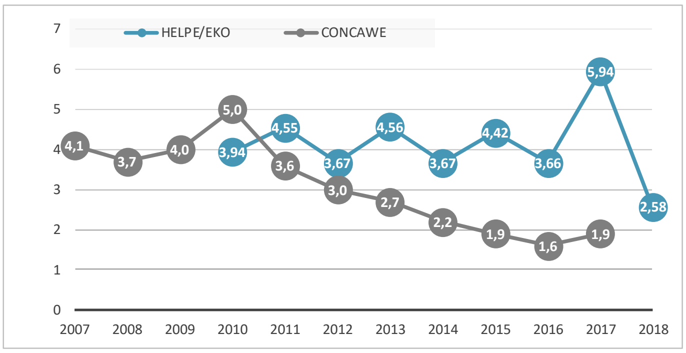
In 2018, safety audits took place in all industrial and marketing facilities as well as fire drills under emergencies, revision of key safety procedures and implementation of corrective actions.

The diagrams below show the safety KPIs evolution:

LWIF[(1)]



AIF Index[(2)]



Notes
(1) Lost workday injury frequency: Number of accidents of absence (LWIs)/ 1 million man-hours.
(2) All injury frequency: Sum of fatal accidents + LWI + limiting capacity + healthcare/ 1 million man-hours

ENVIRONMENT

The Group is committed to the continuous improvement of its environmental performance in order to protect and conserve the natural environment. Environmental protection, as a key component of sustainable development, remains a priority in all of the Group's activities.

The Group's sustainable development strategy places particular emphasis on environmental protection by planning and investing in the continuous improvement of its environmental performance (for example, management of natural resources, air emissions, solid and liquid waste).

Regarding environmental management, the Group invests in preventing and minimizing its environmental impact by applying what it considers to be appropriate measures and best available techniques, practices and technologies throughout the entire product cycle, from the production design and application of antipollution technology to the final consumption of products.

The Group strictly enforces its environmental policy, which is integrated in all of its activities and to which all its employees are committed.

By continually improving operational parameters and reducing its environmental and carbon footprint, the Group constantly gets closer to its environmental goals for:

- continuous improvement of environmental performance in water, air and soil protection;
- increasing energy efficiency and optimizing natural resource use, based on sustainable consumption and production principles; and
- reducing greenhouse gas emissions in order to confront climate change.

Through the implementation of its sustainable development strategy, it seeks to achieve both short and long-term targets related to environmental resource management, energy efficiency and emission reduction in line with the UN's Sustainable Development Goals.

The Group maintains a comprehensive policy for health, safety, environment and sustainable development where all the basic principles governing the Group's operations in environmental protection are described in detail.

Climate change, Air Quality, Waste and Circular Economy

Socially and environmentally responsible and efficient operation requires continuous reduction of air emissions in order to minimize the Group's impact and contribute substantially to energy transformation toward a low carbon economy and improving air quality in the locations the Group operates.

Climate Change

Climate change affects the Group's business activities, creating significant challenges and opportunities. As its main business is refining, the Group is both a producer of energy products and an energy consumer. As energy consumption is a significant operating cost for the Group's activities, but also the main source of carbon dioxide emissions, the Group is investing in optimizing energy management, energy efficiency in the production process and administrative operation as well as in the use of renewable energy.

The Group's approach and results so far have been positive, with significant progress made in achieving quantitative targets, as well as external evaluation from the Carbon Disclosure Project Organization ("**CDP**") with a score of B- (in comparison to the sector's average "C" score). For example, the Group has reduced its CO2 emissions indicators by 19% over the last five years exceeding the original target that had been set (a decrease of 5% by 2020). This improvement is due to efficient energy management and energy saving projects.

Air emissions

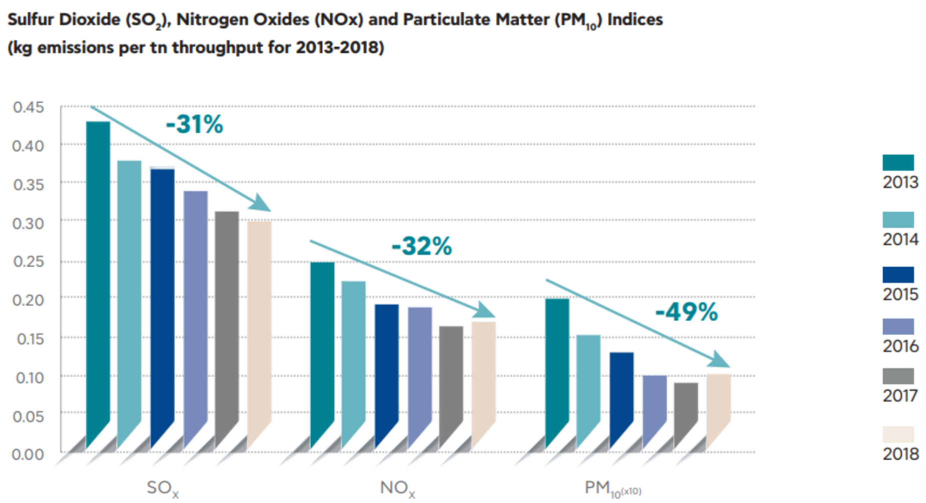
The Group's continuous reduction of air emissions and improvement of air quality is achieved through its adoption of best available practices and investments in modern low emission technologies. The Group has been reducing its air emissions across the range of its activities through specific actions including maximizing fuel gas use, using fuels with higher environmental standards and implementing advanced technologies in the production process (such as low nitrogen oxide emission burners and vapour recovery systems during petroleum products loading).

In the Group's three Refineries, which comprises the Company's main productive activity, fuel gas use for self-consumption has been maximized, i.e., fuels derived from flue gases that undergo treatment to reach zero sulphur content are used in order to limit use of heavier liquid fuels. As a result, significant reductions in sulphur dioxide (SO_2) emissions have been achieved. Along with the important fuel gas desulphurization projects carried out at the facilities, low-NOx burners were also adopted for a number of combustion sources, along with other methods, ensuring the low-NOx emissions-environmental requirements. The result of all these efforts is the significant reduction of nitrogen oxide emissions in recent years.

To reduce Volatile Organic Compounds ("**VOC**") emissions, best available techniques have been implemented for product storage and transport. These include secondary seals on the roofs of floating roof tanks, white painting of volatile product tanks (for high reflectivity), bottom tank truck loading and Vapour Recovery Systems at loading facilities, and a preventive maintenance program. Additionally, the Group has been implementing leak detection and repair programs with the aim of reducing VOC emissions from equipment (for example, valves, flanges, etc.).

For 2018, despite the significantly increased operating levels compared to previous years, the figures for sulphur dioxide -SO_2, nitrogen oxides -NOx and particulate matter - PM10 emissions indices (kg emissions per tn throughput) showed significant improvement with a decrease of 33%, 32% and 50% respectively, with PM10 predominating in the six-year period between 2013 through 2018.

The Group's reductions in air emissions indices from 2013 through 2018 are presented in detail in the diagram below.



Waste and Circular economy

The Company believes that the sustainable and optimal use of materials and natural resources throughout their life cycle constitutes an important business opportunity and reflects the Group's commitment to environmental protection. Petroleum products, and by-products that are characterized as waste (produced by the Group or by third parties) at a certain stage of their life cycle, can be reused as raw material in the Group's production facilities or recovered to be used as fuel.

Constantly reducing the amount of waste for final disposal contributes significantly not only to minimizing impact on the environment and to human health, but also toward substantially reducing the Group's operating costs. The Group's priority is to continuously increase the utilization rate throughout the life cycle of the materials and natural resources by recycling and re-using them in the production process, as well as by developing broader synergies for their use.

The Group's goal is to significantly reduce waste to final landfill disposal (by up to 15% by 2030).

Oil spills and leaks

At all operational stages, the Group identifies and manages spill and leakage risks in order to mitigate them on time and minimize the consequences of unforeseen operational incidents and accidents. The Group applies rigorous risk management and control measures, which are evaluated regularly for continuous improvement according to best internationally recognized practices. During the transport of crude oil and other products, the Group's "Marine Pollution Contingency Plan" is strictly enforced in all port facilities (in coordination with the Local and National Pollution Response Plan), by organized personnel teams and use of appropriate technical equipment and materials. Regular preparedness drills are conducted in cooperation with all stakeholders.

Maritime and inland safety standards for transport of products by trucks and tankers are adhered to through ongoing controls, including compliance with international regulations and treaties such as the International MARPOL Convention on the Prevention of Pollution from Ships. During the Refineries' production process, in accordance with the approved Environmental Terms of Operation (AEPO), there is a system for continuous monitoring of the subsoil and groundwater to prevent their pollution from potential hydrocarbon leakage. In addition, soil leakage response drills are conducted based on possible scenarios in accordance with relevant procedures and with all available resources and support for optimal management.

Environmental Investments

Significant environmental investments have been made, based on best available techniques and the modernisation of the production process (including in order to increase efficiency, save energy, reduce consumption of natural resources and reduce waste), in the context of sustainable development. Apart from the optimisation efforts referred to above, a milestone in the Group's history (and one of the largest manufacturing investments in Greece in recent years) was the start-up of the upgraded Elefsina refinery. In relation to the Elefsina Project, approximately 25% of the total cost of the project was directly related to environmental improvements, which led to a significant improvement of the refinery's environmental performance.

Within the context of complying with the Industrial Emissions Directive (IED) and the new limits according to the Best Available Techniques Conclusions for the refining of mineral oil and gas (REF BAT Conclusions Decision), the Refineries have launched additional actions to further improve performance in relation to the monitored quantitative and qualitative indices. In particular, significant investments have been scheduled to further reduce nitrogen and sulphur oxides, particulates and volatile organic compound emissions regardless of whether they involve capital expenses (such as filters and end of pipe techniques) or operating costs (such as increased use of natural gas for self-consumption).

INSURANCE

The Group maintains insurance coverage in respect of its operations in line with industry practice, in such amounts and with such coverage and deductibles as it believes are appropriate for the insurable risks inherent to its business. The Group's policy is to obtain and maintain sufficient insurance coverage in respect of operations and activities, and to seek full compliance with international industry standards and applicable law in the countries in which the Group operates.

The Group's insurance agreements cover risks that are typical to Group operations. These include policies covering, among other areas, damage of physical assets, personal injuries, business interruption, terrorist acts and product, environmental or other liabilities, alongside compulsory insurance in locations where the Group is present.

The Group makes insurance claims from time to time, and certain non-material claims are currently outstanding, but the Group believes that such claims, if declined or not paid in full, would not have a material impact on the Group's business, financial condition, results of operations and prospects.

EMPLOYEES

The following table details the numbers of the Group's employees by division as at 31 December 2016, 2017 and 2018:

Employees by division (full and part time)

	As at 31 December		
	2016	**2017**	**2018**
Refining	1,603	1,700	1,698
Marketing	1,056	977	948
Other BUs	410	425	431
Corporate	328	393	395
Total	**3,397**	**3,495**	**3,472**

The following table details the numbers of the Group's employees by location as at 31 December 2016, 2017 and 2018:

Employees by location (full and part time)

	As at 31 December		
	2016	**2017**	**2018**
Greece	2,718	2,849	2,857
North Macedonia	417	382	356
Cyprus	56	56	55
Montenegro	113	110	102
Bulgaria	60	59	61
Serbia	33	39	41
Total	**3,397**	**3,495**	**3,472**

The Group has collective labour agreements in place for technical and non-managerial staff for seven of its companies: HELPE, HF, DIAXON, JP, OKTA and HELPE CYPRUS. The Group also has in place internal labour regulations for six of its companies: HELPE, HF, DIAXON, EKO SERBIA, EKO BULBARIA and JP. While the Group has experienced strikes in the past, it has never experienced any material labour-related work stoppage.

The Group has pension arrangements in most countries in which it operates and has implemented pension plans worldwide.

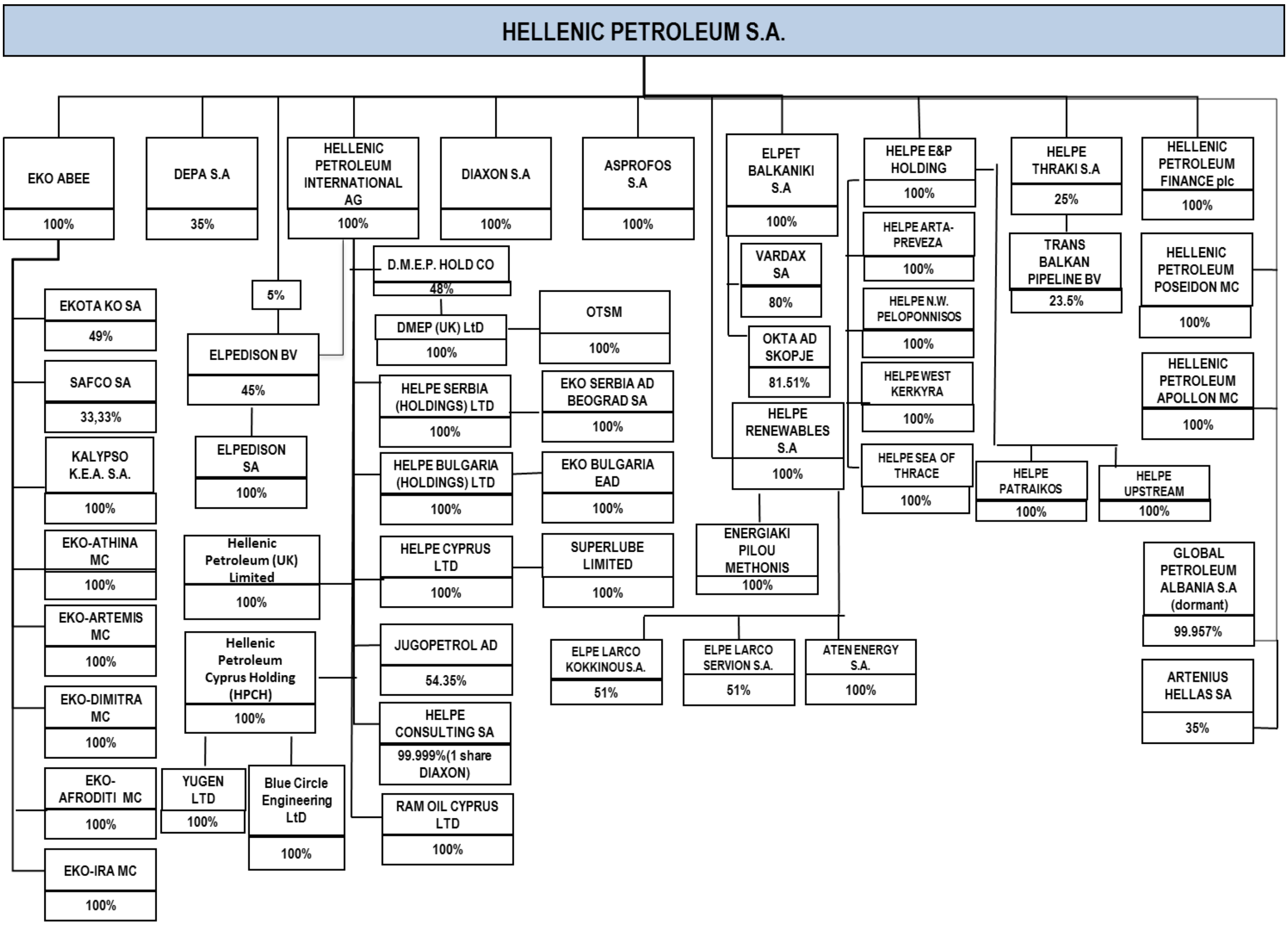
The Group considers improving its employees' skills and expertise a key priority and runs its own special educational training programs. The Group also encourages high-potential employees to use career development programs to improve succession planning for executives.

Security and cybersecurity

The Group has next generation firewalls (multiple levels of security) as well as advanced security technologies (such as sandboxing, advanced persistent threat/0-day end-point protection, etc.) in place to protect against cyber-attacks and security threats in order to protect its information and industrial systems. Security infrastructure is monitored on a 24-hour basis by an outsourced security operation centre ("**SOC**"). The Group is in the final stage of establishing standardized information/cybersecurity governance polies (ISO 27001 and IEC 62443) both in IT and Operation Technology ("**OT**") environments in order to ensure that best practices are followed to minimize cyber risk. The Group has faced minimum severity cybersecurity incidents during the last 15 years that were successfully tackled with no impact on the Group's business operations.

Organisational Structure of the Group

The structure chart below sets out the current ownership of the principal operating subsidiaries of the Group, including the current ownership of associate companies that are consolidated through the equity method.



Major Shareholders

According to public regulatory filings from shareholders and Hellenic Petroleum's share registry, the composition of Hellenic Petroleum's share ownership (reflecting shareholders with more than 5%) as at 30 June 2019, is as follows:

The Company's Shareholders	Number of Shares	% Voting Shareholding
Paneuropean Oil & Industrial Holdings S.A.	138,971,359	45.5%
HRADF	108,430,304	35.5%

19% of the Company's share capital is held by other institutional and retail investors.

Following an Extraordinary Shareholders General Meeting held on 29 January 2013, Hellenic Petroleum's Articles of Association were amended pursuant to Law 4092/2012 so as to eliminate the compulsory minimum participation of the Greek Government in the share capital of Hellenic Petroleum (previously set at 35%). In accordance with the Articles of Association: (a) the Hellenic Republic appoints seven of the 13 members of the Board of Directors as long as it holds (via HRADF) 35% of the total number of shares outstanding with voting rights of Hellenic Petroleum; (b) POIH and/or its affiliated companies appoint two of the 13 members of the Board of Directors provided that POIH and/or its affiliated companies hold at least 16.654% of the total number of shares outstanding with voting rights of Hellenic Petroleum; and (c) out of the remaining four members, two are appointed as employee representatives following an election process and two are elected by minority shareholders in a voting process in which neither the Hellenic Republic (via HRADF) nor POIH participate.

HRADF's 35.5% shareholding in Hellenic Petroleum is one of the assets identified for divestment in the privatisation programme which the Greek governments undertook to implement within the context of all three financial support packages (2010, 2012 and 2015) as well as in the enhanced post-programme surveillance framework following the completion of the third financial support programme in August 2018.

In 2018, a tender process for the sale of 50.1% of Hellenic Petroleum's share capital was launched with HRADF offering for sale the 20% of its stake and POIH the remaining 30.1%. This process was concluded in April 2019 when the two qualified bidding consortia did not submit binding offers.

The privatisation programme, as it currently stands, includes the divestment of all or part of HRADF's stake in Hellenic Petroleum either through a new M&A transaction or as one or more capital market transactions. The new government has announced the intention to proceed with the further privatisation of Hellenic Petroleum.

Directors and Corporate Governance

The table below sets out the names of Hellenic Petroleum's Board of Directors, their other principal activities and their current role in Hellenic Petroleum. The business address of each of the Directors is 8a Chimarras Street, 15125, Maroussi, Greece.

Name	Position
Ioannis Papathanasiou	Chairman (Non-Executive) Appointed by the Greek State
Andreas Shiamishis	CEO Appointed by Paneuropean Oil and Industrial Holdings S.A.
Georgios Alexopoulos	Executive Director General Manager Group Strategic Planning & New Business Appointed by the Greek State
Theodoros-Achilleas Vardas	Non-Executive Director Appointed by Paneuropean Oil and Industrial Holdings S.A.
Michael Kefaloyiannis..............................	Non-Executive Director Apponted by the Greek State
Alexandros Metaxas	Non-Executive Director Appointed by the Greek State
Iordanis Aivazis..	Non-Executive Director Appointed by the Greek State
Loukas Papazoglou...................................	Non-Executive Director Appointed by the Greek State
Alkiviadis Psarras	Non-Executive Director Appointed by the Greek State
Konstantinos Papagiannopoulos................	Non-Executive Director Employees' Representative
Georgios Papakonstantinou	Non-Executive Director Employees' Representative
Theodoros Pantalakis................................	Independent Non-Executive Director Minority Shareholders' Representative
Spyridon Pantelias	Independent Non-Executive Director Minority Shareholders' Representative

There are no potential conflicts of interest between any of the directors' duties to Hellenic Petroleum referred to above and their private interests and/or other duties.

The Board of Directors is the supreme administrative body of Hellenic Petroleum, it consists of 13 members, their term of office is five years and they are appointed and elected as discussed under the section entitled "*Description of the Guarantor–Major Shareholders*" above. The term of the current Board of Directors expires on 17 April 2023 and will be extended until the end of the period provided for convening the next Ordinary General Assembly.

The Board of Directors, acting collectively, exercises the management of Hellenic Petroleum. It is responsible for managing (administering and disposing of) the company's assets as well as for representing it, with the aim of strengthening its economic value and profitability and of safeguarding the Company's interests. The Board of Directors holds regular meetings at least once per month, and extraordinary meetings whenever important issues arise or decisions need to be made.

The Board of Directors is divided into non-executive and executive members. The number of non-executive members of the Board of Directors cannot be lower than one third of the total number of its members. The Board of Directors elects among its members the Chairman and Managing Director/Chief Executive Officer and, following the Managing Director's proposals, appoints the "General Managers" and other "Senior Managers" of the Group.

Due to the nature and purpose of Hellenic Petroleum, the complexity of matters and the necessary legal support of the Group, which includes a number of operations and subsidiaries in Greece and abroad, the Board of Directors has established committees that consist of its members, with advisory, supervisory and authorizing responsibilities, aiming to support the Board of Directors. These committees are: (i) Audit Committee, (ii) Crude Oil and Products Supply Committee, (iii) Finance and Financial Planning Committee, (iv) Labour Issues Committee and (v) Remuneration and Succession Planning Committee.

In addition to the above committees of the Board of Directors, executive and non-executive committees have been established in Hellenic Petroleum, mainly with an advisory and coordinating role. They comprise senior executives of the Company and their goal is to support the work of management. The most important committees are: (i) Group Executive Committee, (ii) Group Manufacturing Activities Committee, (iii) Domestic and International Fuels Marketing Committee, (iv) Oil Supply and Sales Committee, (v) Group Credit Committee, (vi) Investment Evaluation Committee, (vii) Electricity, Natural Gas and Renewable Energy Sources Committee and (viii) Exploration and Production Committee.

The Group's Internal Audit Division, reports to the Audit Committee and administratively to the Chairman of the Board of Directors. Its main objective is to schedule, coordinate and apply an optimum and effective internal audit on the systems and procedures of Hellenic Petroleum and its subsidiaries, through ordinary, extraordinary and special audits, the conclusions of which are used by management in order to ensure the lawful, normal and efficient operation of the Group.

Greek legislative framework on sociétés anonymes (SAs), codified law 2190/1920, has been significantly reformed by recent Law 4548/2018. An Extraordinary General Assembly will be convened to harmonise Hellenic Petroleum's Articles of Association with the provision of Law 4548/2018 by the end of 2019.

DESCRIPTION OF THE GUARANTOR: OPERATING AND FINANCIAL REVIEW

This "Operating and Financial Review" should be read in conjunction with "Presentation of Financial and Other Information", "Industry Overview", "Business Description" and "Information Incorporated by Reference". The financial information considered in this "Operating and Financial Review" is extracted from the financial information set out in "Information Incorporated by Reference".

The following discussion of the Company's results of operations and financial condition contains forward-looking statements. The Company's actual results could differ materially from those that it discusses in these forward-looking statements. Factors that could cause or contribute to such differences include those discussed below and elsewhere in this Prospectus, particularly under "Risk Factors" and "Presentation of Financial and Other Information". In addition, certain industry issues also affect the Company's results of operations and are described in "Industry Overview".

OVERVIEW

Hellenic Petroleum is one of the largest refiners in South East Europe and operates three large refineries, with activities across the energy industry spectrum and an operating presence in six countries. Hellenic Petroleum is listed on the Athens Stock Exchange with a market capitalisation of €2.7 billion as at 19 September 2019. Hellenic Petroleum also has a secondary listing of global depository receipts on the London Stock Exchange. As at 30 June 2019, the Group employed 3,652 full time employees. For the financial year ended 31 December 2018, the Group's Adjusted EBITDA amounted to €730 million, on total revenues of €9.8 billion.

The activities of the Group are mainly focused on oil refining and the marketing of oil products and include:

- *refining, supply and trading of oil products, both in Greece and internationally*. The Group owns three out of the four refineries operating in Greece (Aspropyrgos, Elefsina and Thessaloniki) with a nominal annual refining capacity of 17 million tonnes of crude oil, or total capacity of 344,000 barrels per day ("**kbpd**"). It also supplies approximately 70% of the domestic market needs in the Republic of North Macedonia, according to the national statistics agency of the Republic of North Macedonia, through the VARDAX pipeline and the OKTA facilities;
- *fuels marketing both in Greece and South Eastern European markets*. With a network of approximately 2,000 petrol stations as at 30 June 2019 and, according to internal Group estimates, a leading position both in the domestic market (with approximately 1,700 domestic petrol stations), through its subsidiary Hellenic Fuels and Lubricants Industrial and Commercial S.A. ("**HF**") (formerly Hellenic Fuels S.A., and, in turn, formerly, BP Hellas), as well as in the international market (with approximately 280 international petrol stations) through its subsidiaries in Cyprus, Serbia, Bulgaria and Montenegro;
- *petrochemicals/chemicals production and trading*. The Group owns and operates the only vertically integrated petrochemicals complex in Greece that produces polypropylene, with a focus on the export market;
- *oil and gas exploration and production in Greece*. The Group is developing a portfolio of exploration assets in Greece, both onshore and offshore, primarily in partnership with international upstream companies;
- *power generation and trading*. The Group operates two combined cycle natural gas plants with a total capacity of 810 MW, through Elpedison, a joint venture with the Italian company Edison, which is the second largest independent power producer by installed capacity in Greece. It is also active in renewables, with a portfolio of approximately 600 MW in various development stages (out of which 26 MW are currently operating); and
- *supply and trading of natural gas*. The Group has a 35% participation in DEPA, which is the main importer and supplier of natural gas in Greece.

KEY FACTORS AFFECTING THE GROUP'S RESULTS OF OPERATIONS

The results of the Group's operations have been, and will continue to be, affected by many factors, some of which are beyond the Group's control. This section sets out certain key factors the Company believes have affected the Group's results of operations in the period under review and could affect its results of operations in the future.

Refining margins

The refining industry is a conversion industry in that it purchases different types of crude oil and other types of feedstocks and, through a series of conversion processes and blending, it produces final products or intermediates (such as Naphtha, gasoline, diesel, fuel oil) which can be sold in the market on a daily basis for consumption (this includes automotive fuel, jet fuel, heating oil, etc.) or further processing by the chemical industry (this includes Naphtha and propylene). The value of the refinery output is calculated using each day's international market price for each product (the total of all products potential sales value is known as Gross Product Worth, "**GPW**") and this is effectively the bulk of the revenue of the refinery business. To calculate the gross margin (known as the refining margin) one has to deduct from the GPW on a daily basis the cost of goods used in production which is the cost of the crude oil and other feedstock used for the specific day's production. Being a commodity business, prices for each product and crude types fluctuate on a daily basis and this is the reason for the inherent volatility and unpredictability of the refining margin. Given the materiality of the refining sector for the Group's operations and profitability, its results are substantially driven by the gross refining margin that it is able to realize.

Product prices, and hence refining margins, are driven by a number of factors including global and regional physical demand and supply of refined products and different types of crude oil, trading of financial derivatives on such products and expectations about the level of their future prices. Prices, both current (spot) and future are quoted on a daily basis for each region and are used as a basis for transactions between different counterparties.

As a result, the Group's refining margins are affected amongst others by the following factors:

- factors affecting international price levels of products and feedstock, such as global and European macroeconomic factors and industry trends, which are cyclical (as discussed below). These factors include trends in supply and demand for crude oil and refined products, available operating refining capacity in the market, technology and operating efficiency, and inventory levels;
- regional and local regulation on product specifications that impact market demand such as the expected change in marine fuel sulphur content from 1 January 2020 (MARPOL/IMO);
- the ability of each refinery to produce higher value products from the same type of crude, referred to as the configuration or complexity of the refinery, which is estimated using industry standards that are used to categorise refineries based on the type and capacity of the processing units available (i.e., capital invested in the refinery). Examples of such refineries are, Topping, Hydroskimming, Catalytic Cracking (FCC) or Hydrocracking;
- seasonal variations in demand patterns that usually drive systemic changes in the prices of products. Examples of this are increased demand and prices for gasoline during the summer driving season in the US and, conversely, increased demand and prices for heating diesel during the winter periods; and
- changes in market supply and demand balances as a result of production changes such as a closure of a refinery for maintenance works for a period of time or a problem in the production of a specific crude oil field.

Historically, refining margins have typically been higher in periods which featured either higher demand for petroleum products or supply shortages as a result of reduced refining capacity resulting from maintenance. By contrast, refining margins have typically been lower during periods of lower demand for petroleum products, whether due to reduced global economic activity or excess supply in the finished products market. Because of the high cost of transporting fuels, price risk over prolonged periods of time, as well as regulation specific to individual markets, refiners tend to compete on a regional basis. However, there are cases where refineries may face competition from refineries located outside of the traditional region as a result of lower costs or efficiencies. Examples of this are the recent competition faced by European refineries as a result of new Middle East modern refineries or Asian refineries which have a lower cost base.

While it is true that the majority of profitability in a refining business is driven by price differentials rather than the absolute price level, the latter can also have some impact. Higher absolute crude oil prices tend to lead to lower levels of demand as they affect economic activity. Further, higher prices affect the industry's profitability as, in some refineries particularly in Europe, a significant percentage of crude oil processed is used to meet the energy needs of the refineries themselves.

In addition to the standard refining margin (also known as the benchmark refining margin), each refinery will have a slightly different actual margin because of technical configuration and it will also generate additional revenue and profits by adding to the daily international quoted prices an amount (premium) which reflects the value of services such as logistics, storage, delivery charges, risk and commercial profits.

In recent years, the Group's refining margins have been positively impacted by the economic recovery driving increased demand for petroleum products and petrochemical feedstock and from the Group's investments in upgrades and operational efficiencies, partially offset by the negative impact of relative oversupply of product in the European market and competition from refineries in Asia. In 1H19, FY18 and FY17, the Group's benchmark and realized refining margins were:

	1H19	FY2018	FY2017	FY2016
Realized Refining Margin $/	8.3	10.7	10.5	9.4
Benchmark margin $/bbl	2.7	4.5	5.0	4.5

The Group's ability to maintain and/or improve its refining margins depends critically on the ability to maximize use of lower cost feedstock and to produce the optimal mix, or yield, of higher value products demanded by the market.

In 2018, the Group's refining production recorded new historical highs (15.5 million tons), due to the availability of its high units, and over-performance against nominal capacity. As a result of increased production, the Group's sales volumes increased for the eighth consecutive year, amounting to 16.5 million tons (own production and trading), with exports accounting for 57% of total sales, making Hellenic Petroleum one of the most export-oriented refineries in the Eastern Mediterranean. These results were achieved mainly due to the operational optimization at the Elefsina Refinery and the synergies between the Refineries, while the Aspropyrgos and Elefsina refineries reported new record highs in processing, with 8.9 million tons and 6.2 million tons, respectively. In 2018, production of higher value product (gasoline, jet fuel and diesel) at Aspropyrgos and Elefsina refineries increased further (see "*Description Of The Guarantor*").

Crude oil and refined product prices

In addition to the effect that crude oil and finished product prices have on the refining margin and profitability, as described above, financial performance and results are also affected in other ways. Specifically, even if sales volumes do not change year-on-year, the Group's sales revenue is affected by changes in crude oil and refined product international prices. In 1H19, FY18 and FY17, Brent crude oil benchmark prices averaged U.S.$66.05/bbl, U.S.$71.06/bbl and U.S.$54.25/bbl, respectively, and the corresponding revenue reflects this volatility in prices. Cost of sales is also affected in a similar way and fluctuates in line with changes in international oil prices. Crude oil prices are impacted by international supply and demand, political developments throughout the world and the Middle East in particular, the outcome of OPEC meetings and compliance of OPEC members with agreed production volumes, and geopolitical conflicts and uncertainty or other significant events such as natural disasters.

In addition to the impact on sales revenue and cost of sales figures, given that the Group maintains stock levels over and above its daily needs and sales, for operational reasons and to meet its regulatory obligations, changes in prices may lead to mark-to-market valuation impacts on the balance sheet and hence the reported results of the Group. Such effects are reported in the published financial reports of the Group on a quarterly basis in line with IFRS and industry practice. However, also in line with industry practice, such Inventory effects are adjusted for in Adjusted EBITDA and Adjusted net income metrics. Furthermore, high oil prices can lead to increased working capital financing requirements as well as reduced demand for oil products, which in turn may lead to lower profitability.

The Group does not have the ability to influence regional or global prices of crude and products. Those are driven entirely by supply and demand dynamics and changes in the price of crude are not equal or proportionate to that of products. As a result, the Group may not be able to maintain its refining margins. Although an increase or decrease in the price of crude oil, *ceteris paribus*, generally results in a corresponding increase or decrease in refining margins and the price of the majority of the Group's refined petroleum products in the longer term, changes in the prices of refined petroleum products generally lag behind upward and downward changes in crude oil prices. Such lag effects affect the Group's refining margins as described above under "—*Refining Margins*".

Foreign currency translation

Functional and presentation currency

Items included in the financial statements of each of the Group's entities are measured using the currency of the primary economic environment in which the entity operates (the functional currency). The consolidated financial statements are presented in Euros, which is the parent entity's functional currency and the presentation currency of the Group. Given that the Group's primary activities are in oil refining and trading, in line with industry practices, almost all of crude oil and oil product trading transactions are based on the international reference prices of crude oil and oil products in US dollars. Depending on the country of operation, the Group translates this value to the local currency (Euros, in most cases) at the time of any transaction. As a result, the Group's operations are mainly exposed to the risk of fluctuations in the dollar exchange rate against the Euro. The strengthening of the US Dollar against the Euro has a positive effect on the Group's financial results while in the opposite event, both the financial results and balance sheet figures (inventory, investments, receivables, liabilities in US dollar) would be valued at lower levels.

Transactions and balances

Foreign currency transactions are translated into the functional currency using the exchange rates at the dates of the transactions. Foreign exchange gains and losses resulting from the settlement of such transactions and from the translation of monetary assets and liabilities denominated in foreign currencies at year-end exchange rates are recognised in the statement of comprehensive income. They are deferred in equity if they relate to qualifying cash flow hedges and qualifying net investment hedges.

For transactions that include the receipt or payment of advance consideration in a foreign currency the date of the transaction, for the purpose of determining the exchange rate, is the date of initial recognition of the non-monetary prepayment asset or deferred income liability.

Foreign exchange gains and losses are presented in the same line as the transaction they relate to in the statement of comprehensive income, except those that relate to borrowings and cash, which are presented in a separate line ("Currency exchange gains/(losses)").

Non-monetary items that are measured at fair value in a foreign currency are translated using the exchange rates at the date when the fair value was determined. Translation differences on assets and liabilities carried at fair value are reported as part of the fair value gain or loss.

Group companies

The results and financial position of all the Group entities that have a functional currency different from the presentation currency are translated into the presentation currency as follows:

- assets and liabilities for each statement of financial position presented are translated at the closing rate at the date of that statement of financial position;
- income and expenses for each statement of comprehensive income are translated at average exchange rates (unless this average is not a reasonable approximation of the cumulative effect of the rates prevailing on the transaction dates, in which case income and expenses are translated at the dates of the transactions); and
- all resulting exchange differences are recognized in other comprehensive income.

On consolidation, exchange differences arising from the translation of the net investment in foreign operations are recognised in other comprehensive income. When a foreign operation is sold, exchange differences that were recorded in other comprehensive income are recognised in the statement of comprehensive income as part of the gain or loss on sale.

Goodwill and fair value adjustments arising on the acquisition of a foreign entity are treated as assets and liabilities of the foreign entity and translated at the closing rate. Exchange differences arising are recognised in other comprehensive income.

Greek and south-eastern European demand

All principal assets and activities of the Group are located in Greece and south-eastern Europe (Bulgaria, Cyprus, Montenegro, N. Macedonia and Serbia) and the Group's results of operations are driven by the demand for refined products in Greece and south-eastern Europe. Demand for refined products is in turn impacted by various macroeconomic factors, including economic growth, levels of inflation, consumer spending, employment, interest rate levels and tourism. Following the recovery of the Greek economy in 2017, growth accelerated in 2018 (estimating an increase of more than 2%), with a nominal GDP gaining 2.7% in the first nine months, mainly due to an increase in exports and private consumption. Economic activity, completion of the EU program review and strengthening of bank liquidity, have improved confidence and have allowed the lifting of capital controls with effect from 1 September 2019. In addition, employment growth and declining unemployment rates have further improved the economic outlook. In recent years, economic growth has correlated with demand for petroleum products. More specifically, between FY16 and FY18, the Greek economy grew at a compound annual growth rate ("**CAGR**") of 1.7%, with demand during the same period increasing by a CAGR of 1.6%. Similarly, the economies in the countries of south-eastern Europe in which the Group operates in the retail sector grew at a CAGR ranging from 3.2% to 4.6% between FY16 and FY18 with demand increasing by a CAGR between 2.2% and 3.8%. During this period, major drivers of growth in demand for petroleum products included an increase in the number of vehicles as well as increased mileage use, resulting in higher demand for gasoline and diesel, as well as increasing tourism in Greece and south-eastern Europe, resulting in higher demand for jet fuel.

Notwithstanding the significant impact of economic activity and growth on demand, there are other factors which affect demand for energy products, including liquid fuels. These factors are mainly technological progress and fuel efficiency and increasing environmental concerns and awareness. With respect to technology factors, it is being evidenced that engineering progress continuously improves energy needs over a number of energy consuming machines such as car engines, domestic and industrial air conditioners, plant equipment and domestic appliances. As a result, all other things being equal, the average demand for energy products has been declining and is expected to do so in the future. In addition, in a number of applications (for example, heating gasoil) substitution of liquid fuels with natural gas or electricity is occurring, which will put downward pressure on demand in the long term. On the social aspects of energy usage, either disposable income concerns or, more importantly, increased environmental awareness and concerns about greenhouse gas effects lead consumers to change habits (for example, car pooling and sharing and lower percentage of car ownership) that result in consuming less energy for their own needs, and thus supporting and accelerating the impact of technology-led savings.

Global economic and political environment

The Group's revenue is affected by the global economic and political environment and its effects on the global oil market. Geopolitical tensions in certain oil-producing countries and concerns about any escalation of such tensions have increased the volatility in crude oil markets and may continue to do so in the future. It is not possible to make accurate predictions as to the strength of the oil markets, as they are impacted by the real economy and supply and demand considerations as well as financial markets and many other factors, including the equity, bond and derivatives markets, over which the Group has no control.

The Group procures crude oil from a number of suppliers, including national oil companies and international oil traders. The MENA region has historically experienced varying degrees of political instability and, most recently, with developments over the last eight years causing disruptions to the global supply chain. For more information, see "*Risk Factors—A deterioration of the political environment in crude oil producing countries may adversely impact the availability of crude oil feedstock*".

A material part of the Group's crude feed traditionally originated from Iran. Following the removal of sanctions in 2016, the Group reinstated its commercial relationship with the NIOC. Since then, the imposition of sanctions occurred on 8 May 2018 and transactions with many Iranian entities have been considered as not compliant with the sanctions regime. Both the purchase of crude oil and the making of payments to NIOC are captured by these sanctions and, as a result, on 5 May 2018 the Group notified NIOC that there would be a temporary cessation of all transactions between the two parties until sanctions are lifted.

In 2015, approximately 33% of the Group's crude oil purchases came from the Russian Federation through international oil traders. However, in 2018 only 9% of the Group's crude oil purchases came from the Russian Federation, as the Group gradually replaced sourcing of crude from the Russian Federation with other sources on better economic terms.

Operations

Various aspects of the operations of the Group can have an impact on the Group's financial results from year to year. Regulation, health and safety and seasonality, in particular, tend to impact the Group most frequently.

Regulation / Environmental

The Group's results of operations have been impacted by various regulations and the Group expects that its results will continue to be impacted by various regulations, particularly with respect to the reduction of GHG emissions and climate change. See "*Risk Factors—Compliance with, and changes in, environmental and consumer protection laws may have a material adverse effect on the Group and its ability to compete internationally*". The regulations affect the Group in three main areas being (i) production processes where changes may call for increased capital expenditure in order to comply with regulations, (ii) product specifications induced changes in production with increased capital requirements or operating costs and (iii) emission rights which are considered as an indirect environmental tax, namely CO2 emission costs.

Examples for each of the above are:

- Environmental: Emission of SOx and NOx particles are closely monitored and controlled. Tightening of the specifications means that the Group needs to invest additional capital expenditure in order to monitor and reduce such emissions from the Refineries.

- Product specifications: For example, the IMO Regulation dictates that all marine fuel will be of very low sulphur content or ships will have to install specialised mechanical equipment on board to capture the excess sulphur emissions. The overall effect of this regulation is to increase market demand for very low-sulphur bunker fuel which requires that refineries invest additional funds or incur higher operating costs to be able to supply the new market demand.

- Finally, as is the case with all EU based industries, the Group needs to secure adequate rights to cover the total number of CO2 emissions as a result of its operations. For the time being, part of these rights are allocated as part of the central EU and sovereign mechanism without any cost but a significant part of these are actually purchased through market operations. Therefore, the Group results are exposed to CO2 emission prices, which in the last two years have exhibited significant increase. Furthermore, the Group may need to consider additional investments to reduce such emissions.

In addition to specific industry regulations, there are certain macro trends which appear as part of the EU-wide regulation that promotes either the transition to a cleaner energy basis or agricultural and land use initiative such as renewable fuels, in certain cases by subsidizing its production and sale. For example, the EU Renewable Energy Directive requires EU member states to set up national renewable energy action plans to increase each state's transport fuels that are derived from renewable sources to a target of 10%. While the current Renewable Energy Directive requirement stands at 10%, the directive is currently under review, and is expected to be amended to reflect a revised target of 14% of each state's transport fuels to be derived from renewable sources. The revised target is expected to require even greater expansion of renewable fuel blending capacity. These regulations impact, and are expected to continue to impact, the Group's results of operations by increasing demand for biofuels.

Health and safety

Health and Safety, in all its activities, is the Group's most important priority. For this reason, all necessary safety measures are taken concerning staff and visitors in all workplaces, in line with the Good Health Goal (SDG 3). The Group continuously invests in health and safety to ensure that it complies with the strictest criteria at both the national and European level. In 2018, the Group invested approximately €14 million in safety improvements for its facilities in Greece and abroad, and the Group expects to continue to make, or even increase investments in this area going forward.

Due to the nature of its business, the Group handles flammable and explosive substances, such as crude oil, naphtha, gasoline and liquefied petroleum gases stored under pressure, as well as toxic materials, such as hydrogen. As a result, the Group faces risks in its daily operations relating to technical failures and loss of containment of hydrocarbons and other hazardous material at its production and logistics facilities. Failure to manage these risks could result in injury, loss of life, environmental damage or loss of production and could result in regulatory action, legal liability and disruption of business activities.

The Group monitors Health and Safety performance in all of its facilities through a system of KPIs that are used to control and help improve its performance in this critical area. There targets are reviewed on a regular basis to provide feedback and corrective actions as needed. The Group has developed and utilises a holistic safety program, which led to establishing and improving of important safety procedures mainly for the Refineries. In 2018, the number of incidents was reduced as compared to 2017, while the target set for the reporting and investigation of the near-incidents, a precautionary safety indicator, was achieved at all Group premises. Overall, in 2018, out of a total of 8,917,070 man-hours, there were 17 work-related accidents in connection with staff and contractors employed either in the Refineries and chemicals plants of HELPE SA or by HF.

Seasonality

The Group's sales and operations are subject to seasonality and experience higher demand during periods of high tourism in the summer months and in the colder winter months. This seasonality is particularly evident in the Group's fuels marketing business financial results as the impact on tourism in Greece affects all lines of business, i.e., auto, aviation and marine fuel sales. Refining is also affected by seasonality, as the Northern Hemisphere driving season is a key driver of transport fuels demand during summer period, while weather conditions during the winter period affect demand for heating gasoil; the above have an impact on demand and as a result refining margins as well as local market demand.

Strategy

The energy industry and particularly liquid fuels value chain, is a highly competitive one with high capital employed requirements and a relatively high fixed cost base; a significant part of the business is characterised by its high exposure to international commodity cycles as a significant part of the financial results are driven by the market prices beyond the control of the Group as well as market positioning and competitive operating cost basis. Over the last years, the industry and market model has evolved from a highly closed and highly protected local market structures, in many respects not dissimilar to regulated monopolistic positions, into more open and competitive markets. In most markets, this transition has already taken place in the fuels business and it is in progress in other energy related industries (for example, natural gas and power).

This requires that the Group follows closely all market developments and also design and implement appropriate strategies to ensure that it maintains its competitive advantage and positions itself with a fit for purpose asset base and organisational structure. As part of this, there are a number of initiatives and areas of focus such as the ones described in summary below.

Asset quality and technology

Given the capital-intensive nature of the business, the Group plans and implements a regular review of its producing assets such as refineries and power plants. Appropriate studies on the technology selection (for example, type of process unit such as a hydrocracker or flexicoker), the size of a unit and the location of the investment so that the operating and commercial benefits may be maximised. The results of these studies are then converted into the appropriate detailed engineering and depending on the outcome and the business proposition an investment decision may be brought to the appropriate approval level. An example of such strategy is the significant upgrade of the two refineries in Elefsina and Thessaloniki with new units which allow varying degrees of additional value from the processed crude.

Markets

The main market of the Group is Greek liquid fuels; however, a significant part of the business is carried out in other nearby markets. As a result, an important part of the strategy is to monitor market developments and to decide how and to what extent the commercial activities will be carried out. In this decision, a number of factors are considered such as the competitive position of the Group, competitive landscape, asset configuration and supply chain. Examples of this are the expansion in the network of Group owned and Group controlled petrol stations in Greece under the project name of KALYPSO, which is also the legal name of the company acting as the petrol station manager an initiative aimed to get the Group closer to its customers, manage the delivery of services in a more holistic way and also to increase the profitability of the network by selling premium products as well as non-fuel items.

Operating costs and efficiency programs

Given the importance of maintaining competitiveness in operating costs, the Group has adopted a number of efficiency initiatives in the periods under review, including operational optimization, performance improvement, energy efficiency and investments in refining aimed at improving efficiencies. For example, in FY18 the Group made significant progress regarding the operational optimization at Elefsina refinery and the implementation of a series of synergies between its three Refineries, leading to a production increase to 15.5 million tons (as compared to 15.0 million tons in FY17). Such increase had a substantial positive impact on the Group's revenue for FY18.

As part of its refining strategy, the Group has also been focused on energy efficiency during the period under review, with sustained efforts to improve the relevant indicators. In 2018, energy consumption and costs at Aspropyrgos and Elefsina decreased further, while at Thessaloniki, relevant indicators were kept at the record low levels of 2017. Between FY16 and FY18, the Group's energy expenses comprised 8.0%, 7.2% and 7.4%, respectively, with a significant impact on energy costs, as the Group refines more than 110 million barrels of crude oil and feedstock annually.

The Group has also implemented a new procurement initiative under which all purchases are handled through a central department that possesses the necessary technical skills and commercial experience to create benefits through better quality or reduced cost to own. During the last two years the Group has realised annualised savings of €10 million of savings in FY18 and €5 million in FY17.

Acquisitions and disposals

While a significant part of the growth and value creation in the Group arises from organic growth and additional development, acquisitions are another option which is often a more appropriate path to growth. Likewise, where assets do not fit with the Group's strategy, the Group explores alternative options to realise the value of the assets. For example, in FY18, the sale process of 66% of the share capital of DESFA (31% owned by HRADF and 35% by HELPE SA) to "SENFLUGA Energy Infrastructure Holdings S.A.", a consortium composed of the Snam S.p.A., Enagas Internacional S.L.U. and Fluxys S.A., for a total consideration of €535 million (HELPE share: €284 million) was completed. The Group decided to dispose of a non-core activity, where it held a minority interest and carried out a joint sale process with HRADF in order to maximise proceeds. The Group will continue to monitor for strategic acquisitions and disposals as part of its efficiency strategy.

Business development in new areas (RES and E&P)

In addition to its traditional business portfolio, the Group is also developing activities in other areas such as its exploration and development operations and renewable energy sources. In the case of exploration assets, the Group looks to acquire rights in areas which present increased geological interest as potential hydrocarbon producing areas, usually in cooperation with other similar or even more experience companies in order to introduce complementary skills and to share the risk of specific assets.

In line with international accounting standards and industry practices, the accounting policy during the exploration period and before establishing a commercially viable discovery, oil and natural gas exploration and evaluation expenditures are expensed.

Exploration property leasehold acquisition costs, which for the Group are less material as absolute balances, are tested for impairment whenever facts and circumstances indicate impairment. For the purposes of assessing impairment, the exploration property leasehold acquisition costs subject to testing are grouped with existing cash-generating units of production fields that are located in the same geographical region corresponding to each licence. For FY16, FY17, FY18 and 1H19, the Group did not record any impairment costs in respect of its exploration properties.

With respect to renewables the Group is active through a separate fully owned subsidiary which invests in renewables energy projects in various stages of their economic lives (for example, the recent acquisition of Energiaki Pylou, a 7MW wind farm which was bought after commissioning). The Group aims to invest a significant share of the future capital budget in developing a sizeable portfolio of renewable energy projects in Greece and abroad. All such investment decisions will have to be assessed and successfully cleared in terms of financial returns, risk profile and location.

Interest payable under the Group's borrowings

The Group operates in a capital-intensive industry and has significant funding requirements for its existing operations and its future investments. The Group's funding requirements are funded partly by external debt, including syndicated term loans, bond loans, European Investment Bank loans, Eurobonds, bilateral lines of credit and finance leases. Consequently, the Group's interest expense has affected the Group's results of operations during the periods under review and may continue to affect the Group's results of operations in the future. In 2016, 2017, 2018 and LTM 1H19, the Group's net financing expenses amounted to €201 million, €165 million, €146 million and €133 million, respectively. The decrease in the Group's financing expense from 2017 to 2018 were principally due to the decrease in the Group's effective interest rate by 0.5% from 2017 to 2018 as well as a decrease in indebtedness, as the Group's total gross debt decreased from €2,821 million as at 31 December 2017 to €2,736 million as at 31 December 2018. In comparison to 2017, the Group's total gross debt remained approximately at the same level in 2018. See "—*Borrowings*" (below) for additional information on the Group's indebtedness. See also "*Risk Factors—The Group's business model involves exposure to certain financial risks, including currency, interest rate, credit risk and default risk, and related operational risk*".

RECENT ACCOUNTING PRONOUNCEMENTS

See "*Information Incorporated by Reference*".

SELECTED ALTERNATIVE PERFORMANCE MEASURES

This Prospectus includes certain financial measures of historical or future financial performance, financial position, or cash flows which are not defined or specified under IFRS ("**Alternative Performance Measures**"). Although the Group considers that these measures are relevant and reliable in assessing the Group's financial performance and position for the reasons set out below, such measures are not a substitute for financial measures under IFRS. The table below sets out the Group's main Alternative Performance Measures and segmental results for the period under review.

	Year ended 31 December		Six months ended 30 June	
			(unaudited)	
	(€000)			
	2017	**2018**	**2018**	**2019**
Reported EBITDA	851,059	711,395	473,013	322,902
Adjusted EBITDA	833,638	729,993	336,451	252,162
Adjusted net income	371,554	295,534	128,116	70,428
Net debt	1,799,733	1,460,163	1,915,933	1,398,172
Capital employed	4,171,307	3,854,894	4,430,941	3,766,091

Segmental breakdown of Adjusted EBITDA

	Year ended 31 December			
	(€000,000)		*(unaudited)*	
	2017	**2018**	**LTM1H18**	**LTM1H19**
Refining, supply & trading	639	548	519	446
Fuels marketing	107	93	106	110
Petrochemicals	95	100	97	100
Other[(1)]	(7)	(10)	(8)	(10)
Total	**834**	**730**	**713**	**646**

Notes:

(1) Other activities, including exploration and production.

Reported EBITDA

Reported EBITDA is defined as earnings/(loss) before interest, taxes, depreciation and amortisation, as presented in the company's reported financial statements under IFRS which is calculated by adding back depreciation and amortization of intangible assets to operating profit.

Adjusted EBITDA

Adjusted EBITDA is defined as Reported EBITDA adjusted for: (a) Inventory effect (as defined below) in the Refining, Supply & Trading segment and (b) non-recurring items, which may include but are not limited to cost of early retirement schemes, write-downs of non-core assets and other one-off and non-operating expenses, in line with the refining industry practice. Adjusted EBITDA is intended to provide a proxy of the sustainable operating cash flow projection (before any Capex) in an environment with stable oil and products prices.

Reported EBITDA and Adjusted EBITDA are indicators of the Group's underlying cash flow generation capability. The Group's management uses the above alternative performance measures as a significant indicator in determining the Group's earnings performance and operational cash flow generation both for planning purposes as well as past performance appraisal.

Segmental EBITDA

Segmental EBITDA is defined as Reported EBITDA for each of the Group's main business segments, i.e. "Refining, Supply & Trading", "Marketing", "Petrochemicals" and "Other" over a given time period ("**Segmental EBITDA**"). "Other" includes activities such as exploration and production, engineering services and renewables operations.

Reported EBITDA, Adjusted EBITDA, Adjusted Net Income and Segmental EBITDA are indicators of the Group's financial and operating performance. These measures assist the Group's management and security holders by increasing the comparability of the Group's fundamental performance from period to period and against the fundamental performance of other companies in the Group's industry that provide Reported EBITDA or Adjusted EBITDA-based information. This increased comparability is achieved by excluding the potentially disparate effects between periods or companies of interest expense, taxes, depreciation or amortisation (or other items in determining Adjusted EBITDA), which are affected by various, and possibly changing, financing methods and capital structure and which may significantly affect Reported Net Income between periods. The Group believes that including these measures as financial and operating measures benefits security holders in selecting between investing in the Group and other investment alternatives and monitoring the Group's on-going financial and operational strength and health in assessing whether to continue to hold the Group's securities.

Reported EBITDA, Adjusted EBITDA, and Segmental EBITDA are indicators of the Group's underlying cash flow generation capability. These measures allow the Group to assess the ability of its assets to generate cash sufficient to pay taxes, service debt, undertake capital expenditures, fund working capital where applicable and pay dividends. By eliminating non-cash items, the cash flow effect resulting from the Group's existing capitalisation and other items which may vary significantly from period to period, these measures provide a consistent measure of the Group's ability to generate cash over the long term. The Group's management uses this information as a significant factor in determining the Group's earnings performance and operational cash flow generation both for planning purposes as well as past performance appraisal. Use of Reported EBITDA and Adjusted EBITDA as liquidity measures also permits security holders to assess the fundamental ability of the Group's business to generate cash sufficient to meet cash needs, including repayments under debt instruments.

In addition, Segmental EBITDA, in particular, allows management, securities analysts and investors to evaluate the Group's financial performance at a more granular level and to identify with greater precision the main drivers of, and obstacles to, the Group's financial and operating performance and liquidity.

These measures have limitations as analytical tools and an investor should not consider them in isolation from, or as a substitute for, analysis of the Group's results of operations, including the Group's cash flows. Some of the limitations of these measures are that:

(a) they are accruals-based, so do not properly reflect the Group's cash expenditures or future requirements for capital expenditure or contractual commitments;

(b) they do not reflect changes in, or cash requirements for, the Group's working capital needs;

(c) they do not reflect the interest expenses, or the cash requirements necessary to service interest or principal payments in respect of any borrowings;

(d) they do not reflect required capital expenditures for maintenance and regulatory and environmental compliance to ensure normal operations; and

(e) other companies in the Group's industry may calculate these measures differently from how the Group does, limiting their usefulness as a comparative measure.

Neither Reported EBITDA nor Adjusted EBITDA should be considered as an alternative to Reported Net Income, income from operations, cash flow from operating activities or any other measure of financial performance or liquidity presented in accordance with IFRS. Reported EBITDA, Adjusted EBITDA and Adjusted Net Income exclude some, but not all, items that affect Reported Net Income and operating income, and these measures may vary among other companies. Therefore, Reported EBITDA, Adjusted EBITDA and Adjusted Net Income as presented below may not be comparable to similarly titled measures of other companies.

Adjusted net income

Adjusted Net Income is defined as the profit after tax, adjusted for post-tax Inventory effect (calculated as Inventory effect times (1- applicable statutory tax rate) and other post-tax non-recurring items at the consolidated Group financial statements.

Adjusted Net Income is presented in this Prospectus because it is considered by the Group and the Group's industry as one of the key measures of its financial performance and one of the factors used by management for the determination of dividend pay-outs.

Net debt

Net debt is calculated as total borrowings (including "current and non-current borrowings" as shown in the statement of financial position of the Group financial statements and excluding debt from associates and lease liabilities) less "Cash & cash equivalents and restricted cash" and "Investment in Equity Instruments", as reflected in the Group's financial statements.

Capital employed

Capital employed is calculated as "Total Equity" as shown in the statement of financial position of the relevant financial statements plus Net debt.

Twelve Months Ended, Last Twelve Months, LTM

Twelve Months Ended, Last Twelve Months or LTM indicates the time-frame of the immediately preceding 12 months in reference to a financial or other measure, before a particular date ("**LTM**"). LTM is also referred to as "trailing twelve months", or "TTM".

LTM figures for financial information are calculated by adding the figure of the latest condensed interim financial information to the figure in the annual financial statements and subtracting the figure for the corresponding period of the previous year.

Similarly, LTM figures for non-financial information are calculated by adding the figure of the latest reporting period to the figure in the annual management accounts / records and subtracting the figure for the corresponding period of the previous year.

LTM figures are presented in the Prospectus as they are more current than annual financial statement figures and offer a broader and more complete picture in reference to financial or other measures compared to quarterly or semi-annual figures.

Other key performance indicators relevant to the Group

Inventory effect

Inventory effect is a prevalent term in the downstream oil and gas industry and is defined as the effect of the price fluctuation of crude oil and oil product inventories on gross margin because of the accounting valuation method and reporting used. Inventory effect is calculated on a periodic basis (defined as the inventory cycle in days, usually 30 days), as the difference of re-estimation of cost of goods sold, using current crude and product prices in euro terms versus historical accounting valuation (weighted average) ("**Inventory effect**"). As the Inventory effect is constituted by the price of crude oil, an increase in the oil price contributes to a positive Inventory effect, commonly referred to as an 'inventory gain', and conversely, a fall in the oil price contributes to a negative Inventory effect, commonly referred to as 'inventory loss'.

Refining margins

For information on how the Group and the industry calculates refining margins, see "*Industry and Regulatory Overview—Refining margins*".

RECONCILIATION OF ALTERNATIVE PERFORMANCE MEASURES TO THE GROUP'S FINANCIAL STATEMENTS

The tables below illustrate how the selected alternative performance measures presented in this Prospectus are reconciled to their most directly reconcilable line item in the financial statements for the corresponding period.

Calculation of operating profit to reported EBITDA, adjusted EBITDA and adjusted net income

	Year ended 31 December		Six months ended 30 June		Twelve months ended 30 June
				(unaudited)	
			(€000)		
	2017	**2018**	**2018**	**2019**	**2019**
Operating profit	661,783	514,212	379,363	207,679	342,528
Depreciation and amortization	189,276	197,183	93,650	115,223	218,756
Reported EBITDA (unaudited)	**851,059**	**711,395**	**473,013**	**322,902**	**561,284**
Inventory effect (unaudited)	(58,512)	(47,933)	(149,699)	(77,726)	24,037
Other one-off expenses (unaudited)(1)	41,091	66,531	13,137	6,986	60,380
Adjusted EBITDA (unaudited)	**833,638**	**729,993**	**336,451**	**252,162**	**645,701**
Profit after tax	383,923	214,712	225,173	121,361	110,900
Taxed Inventory effect (unaudited)	(41,544)	(34,032)	(106,287)	(55,966)	16,289
Taxed other one-off expenses (unaudited)(2)	29,175	47,215	9,230	5,033	43,018
Non-recurring items below EBITDA (unaudited)(3)	-	67,639	-	-	67,639
Adjusted net income (unaudited)	**371,554**	**295,534**	**128,116**	**70,428**	**237,846**

(1) Mainly includes: (a) for 1H19, €3 million regarding the impact of pricing change on the existing CO2 emission allowances deficit as at 31 December 2018 and €4 million for other non-recurring items; (b) for 1H18, €10 million for the impact of pricing change on the existing CO2 emission allowances deficit as at 31 December 2017 and €3 million for other non-recurring items; (c) for 2018, €30 million for CO2 emissions allowance estimates relating to price movement on exiting deficit at the beginning of the year, €18 million for valuation adjustments on balance sheet items, €15 million for impairment of non-operating assets and €4 million for other non-recurring items and (d) for 2017, €14 million for extraordinary expenses related to legal cases, €18 million for valuation adjustments on balance sheet items and €9 million for other non-recurring items.

(2) includes all one-offs post effect of applicable tax rate.

(3) accounting impact of DESFA's sale (impairment of €45.8 million and deferred tax of €48.5 million), partially offset by the extraordinary profits from the sale of EPA Thessaloniki (DEPA Group) of €9.5 million and the reduction of the deferred tax of €17.1 million.

Calculation of net debt, capital employed and gearing ratio

	Year ended 31 December		Six months ended 30 June	
			(unaudited)	
		(€000)		
	2017	**2018**	**2018**	**2019**
Interest bearing loans and borrowings (non - current)	920,234	1,627,171	1,738,995	1,606,607
Interest bearing loans and borrowings (current)	1,900,269	1,108,785	1,087,218	1,112,819
Cash and cash equivalents and restricted cash(1)	(1,018,913)	(1,275,159)	(909,323)	(1,319,688)
Investment in equity instruments	(1,857)	(634)	(957)	(1,566)
Net debt (unaudited)	**1,799,733**	**1,460,163**	**1,915,933**	**1,398,172**
Equity	2,371,574	2,394,731	2,515,008	2,367,919
Capital employed (unaudited)	**4,171,307**	**3,854,894**	**4,430,941**	**3,766,091**
Gearing ratio (net debt / capital employed) (unaudited)	**43.1%**	**37.9%**	**43.2%**	**37.1%**

(1) December 2018 and June 2019 do not include restricted cash. As at June 2019, any restricted cash balances are reclassified under trade and other receivables balances in the balance sheet, also for the comparative figures of December 2018 and are not included in the calculation of net debt for these periods.

Calculation of segmental Adjusted EBITDA

Refining

	Year ended 31 December		Six months ended 30 June		Twelve months ended 30 June	
			(unaudited)			
	(€000)					
	2017	**2018**	**2018**	**2019**	**2018**	**2019**
Operating profit	527,508	411,143	317,937	138,944	617,805	232,150
Depreciation and amortization	142,718	144,560	69,859	76,770	147,821	151,471
Reported EBITDA (unaudited)	**670,226**	**555,703**	**387,796**	**215,714**	**765,626**	**383,621**
Inventory effect (unaudited)	58,512	47,933	149,699	77,726	265,162	(24,040)
Other one-off expenses (unaudited)(1)	(27,161)	(39,985)	(12,072)	(10,729)	(17,040)	(38,642)
Adjusted EBITDA (unaudited)	**638,875**	**547,755**	**250,169**	**148,717**	**517504**	**446,303**

(1) Mainly includes: (a) for 1H19, €3 million regarding the impact of pricing change on the existing CO2 emission allowances deficit as at 31 December 2018, €7 million for valuation adjustments on balance sheet items and €1 million for other non-recurring items; (b) €10 million for the impact of pricing change on the existing CO2 emission allowances deficit as at 31 December 2017 and €2 million for other non-recurring items; (c) for 2018, €30 million for CO2 emissions allowance estimates relating to price movement on exiting deficit at the beginning of the year, €7 million for valuation adjustments on balance sheet items and €3 million for other non-recurring items and (d) for 2017, €14 million for extraordinary expenses related to legal cases, €7 million for valuation adjustments on balance sheet items and €6 million for other non-recurring items.

Fuels marketing

	Year ended 31 December		Six months ended 30 June		Twelve months ended 30 June	
			(unaudited)			
	(€000)					
	2017	**2018**	**2018**	**2019**	**2018**	**2019**
Operating profit	55,986	35,776	17,089	19,111	53,240	37,798
Depreciation and amortization	39,048	45,305	20,537	35,454	39,132	60,222
Reported EBITDA (unaudited)	**95,034**	**81,081**	**37,626**	**54,565**	**92,372**	**98,020**
Inventory effect (unaudited)	-	-	-	-	-	-
Other one-off expenses (unaudited)(1)	(11,934)	(11,695)	(860)	(551)	(12,650)	(11,386)
Adjusted EBITDA (unaudited)	**106,968**	**92,776**	**38,486**	**55,712**	**105,022**	**110,002**

(1) Mainly includes (a) for 2018, €11 million for valuation adjustments on balance sheet items and €1 million for other non-recurring items and (b) for 2017, €11 million for valuation adjustments on balance sheet items and €1 million for other non-recurring items.

Petrochemicals

	Year ended 31 December		Six months ended 30 June		Twelve months ended 30 June	
			(unaudited)			
	(€000)					
	2017	**2018**	**2018**	**2019**	**2018**	**2019**
Operating profit	90,851	80,467	50,685	50,582	92,534	80,364
Depreciation and amortization	4,238	4,482	2,155	2,324	4,248	4,651
Reported EBITDA (unaudited)	**95,089**	**84,949**	**52,840**	**52,906**	**96,782**	**85,015**
Inventory effect (unaudited)	-	-	-	-	-	-
Other one-off expenses (unaudited)(1)	-	(14,915)	(205)	(34)	(205)	(14,744)
Adjusted EBITDA (unaudited)	**95,089**	**99,864**	**53,045**	**52,940**	**96,987**	**99,759**

(1) Mainly includes, for 2018, €15 million for impairment of non-operating assets.

Other

	Year ended 31 December		Six months ended 30 June		Twelve months ended 30 June	
				(unaudited)		
			(€000)			
	2017	**2018**	**2018**	**2019**	**2018**	**2019**
Operating profit	(12,562)	(13,174)	(6,348)	(958)	(13,885)	(7,784)
Depreciation and amortization...........................	3,272	2,836	1,099	675	3,771	2,412
Reported EBITDA (unaudited)	**(9,290)**	**(10,338)**	**(5,249)**	**(283)**	**(10,114)**	**(5,372)**
Inventory effect (unaudited)	-	-	-	-	-	-
Other one-off expenses (unaudited)(1)...............	(1,996)	64	-	4,328	(1,989)	4,392
Adjusted EBITDA (unaudited)......................	**(7,294)**	**(10,402)**	**(5,249)**	**(4,611)**	**(8,125)**	**(9,764)**

(1) Mainly includes (a) for 1H19, €4 million gain regarding the release of litigation provision no longer required and b) €2 million for various non-recurring items.

DESCRIPTION OF KEY LINE ITEMS

Revenue from contracts with customers

The Group's revenue is comprised of sales of refined oil products and petrochemical products domestically in Greece to fuels marketing companies. It should be noted that a significant part of such sales into Greek market is through its 100% subsidiary HF, however, sales from HELPE SA to HF are not included in Group sales as they are eliminated as part of the consolidation process; instead, Group accounts include the sales that HF makes into the domestic market in all market segments (retail, commercial & industry, aviation, bunkering). Likewise, sales through the international marketing subsidiaries in south-eastern Europe and Mediterranean markets through a network of approximately 300 petrol stations, are also excluded as part of the consolidation process and instead, Group accounts include sales to third parties either directly from HELPE SA or the sales of the subsidiaries to third parties in their respective local markets.

The Group participates in the production, trading and supply of electric power through its JV ELPEDISON and the supply of natural gas to industrial customers and commercial and residential suppliers in Greece through its 35% stake in DEPA Group. In addition, ASPROFOS, a Group subsidiary, is the largest Greek engineering firm and largest energy consulting services provider in South-Eastern Europe. It supports the Group's investments particularly in the fields of refining and natural gas, through the provision of a broad range of technical, project management and other related advisory services, while seeking to continuously expand the range of its services and broaden its client portfolio to include mainly international clients.

Cost of sales

The Group's cost of sales consists of primarily the cost of crude oil and feedstock used for production of refined oil products, the cost of any finished products which the Group purchases and then on-sells and operating costs such as the supply of electric power, supply of natural gas, royalty costs, amortisation costs of oil and gas properties, impairment charges and movement in crude oil, refined oil products and petrochemical products inventories.

Selling and distribution expenses

The Group's selling and distribution expenses consists of the cost of marketing and selling refined oil products and petrochemical products and delivering those products to the Group's customers.

Administrative expenses

The Group's administration expenses comprise employee costs (other than salaries paid to personnel engaged in production activities and sales and logistics), office lease expenses, auditors' fees and other operating expenses not directly attributable to exploration or production.

Exploration and development expenses

Geological and geophysical costs are expensed as incurred and relate mainly to exploration operations including environmental and geological studies. Exploration license costs are capitalized within intangible assets and are amortised over the term of the exploration period.

Finance income / expense

Finance income relates to income charged to customers for late payments and overdue balances. Finance expenses represent the interest and similar charges payable on the Group's outstanding indebtedness as well as amortisation of fees and expenses incurred in connection with the refinancing of the Group's borrowings. In addition, finance charges include costs associated with the issuance of letters of credit and letters of guarantee and the unwinding of discounting in assets payable.

Currency exchange losses / gains

Currency exchange losses / gains relate mostly to unrealized losses / gains arising from the valuation of bank accounts denominated in foreign currency (mainly USD).

Share of profit / loss of investments in associates and joint ventures

Investments in associates are initially recognised at cost and their carrying amount is increased or decreased to recognise the Group's share of the profit or loss or share of other comprehensive income of the associate after the date of acquisition. The Group's investment in associates includes goodwill identified on acquisition. Dividends received or receivable from associates are recognised as a reduction in the carrying amount of the investment. The Group's share of its associates' post-acquisition profit or loss is recognised in the statement of comprehensive income, and its share of post-acquisition movements in other comprehensive income is recognised in other comprehensive income with a corresponding adjustment to the carrying amount of the investment. When the Group's share of losses in an associate equals or exceeds its interest in the associate, the Group does not recognise further losses, unless it has incurred legal or constructive obligations or made payments on behalf of the associate. Profits and losses resulting from upstream and downstream transactions between the Group and its associates are recognised in the Group's financial statements only to the extent of unrelated investor's interests in the associates. Unrealised losses are eliminated unless the transaction provides evidence of an impairment of the asset transferred.

Investments in joint ventures are initially recognised at cost and adjusted thereafter to recognise the Group's share of the post-acquisition profits or losses and movements in other comprehensive income. Dividends received or receivable from joint ventures are recognised as a reduction in the carrying amount of the investment. When the Group's share of losses in a joint venture equals or exceeds its interest in the joint ventures, the Group does not recognise further losses, unless it has incurred obligations or made payments on behalf of the joint venture. Unrealised gains on transactions between the Group and its joint ventures are eliminated to the extent of the Group's interest in the joint venture. Unrealised losses are also eliminated unless the transaction provides evidence of an impairment of the asset transferred.

The Group determines whether it is necessary to recognise an impairment loss on its investment in its associate or joint venture. At each reporting date, the Group determines whether there is objective evidence that the investment in the associate or joint venture is impaired. If there is such evidence, the Group calculates the amount of impairment as the difference between the recoverable amount of the associate or joint venture and its carrying value, and then recognises the loss within 'Share of profit of investments in associates and joint ventures' in the statement of profit or loss.

Income tax expense

The corporate income tax rate of legal entities in Greece is 29% for 2018 (2017: 29%). According to article 23 of Law 4579, released in December 2018, the corporate income tax rate in Greece, currently 28%, is expected to be reduced by 1% each year as follows: 28% in FY 2019, 27% in FY 2020, 26% in FY 2021 and 25% in FY 2022 onwards.

COMPARABILITY OF RESULTS

Comparability of results may be affected by changes in accounting policies used by the Group due to the adoption of new accounting standards or management election. Further, comparability may be affected by organisational re-structuring in associates and joint ventures the Group participates in.

On 1 January 2018, the Group adopted IFRS9 and IFRS15 which had no material impact in the Group's results (see also December 2018 Consolidated Financial Statements "Summary of significant accounting policies" section). Furthermore, on 1 January 2019 the Group adopted IFRS16, the impact of the first-time application of IFRS16 is detailed in the June 2019 Interim Condensed Consolidated Financial Statements "Accounting policies and the use of estimates" section. During 2018, DEPA underwent significant restructuring (see section "acquisitions and disposal" above) therefore "Income from Associates" and "Investments in Associates" in the Consolidated Comprehensive Income and Consolidated Statement of Financial Position respectively are not directly comparable.

CURRENT TRADING AND PROSPECTS

Macroeconomic developments

In the period since 30 June 2019, benchmark refining margins were higher, as supply of Russian crude in Europe normalised. More specifically benchmark FCC margins came in at $4.9/bbl (as at 15 September 2019) as compared to $3.2/bbl in the second quarter of 2019 and $5.7/bbl in the third quarter of 2018, while hydrocracking amounted to $4.4/bbl (as at 15 September 2019) as compared to $1.3/bbl in the second quarter of 2019 and $5.6/bbl in the third quarter of 2018. The Group's refinery utilisation the first two months of the third quarter of 2019 was in line with the Group's expectations and higher than that of 1H19, while sales volumes were slightly lower as compared to the same period last year. The U.S. dollar strengthened further against the Euro, driven my monetary policy considerations. Further, economic indicators in Greece point to a continued, albeit gradual, improvement of the economy with GDP growth for the first quarter of 2019 coming in at 1.7% and 1.9% for 2019 according to estimates by the Bank of Greece. Demand for liquid fuels in the domestic market in the first two months of the third quarter of 2019 increased compared to the third quarter of 2018 and are broadly in line with GDP growth in Greece.

Regulatory

The IMO Regulation represents one of the most significant challenges for the global refining industry in recent years. The Group is on track with its plans to be able to deliver VSFO by the beginning of 2020. An extensive test of new crude grades mix was conducted recently at Aspropyrgos refinery, yielding positive results, in terms of both quality and specs of the new 0.5% fuel oil, as well as the operation of the refinery's conversion units. The Company continues to believe that the Group's refining system will be ready on time to cover the Greek bunkering market with the new type of fuel, but the extent of supply of fuel that is compliant with the IMO Regulation will largely depend on the market selection of such fuel or the amount of vessels that are fitted with scrubbers.

Changes in operating costs and operating performance

Save from analysis of operations in the Aspropyrgos refinery above, in terms of operating performance the most significant planned action for the remainder of the year relates to the scheduled shut-down of the Elefsina refinery expected at the end of the third quarter. The financial impact of the shut-down will be captured in the fourth quarter of 2019. Total utilisation of the Group's refineries was 104% for the second quarter of 2019 (as compared to 101%, 107% and 111% for the first quarter of 2019, the fourth quarter of 2018 and the third quarter of 2018, respectively). The Group's refining sales volume for the second quarter of 2019 was 4,139,000 MT (as compared to 3,511,000 MT, 4,137,000 MT and 4,087,000 MT for the first quarter of 2019, the fourth quarter of 2018 and the third quarter of 2018, respectively). The Group's fuel marketing sales volume for the second quarter of 2019 was 1,200,000 MT (as compared to 1,100,000 MT, 1,241,000 MT and 1,478,000 MT for the first quarter of 2019, the fourth quarter of 2018 and the third quarter of 2018, respectively). The difference between the second quarter and the first quarter of 2019 sales volumes is primarily attributed to refinery maintenance in the first quarter of 2019.

Key capital expenditure developments

The Group's capital expenditure program, excluding growth opportunities, ranges from €150 million to €200 million per annum depending on scheduled works. Given the investments in the early part of 2019 as well as the scheduled Elefsina shut-down, the Group expects to make investments of between €80 million to €90 million in the second half of 2019.

Financial indebtedness

The financial indebtedness of the Group was affected by the first time application of IFRS 16 in the first quarter of 2019, which resulted in an increase of lease liabilities recognised in the Group's balance sheet. With regards to gross debt, the Group repaid its €325 million Eurobond that matured on 4 July 2019.

Prospects

Based on the last four years' financial performance and prevailing industry environment, the Group estimates it has an ability to generate an Adjusted EBITDA of greater than €1 billion in the medium term, subject to prevailing market conditions. This estimate does not consider any changes in the macroeconomic environment or the implementation of the Group's strategic plan. In the medium term, capital expenditure for the Group's maintenance and regulatory requirements will range between €150 million to €200 million, while the Group expects its tax expenses (excluding the impact of prepayment, according to the applicable tax legislation framework in Greece) will amount to approximately €60 million to €140 million and interest payable on its borrowings to amount to approximately €100 million to €150 million in the medium term. Therefore, in the medium term the Group estimates its cash flow for repayment of debt, distribution to shareholders and funding its investment plan will amount to approximately €200 million to €350 million. Following issue of the Notes, the Group will remain conservatively levered at 2.2x Adjusted EBITDA / Net Debt.

RESULTS OF OPERATIONS

Selected Consolidated Financial Information

The following table sets out, in summary form, the statements of comprehensive income, financial position and cash flows relating to the Guarantor. Such information is derived from the audited consolidated financial statements of the Guarantor as at and for the years ended 31 December 2017 and 31 December 2018, as well as from the interim consolidated financial information of the Guarantor as at and for the six months ended 30 June 2018 and 30 June 2019, which include certain reclassifications to the comparatives figures from figures as originally issued and published. The financial statements of the Guarantor are prepared in accordance with IFRS as endorsed by the EU. The financial statements relating to the years ended 31 December 2017 and 31 December 2018 as well as the six-month period ended 30 June 2018 and 30 June 2019, together with the reports of Ernst & Young (Hellas) Certified Auditors Accountants S.A., independent auditors, and the accompanying notes, are incorporated by reference into this Prospectus. See "*Information Incorporated by Reference*". Such financial information should be read in conjunction with the financial statements, reports and the notes thereto incorporated by reference into this Prospectus.

For more information on factors affecting the comparability of results, please see "*—Comparability of results*" above.

Selected Financial Data

	Year ended 31 December		**Six months ended 30 June**	
			(unaudited)	
		(€000)		
STATEMENT OF COMPREHENSIVE INCOME	**2017**	**2018**	**2018**	**2019**
Revenue from contracts with customers	**7,994,690**	**9,769,155**	**4,666,909**	**4,456,629**
Cost of sales	(6,907,198)	(8,769,769)	(4,071,307)	(4,037,224)
Gross profit	**1,087,492**	**999,386**	**595,602**	**419,405**

Selling and distribution expenses	(276,182)	(324,430)	(154,463)	(157,434)
Administrative expenses	(133,427)	(150,518)	(66,393)	(65,660)
Exploration and development expenses	(212)	(1,403)	(29)	(1,712)
Other operating (expenses) / income and other gains / (losses)	(15,888)	(8,823)	4,646	13,080
Operating profit	**661,783**	**514,212**	**379,363**	**207,679**
Finance income	4,600	3,827	1,750	2,956
Finance expense	(169,653)	(149,532)	(77,766)	(66,444)
Finance expense – lease finance cost	-	-	-	(4,705)
Currency exchange (losses) / gains	(8,173)	2,194	4,528	743
Share of profit / (loss) of investments in associates and joint ventures	31,228	(1,771)	15,083	14,445
Profit before income tax	**519,785**	**368,930**	**322,958**	**154,674**
Income tax expense	(135,862)	(154,218)	(97,785)	(33,313)
Profit for the year	383,923	214,712	225,173	121,361
STATEMENT OF CASH FLOWS				
Cash flows generated from/(used in) operating activities	442,936	502,928	34,020	225,897
Cash flows generated from/(used in) investing activities	(184,785)	138,392	(75,693)	(79,522)
Cash flows generated from/(used in) financing activities	(300,424)	(244,468)	72,256	(102,895)
Net increase/(decrease) in cash and cash equivalents	**(42,273)**	**396,852**	**30,583**	**43,480**
STATEMENT OF FINANCIAL POSITION				
Total assets	7,160,075	6,997,429	7,115,151	7,296,188
Total non-current assets	4,282,050	3,903,301	4,239,041	4,093,647
Cash, equivalents and restricted cash(1)	1,018,913	1,275,159	909,323	1,319,688
Non-current liabilities	1,220,172	2,047,319	2,083,081	2,191,939
Non-current interest-bearing loans and borrowings	920,234	1,627,171	1,738,995	1,606,607
Current interest-bearing loans and borrowings	1,900,269	1,108,785	1,087,218	1,112,819
Non-controlling interests	62,915	63,959	62,412	61,747
Total Equity	2,371,574	2,394,731	2,515,008	2,367,919

(1) December 2018 and June 2019 do not include restricted cash. As at June 2019, any restricted cash balances are reclassified under trade and other receivables balances in the balance sheet, also for the comparative figures of December 2018.

Results of operations for the six months ended 30 June 2019 compared to the six months ended 30 June 2018

For the six month period ended 30 June 2019, the effect of the application of IFRS 16 had a positive impact of €19 million on the Group's operating results and negative impact of €4 million on the Group's net income before tax after taking into account charges for depreciation of right-of-use assets and interest expense arising from the associated liabilities.

Revenue from contracts with customers

Revenue from contracts with customers decreased by €210.3 million, or 5%, to €4,456.6 million in the six months ended 30 June 2019 from €4,666.9 million in the six months ended 30 June 2018. This decrease was primarily due to a decrease in sales volumes of the refining segment, as well as lower international reference prices for oil products.

Cost of sales

Cost of sales decreased by €34.1 million, or 1%, to €4,037.2 million in the six months ended 30 June 2019 from €4,071.3 million in the six months ended 30 June 2018. This decrease was in line with the lower sales revenue, countered by a net realisable value adjustment in the closing inventory in the six months ended 30 June 2019 being the result of lower crude and products prices observed at the period end and an increased provision for CO2 emission expenses.

Gross profit

Gross profit decreased by €176.2 million, or 30%, to €419.4 million in the six months ended 30 June 2019 from €595.6 million in the six months ended 30 June 2018. This decrease was primarily due to the lower realised refining margins for Aspropyrgos and Elefsina refineries, on the back of respectively decreased benchmark margins (cracking and hydrocracking), affected by the significantly lower cracks for gasoline, jet fuel and naphtha and lower sales volumes and an increased provision for CO2. Further, Gross profit was also affected by the revaluation of inventories (as described in cost of sales above) and impact from the Druzhba pipeline contamination incident.

Selling and distribution expenses

Selling and distribution expenses increased by €3.0 million, or 2%, to €157.4 million in the six months ended 30 June 2019 from €154.4 million in the six months ended 30 June 2018. This increase was primarily due to higher compulsory stock obligation storage fees.

Administrative expenses

Administrative expenses approximately at same levels with the first half of 2018, decreased by €0.7 million, or 1%, to €65.7 million in the six months ended 30 June 2019 from €66.4 million in the six months ended 30 June 2018.

Exploration and development expenses

Exploration and development expenses increased by €1.68 million to €1.71 million in the six months ended 30 June 2019 from €0.03 million in the six months ended 30 June 2018. This increase was primarily due to exploration operations, including environmental and geological studies, in the Blocks of Arta –Preveza, NW Peloponnese and West Kerkyra, which started during the second half of 2018.

Other operating (expenses) / income and other gains / (losses)

Other net operating income and other gains increased by €8.4 million to €13.1 million in the six months ended 30 June 2019 from €4.7 million in the six months ended 30 June 2018. This increase was primarily due to recoverability of bad debts and release of provisions for litigation following favourable court rulings.

Operating profit

Operating profit decreased by €171.7 million, or 45%, to €207.7 million in the six months ended 30 June 2019 from €379.4 million in the six months ended 30 June 2018. This decrease was primarily due to the lower gross profit (as described above), since operating expenses remained at the same levels as in the first half of 2018.

Reported EBITDA

Reported EBITDA decreased by €150.1 million, or 32%, to €322.9 million in the six months ended 30 June 2019 from €473.0 million in the six months ended 30 June 2018. This decrease was primarily due to the lower gross profit (as described above), since operating expenses remained at the same levels as in the first half of 2018.

Adjusted EBITDA

Adjusted EBITDA decreased by €84.0 million, or 25%, to €252.2 million in the six months ended 30 June 2019 from €336.2 million in the six months ended 30 June 2018. This decrease was primarily due to the decreased sales volumes and the lower realised refining margins for Aspropyrgos and Elefsina refineries, on the back of respectively decreased benchmark margins (cracking and hydrocracking), affected by the significantly lower cracks for most products. The Group also experienced lower fuels marketing margins in the six months ended 30 June 2019 as compared to the six months ended 30 June 2018.

Adjusted net income

Adjusted net income decreased by €57.8 million, or 45%, to €70.4 million in the six months ended 30 June 2019 from €128.2 million in the six months ended 30 June 2018. This decrease was primarily driven by the lower Adjusted EBITDA (as described above).

Finance income

Finance income increased by €1.2 million, or 67%, to €3.0 million in the six months ended 30 June 2019 from €1.8 million in the six months ended 30 June 2018. This increase was primarily due to higher interest income earned from customer with extended credit arrangements.

Finance expense

Finance expense decreased by €11.4 million, or 15%, to €66.4 million in the six months ended 30 June 2019 from €77.8 million in the six months ended 30 June 2018. This decrease was primarily due to the refinancing on better credit terms of loan facilities matured within the second half of 2018 and part-way through the first half of 2018 as well as reduction in Gross Debt levels.

Currency exchange losses / gains

Currency exchange gains decreased by €3.8 million, or 84%, to €0.7 million in the six months ended 30 June 2019 from €4.5 million in the six months ended 30 June 2018. This decrease was primarily due to less favourable USD exchange movements than in the corresponding prior year period. The currency exchange gains for the first half of both 2019 and 2018 relate mainly to unrealized gains arising from the valuation of bank accounts denominated in foreign currency (mostly USD), as well as unrealized exchange gains arising from the valuation of borrowings denominated in foreign currency.

Share of profit / loss of investments in associates and joint ventures

Share of profit of investments in associates and joint ventures decreased by €0.7 million, or 5%, to €14.4 million in the six months ended 30 June 2019 from €15.1 million in the six months ended 30 June 2018. This decrease was primarily due to lower contribution from DEPA Group, partly offset by higher contribution by Elpedison and other associates.

Income tax expense

Income tax expense decreased by €64.5 million, or 66%, to €33.3 million in the six months ended 30 June 2019 from €97.8 million in the six months ended 30 June 2018. This decrease was primarily due to the significantly lower profit before tax, the lower current tax rate (28% in 2019 comparing to 29% in 2018) and the re-estimation of deferred taxes applicable for Greece based on the legislated reducing future tax rates for the future years up to 2022 (article 23 of Greek Law 4579).

Results of operations for the year ended 31 December 2018 compared to the year ended 31 December 2017

Revenue from contracts with customers

Revenue from contracts with customers increased by €1,774.5 million, or 22.2%, to €9,769.2 million in the year ended 31 December 2018 from €7,994.7 million in the year ended 31 December 2017. This increase was primarily due to an increase in sales volumes of the refining and petrochemicals segments, as well as higher international reference prices for all key products (gasoline, ULSD, gasoil, jet fuel, naphtha and fuel oil).

Cost of sales

Cost of sales increased by €1,862.6 million, or 27.0%, to €8,769.8 million in the year ended 31 December 2018 from €6,907.2 million in the year ended 31 December 2017. This increase was in line with the higher sales revenue, affected also by a net realisable value adjustment in the closing inventory for the year ended 31 December 2018 being the result of lower crude and products prices observed at the period end. and an increased provision for CO2 emission expenses.

Gross profit

Gross profit decreased by €88.1 million, or 8.1%, to €999.4 million in the year ended 31 December 2018 from €1,087.5 million in the year ended 31 December 2017. This decrease was primarily due to the lower realised refining margins for Aspropyrgos and Thessaloniki refineries, on the back of respectively decreased benchmark margins (cracking and hydroskimming), affected by the lower cracks for gasoline, naphtha and fuel oil. Gross profit was also affected by the revaluation of inventories (as described in cost of sales above).

Selling and distribution expenses

Selling and distribution expenses increased by €48.2 million, or 17.5%, to €324.4 million in the year ended 31 December 2018 from €276.2 million in the year ended 31 December 2017. This increase was primarily due to an increase in sales transportation costs, storage fees (including fees for compulsory stock obligation) and demurrages.

Administrative expenses

Administrative expenses increased by €17.1 million, or 12.8%, to €150.5 million in the year ended 31 December 2018 from €133.4 million in the year ended 31 December 2017. This increase was primarily due to an increase in provisions for impairment of other receivables and litigation, as well as increase in consulting fees.

Exploration and development expenses

Exploration and development expenses increased by €1.2 million, >100%, to €1.4 million in the year ended 31 December 2018 from €0.2 million in the year ended 31 December 2017. This increase was primarily due to exploration operations, including environmental and geological studies, in the Blocks of Arta –Preveza, NW Peloponnese and West Kerkyra, which started during the second half of 2018.

Other operating (expenses) and other (losses)

Other operating expenses and other losses decreased by €7.1 million, or 44.7%, to €8.8 million in the year ended 31 December 2018 from €15.9 million in the year ended 31 December 2017. This decrease was primarily due to non-recurring expenses incurred in 2017 relating to legal costs and other non-recurring expenses, partly offset by provisional expenses for environmental restoration in 2018.

Operating profit

Operating profit decreased by €147.6 million, or 22.3%, to €514.2 million in the year ended 31 December 2018 from €661.8 million in the year ended 31 December 2017. This decrease was primarily due to the lower gross profit and higher selling and distribution expenses (as described above).

Reported EBITDA

Reported EBITDA decreased by €139.7 million, or 16.4%, to €711.4 million in the year ended 31 December 2018 from €851.1 million in the year ended 31 December 2017. This decrease was primarily due to the lower gross profit and higher selling and distribution expenses (as described above).

Adjusted EBITDA

Adjusted EBITDA decreased by €103.6 million, or 12.4%, to €730.0 million in the year ended 31 December 2018 from €833.6 million in the year ended 31 December 2017. This decrease was primarily due to the lower realised refining margins for Aspropyrgos and Thessaloniki refineries, on the back of respectively decreased benchmark margins (cracking and hydroskimming), affected by the lower cracks for gasoline, naphtha and fuel oil.

Adjusted net income

Adjusted net income decreased by €75.7 million, or 20.4%, to €295.7 million in the year ended 31 December 2018 from €371.4 million in the year ended 31 December 2017. This decrease was primarily driven by the lower Adjusted EBITDA (as described above).

Finance income

Finance income decreased by €0.8 million, or 17.4%, to €3.8 million in the year ended 31 December 2018 from €4.6 million in the year ended 31 December 2017. This decrease was primarily due to lower interest income earned from customer with extended credit arrangements.

Finance expense

Finance expense decreased by €20.2 million, or 11.9%, to €149.5 million in the year ended 31 December 2018 from €169.7 million in the year ended 31 December 2017. This decrease was primarily due to the refinancing on better credit terms of loan facilities matured within 2018.

Currency exchange losses / gains

Currency exchange gains were €2.2 million in the year ended 31 December 2018 compared to losses of €8.2 million in the year ended 31 December 2017. This change was primarily due to favourable U.S. dollar exchange movements in 2018, in contrast with 2017. The currency exchange movements for both 2018 and 2017 relate mainly to unrealized exchange gains/ losses arising from the valuation of bank accounts denominated in foreign currency (mostly U.S. dollar), as well as unrealized exchange gains/ losses arising from the valuation of borrowings denominated in foreign currency.

Share of profit / loss of investments in associates and joint ventures

Share of loss of investments in associates and joint ventures was €1.8 million in the year ended 31 December 2018 compared to a profit of €31.2 million in the year ended 31 December 2017. This change was primarily due to an impairment loss of €46 million, recognised by the Group through its share of profit/ loss in its investment in DEPA, in relation with the sale of DESFA. This loss was partly offset by higher contribution by Elpedison and other associates.

Income tax expense

Income tax expense increased by €18.3 million, or 13.5%, to €154.2 million in the year ended 31 December 2018 from €135.9 million in the year ended 31 December 2017, although the profit before tax was lower by €151 million. This increase was primarily due to the deferred tax expense of approximately €48 million relating to the distribution of DESFA shares by DEPA to its shareholders.

Cash flows

The table below presents a summary of the Group's cash flows for the periods indicated, which have been extracted from the historical financial information incorporated into this Prospectus by reference.

	Year ended 31 December		Six months ended 30 June	
			(unaudited)	
	(€000)			
	2017	**2018**	**2018**	**2019**
Cash flows generated from/(used in) operating activities	442,936	502,928	34,020	225,897
Cash flows generated from/(used in) investing activities	(184,785)	138,392	(75,693)	(79,522)
Cash flows generated from/(used in) financing activities	(300,424)	(244,468)	72,256	(102,895)
Net increase/(decrease) in cash and cash equivalents	**(42,273)**	**396,852**	**30,583**	**43,480**

Cash flows generated from / used in operating activities

Cash inflow from operating activities increased by €191.9 million to €225.9 million in the six months ended 30 June 2019 from €34.0 million in the six months ended 30 June 2018. This increase was primarily due to lower cash outflow for working capital purposes, partially offset by lower operating results (cash adjusted) compared to the corresponding period in 2018.

Cash inflow from operating activities increased by €60.0 million, or 13.5%, to €502.9 million in the year ended 31 December 2018 from €442.9 million in the year ended 31 December 2017. This increase was primarily due to lower cash outflow for working capital purposes, partially offset by lower operating results (cash adjusted) compared to the corresponding period in 2017.

Cash flows generated from / used in investing activities

Cash outflow from investing activities increased by €3.8 million, or 5%, to €79.5 million in the six months ended 30 June 2019 from €75.7 million in the six months ended 30 June 2018, primarily due to higher capital expenditure for purchases of property, plant and equipment & intangible assets. The variance is partly offset by the final one-off payment made in the first half of 2018 regarding the acquisition of further equity interest in ELPET Valkaniki.

Cash inflow from investing activities was €138.4 million in the year ended 31 December 2018 as compared to cash outflow from investing activities of €184.8 million in the year ended 31 December 2017, primarily due to the consideration for the sale of DESFA, which was received in the form of dividends. In addition, capital expenditure for purchases of property, plant and equipment & intangible assets was lower in 2018.

Cash flows used in financing activities

Cash inflow from financing activities in the six months ended 30 June 2018 of €72.3 million, turned to a cash outflow of €102.9 million in the six months ended 30 June 2019, primarily due to higher proceeds from borrowings, when taken together with the movement in restricted cash in the first half of 2018, while in the first half of 2019, following the adoption of IFRS 16 the payment of rental expenses was reclassified to financing activities (as repayment of IFRS 16 lease liabilities) from operating activities.

Cash outflow from financing activities decreased by €55.9 million, or 18.6%, to €244.5 million in the year ended 31 December 2018 from €300.4 million in the year ended 31 December 2017, primarily due to higher proceeds from borrowings, when taken together with the movement in restricted cash in 2018, The decrease in cash outflow from financing activities was partly offset by higher dividends paid.

Borrowings

Given financial market developments since 2011, the key priorities of the Group have been the management of the 'Assets and Liabilities' maturity profile, funding in accordance with its strategic investment plan and liquidity risk for operations. As a result of these key priority initiatives and in line with its medium-term financing plan, the Group has maintained a mix of long term, medium term and short-term credit facilities by taking into consideration bank and debt capital markets' credit capacity as well as cash flow planning and commercial requirements. Approximately 70% of total debt is financed by medium to long term committed credit lines while the remaining debt is being financed by short term working capital credit facilities.

The table below presents a breakdown of the Group's interest-bearing loans and borrowings as at the dates indicated.

			Balance as at 31 December		**As at 30 June**
				(€ millions)	
	Company	**Maturity**	**2017**	**2018**	**2019**
1a. Syndicated credit facility €20 million ..	HPF plc	Jul 2018	20	-	-
1b. Syndicated credit facility €10 million ..	HPF plc	Jul 2018	10	-	-
1c. Syndicated bond loan €350 million......	HP SA	Jul 2018	348	-	-
1d. Bond loan €400 million (a)	HP SA	Jun 2023	-	392	393
2. Bond loan €400 million (b)	HP SA	Nov 2020	284	223	223
3. Bond loan €300 million.......................	HP SA	Feb 2021	200	297	298
4. Bond loan SBF €400 million...............	HP SA	May 2018	239	-	-
5. Bond loan $250 million.......................	HP SA	Jun 2021	-	155	156
6. European Investment Bank Term Loan..	HP SA	Jun 2022	200	156	133
7. Eurobond €500 million	HPF plc	May 2017	-	-	-
8. Eurobond $400 million	HPF plc	May 2016	-	-	-
9. Eurobond €325 million	HPF plc	Jul 2019	316	318	320
10. Eurobond €450 million	HPF plc	Oct 2021	446	447	447
11. Bilateral lines	Various	Various	754	745	749
12. Finance leases	Various	Various	4	3	-
Total Borrowings			**2,821**	**2,736**	**2,719**

1. Term loans

In July 2014, the Group concluded two new credit facilities with a syndicate of Greek and international banks as follows:

- (1a-1b) HPF concluded a €50 million syndicated credit facility guaranteed by the Company. The facility had a €40 million tranche which matured in July 2016 and a €10 million tranche maturing in July 2018. In July 2016, upon maturity of the €40 million tranche, the Group proceeded with a partial repayment of €20 million and extended the maturity of the remaining €20 million to July 2018. These loans were repaid during 2018 with the proceeds of the facility as described below (1d).

- (1c) The Company concluded a €350 million syndicated bond loan credit facility guaranteed by HPF maturing in July 2018. These loans were repaid during 2018 with the proceeds of the facility as described below (1d).

- (1d) In June 2018, the Group prepaid both facilities which had a total outstanding balance of €380 million. The facilities were refinanced with a 5-year syndicated revolving bond loan facility issued by the Company and subscribed to by Greek and international banks for an amount of €400 million.

2. Bond loan €400 million

In September 2015, the Company extended the maturity date of a €400 million syndicated bond loan agreement from December 2015 to June 2016 and subsequently to October 2017 with two six-month extension options. In April 2018 the Company extended the facility maturity date to October 2018, when it was fully repaid (the outstanding balance amounted to €284.5 million). The loan was refinanced in November 2018, with the issuance of a new syndicated bond loan of €400 million with a tenor of 2 years and a one-year extension option. The outstanding amount of the loan was €223 million as of 31 December 2018.

3. Bond loan €300 million

In January 2015, the Company concluded a €200 million revolving bond loan facility, with a tenor of 3 years. The facility was refinanced in February 2018 for an increased amount of €300 million and a tenor of 3 years.

4. Bond loans SBF €400 million

In May 2016, the Company concluded a €400 million bond loan stand-by facility with a tenor of 18 months and an extension option for a further 6 months. The bond loan facility has two tranches, a committed tranche of €240 million and an uncommitted tranche of €160 million. In May 2017, the Company made an additional drawdown of €167 million under the committed tranche of the facility. In October 2017 the Company extended the facility maturity date to May 2018. In May 2018, the Company fully repaid the outstanding balance of €240 million upon maturity.

5. Bond loan $250 million

In June 2018, the Company concluded a new $250 million revolving bond loan facility with a tenor of 3 years to finance general working capital needs.

6. EIB term loans

On 26 May 2010, the Company signed two loan agreements (Facilities A and B) with the European Investment Bank for a total amount of €400 million (€200 million each). The purpose of the loans was to finance part of the investment program relating to the upgrade of the Elefsina Refinery. Both loans had a maturity of twelve years with amortisation beginning in December 2013 and similar terms and conditions. Facility B is credit enhanced by a commercial bank guarantee. This is normal practice for EIB lending, particularly during the construction phase of large projects. Total repayments on both loans up to 31 December 2018 amounted to €244 million (€44 million paid during 2018). Up to February 2018, Facility B included financial covenant ratios which were comprised of leverage, interest cover and gearing ratios. In February 2018 the Company amended the terms of this facility in order to align the loan covenants' definitions and ratios in line with those used for all its commercial bank loans and Eurobonds. Total repayments on both loans up to 30 June 2019 amounted to €267 million (€22 million paid during 2019).

7. Eurobond €500 million

In May 2013, the Group issued a €500 million four-year Eurobond, with an 8% annual coupon, maturing in May 2017. The Notes were issued by the Issuer and are guaranteed by the Company. The notes were partially prepaid in October 2016 with the proceeds of a new Eurobond issue of €375 million, with a tenor of five years, as detailed below. In May 2017 the Issuer repaid the outstanding balance of €264 million upon maturity.

8. Eurobond $400 million

In May 2014, the Group issued a $400 million two-year Eurobond, with a 4.625% annual coupon, maturing in May 2016. In May 2016, the Issuer repaid the $400 million Eurobond upon maturity. The exchange gain realised upon repayment was €12 million and is included in Currency exchange gains / (losses) for the year ended 31 December 2016.

9. Eurobond €325 million

In July 2014, the Group issued a €325 million five-year Eurobond, with a 5,25% annual coupon, maturing in July 2019. The Notes, which were issued by the Issuer and are guaranteed by the Company, are listed on the Luxembourg Stock Exchange. In early July 2019, the Issuer repaid the outstanding €319.8 million of the €325 million Eurobond upon maturity.

10. Eurobond €450 million

In October 2016, HPF issued a €375 million five-year 4.875% Eurobond guaranteed by the Company with the issue price being 99.453% of the principal amount. The notes mature in October 2021. The proceeds of the issue were used to repay existing financial indebtedness, including the partial prepayment of the €500 million Eurobond maturing in May 2017 through a tender offer process which was completed in October 2016 during which notes of nominal value of €225 million were accepted for purchase by HPF. In July 2017, HPF issued €74.53 million guaranteed notes due 14 October 2021, which were consolidated and form a single series with the €375 million 4.875% guaranteed notes (together, the "**Eurobond €450 million**"). which mature in October 2021.

11. Bilateral lines

The Group companies have credit facilities with various banks to finance general corporate needs which are being renewed in accordance with the Group's finance needs. The facilities mainly comprise of short-term loans of the Company.

12. Finance leases

The Group leases petrol stations (buildings and plant) under finance lease agreements. Finance leases are analysed as follows:

	As at 31 December	
	(€ millions)	
Obligations under finance leases	**2017**	**2018**
Within 1 year	667	677
Between 1 and 2 years	677	639
Between 2 and 5 years	2,061	1,175
After 5 years	321	567
Total lease payments	**3,726**	**3,058**

From 1 January 2019, following the adoption of IFRS 16, liabilities relating to finance leases, previously included within borrowings, are now presented within lease liabilities (see"—*Lease liabilities*" below).

Certain medium-term credit agreements that the Group has concluded, include financial covenants, mainly for the maintenance of certain ratios such as: "Consolidated Net Debt/ Consolidated Adjusted EBITDA", "Consolidated Adjusted EBITDA/ Consolidated Net Interest" and "Consolidated Net Debt/ Consolidated Net Worth". Management monitors the performance of the Group to ensure compliance with the above covenants.

Lease liabilities

On 1 January 2019 the Group adopted IFRS16, the impact of the first-time application of IFRS16 is detailed in the June 2019 Interim Condensed Consolidated Financial Statements "Accounting policies and the use of estimates" section. The Group has lease contracts for various items of petrol station properties, commercial properties, plant and machinery and motor vehicles. Before the adoption of IFRS 16, the Group classified each of its leases (as lessee) at the inception date as either a finance lease or an operating lease. Upon adoption of IFRS 16, the Group applied a single recognition and measurement approach for all leases, except for leases of low-value assets.

The Group adopted IFRS 16 using the modified retrospective method of adoption with the date of initial application of 1 January 2019. Under this method, the standard is applied retrospectively with the cumulative effect of initially applying the standard recognized at the date of initial application. The Group applied the practical expedient to grandfather the definition of a lease on transition. This means that it applied IFRS 16 to all contracts entered into before 1 January 2019 that were identified as leases in accordance with IAS 17 and IFRIC 4. Furthermore, the Group elected to use the recognition exemptions proposed by the standard for lease contracts that, at the commencement date have a lease term of 12 months or less and do not contain a purchase option ('short-term leases'), and lease contracts for which, the underlying asset is of low value ("low-value assets"). Finally, the Group decided to apply a single discount rate to a portfolio of leases with reasonably similar characteristics (such as leases with similar remaining lease term for similar class of underlying assets in a similar economic environment).

The balance of lease liabilities for the Group as at 30 June 2019 amounts to €182.8 million.

Contingent Liabilities

The Group has contingent liabilities in respect of bank and other guarantees and other matters arising in the ordinary course of business, the most significant of which are disclosed below.

Legal proceedings

Although there are no legal proceedings that may have a significant effect on the financial position or profitability of the Group, the Group is involved in a number of legal proceedings and has various unresolved claims pending arising in the ordinary course of business. Based on currently available information and the opinion of legal counsel, management believes the final outcome of such proceedings will not have a significant effect on the Group's operating results or financial position, over and above provisions already reflected in the consolidated financial statements.

Unresolved legal claims

As at 30 June 2019 there are pending litigation claims that have been filed against the Group by the Greek State, concerning customs violations that have been carried out by petrol stations dealers and whereby the Group is considered to be jointly liable. Furthermore, a number of decisions have been issued by the Supreme Administrative Court in similar cases, which either reject the Group's appeals, or accept the Greek State's appeals and redirect them to the Administrative Appeals Court. The total amount the Group could be liable to pay is €13.9 million, of which €11.7 million has been paid and recognized in Other Receivables in the Financial Statements (31 December 2018: €11.7 million).

With regards to HF's cases, the Group has filed an appeal to the European Court of Human Rights as it assesses that the above Court decisions contradict the provisions of the European Convention on Human Rights.

In this context, the Group's management assesses that the probability of a favourable outcome from the European Courts is likely, which may as a result change the Supreme Administrative Court's position, which will subsequently result in a favourable outcome for the Group. For the reasons mentioned above, the Group has not raised a provision with regards to these cases.

During the two preceding years, a number of municipalities proceeded with the imposition of duties and fines relating to the rights of way occupied by underground pipelines operated by the Group within the boundaries of each respective municipality. As at 30 June 2019, the total amounts imposed amount to €26.5 million. In order to appeal against these, and in accordance with legislation, the Group has paid an amount of €14 million which is included in Other Receivables in the Financial Statements (31 December 2018: €6.4 million).

The Group has exercised all available legal recourse relating to these cases and management have assessed that it is most probable that the outcome of all appeals will be favourable. Therefore, the Group has not raised a provision with regards to these cases.

International operations

The Group's international operations face a number of legal issues related to changes in local permits and tax regulations, however it is considered that they do not present any material impact on the consolidated financial statements. Such cases include a dispute in connection with the local tank depots of Jugopetrol AD in Montenegro, as well as the re-opening of the Commission for the Protection of Competition in Cyprus' investigation against the petroleum companies operating there (wholesale), for the period from 1 October 2004 to 22 December 2006. On 15 November 2017 the Commission for the Protection of Competition in Cyprus imposed a fine amounting to €5 million against Hellenic Petroleum Cyprus Ltd. Pertinent legal actions, have commenced on 30 December 2017 and are in progress. The likelihood for an outflow of resources is assessed as remote. Management believes that no additional material liabilities will arise as a result of these cases over and above those recognised in the consolidated financial statements.

Guarantees

The Company has provided letters of comfort and guarantees in favour of banks as security for loans granted by them to subsidiaries and associates of the Group, the outstanding amount of which as at 30 June 2019 was the equivalent of €959 million (31 December 2018: €969 million). Out of these, €876 million (31 December 2018: €886 million) are included in consolidated borrowings of the Group and are presented as such in the consolidated financial statements.

Taxation and customs

The tax framework and practices in Greece, which determine the tax base for the transactions of the Group's main entities, may result in inherent uncertainties, due to its complexity and it being subject to changes and alternative interpretation by relevant authorities at different points in time and across different entities. As a result, there may be types of expenses or treatments for which a company may be assessed on a different basis than the one adopted during preparation of its tax return and the financial statements. Based on past experience tax audits were carried out by tax authorities on average 5 to 7 years after the filing of the tax return. In addition, where a tax audit results in a different assessment to the one adopted by the Group entity, and for which the Group after consideration, disagrees with, the process for resolving the issue is usually through a court of law proceeding, which has many stages and can take a considerable number of years to reach its final and irrevocable ruling. For an entity to engage in this process, a minimum down payment of 50% of the total tax and surcharges assessed is required.

All of the above result in inherent difficulties in the determination and accounting of tax liabilities. As a result, management aims to determine its policy based on specific legislation available at the time of accounting for a transaction, obtain specialist legal and tax advice on individual cases and utilise prior tax audits experience and rulings, including relevant court decisions. This process should ensure that the financial statements reflect any material tax and customs liabilities as accurately and completely as possible.

The Group has been subject to several tax audits for its most important Greek legal entities by the Greek tax authorities. The results of the most recent tax audits are as follows:

For Hellenic Petroleum S.A.: up to and including the financial year ended 31 December 2011.

The Tax audit reports for years ended 31 December 2010 and 31 December 2011 were received in December 2017 and they are subject to legal dispute by the Company. In summary, the reports assess additional taxes of €22.5 million and penalties of €23.5 million, for items relating to stamp duty, various non-deductible expenses and other income tax adjustments. Following a detailed review of the Tax Audit Report, the Company disputes the additional taxes imposed (which are over and above the amounts already included in the Companies' normal tax returns) and has proceeded with all possible legal means and actions to appeal against these additional taxes and surcharges imposed.

Even though the Company disputed the additional taxes and surcharges imposed, it was obliged to pay 50% of the assessed amounts (taxes and surcharges) to the tax authorities in order to appeal the results of the tax audits. This was paid by the applicable deadline, while the remaining amounts have been fully offset by the relevant authorities, with tax and other State receivables of the Company, within 2018. The amounts are included in the Trade and Other Receivables, as the Company assesses that it will succeed in its appeals. As far as surcharges are concerned, the report has assessed amounts at 120% of the original tax instead of the applicable 50%; this is also legally challenged by the Company.

At present, an audit for the year ended 31 December 2012 is in progress.

Former Hellenic Fuels S.A.: up to and including the financial year ended 31 December 2011, with ongoing audits for subsequent years up to and including 31 December 2013

The most recent tax audit reports for 2010 and 2011 were delivered in December 2017 and assess additional taxes of €1.6 million and surcharges of €1.9 million for similar reasons as Hellenic Petroleum. The process followed is identical to the one described above for Hellenic Petroleum and the subsidiary has already proceeded with the relevant legal actions.

HF: up to and including 31 December 2010 with ongoing audit for the fiscal year 2012

The most recent tax audit reports for 2008, 2009 and 2010 were delivered in February 2018 and assess additional stamp duty of €4.1 million and surcharges of €3.5 million. The process followed is identical to the one described above for the Group, and the subsidiary has already proceeded with the relevant legal actions.

Even though the subsidiary disputes the additional taxes and surcharges imposed, it was obliged to pay 50% of the assessed amounts (taxes and surcharges) to the tax authorities in order to appeal the results of the tax audits. These were paid within the applicable deadlines, while the remaining amounts have been fully offset by the relevant tax authorities, with tax and other state receivables of the subsidiary, within 2018. The amounts paid and/or offset are included in the Trade and Other Receivables, as the Group assesses that it will succeed in its appeals.

Management believes that no additional material liability will arise either as a result of open tax years or from the outcome of current litigation cases over and above the tax liabilities and provisions already recognized in the consolidated financial statements as at 30 June 2019. The Company has recorded down payments made for taxes and penalties assessed in previous disputes with the tax authorities in other receivables, to the extent that the Company has assessed that the amounts will be ultimately recoverable.

It is noted that for financial years ending 31 December 2011 up to and including 31 December 2017, the Group's Greek legal entities obtained unqualified "Annual Tax Compliance Reports" from their Statutory Auditors, as provided for by par. 5, article 82 of L.2238/1994 and article 65A of L. 4174/2013.

Assessments of customs and fines

In 2008, customs authorities assessed additional customs duties and penalties amounting to approximately €40 million for alleged "stock shortages" during the years 2001 to 2005. The Company has duly filed contestations before the Administrative Court of First Instance, and management of the Group believes that this case will have a positive outcome when the court hearings take place.

Notwithstanding the filing of the above contestations, the customs office withheld an amount of €54 million (full payment plus surcharges) of established VAT refunds, an action against which the Company filed two contestations before the Administrative Courts of Athens and Piraeus. The Administrative Court of Athens ruled that the withholding effected by the Tax Office was unlawful.

The Company considers that the above amounts will be recovered.

Commitments

Capital commitments

Significant contractual commitments of the Group amounted to €21.7 million as at 31 December 2018, as compared to €20 million as at 31 December 2017, which mainly relate to improvements in refining assets.

Operating lease commitments

The Group leases offices, petrol stations (buildings and plant), properties, machinery, equipment and vehicles under non-cancellable operating lease agreements.

The future aggregate minimum lease payments under these non-cancellable operating leases are as follows:

	For the year ended 31 December	
	2017	**2018**
No later than 1 year	33,482	34,020
Later than 1 year and no later than 5 years	105,961	102,489
Later than 5 years	106,285	112,833
Total	**245,728**	**249,342**

From 1 January 2019, following the adoption of IFRS 16, liabilities relating to operating leases are now presented within lease liabilities except from specific exceptions (see "—*Lease liabilities*" above).

Letters of credit

The Group may be requested to provide bank letters of credit to suppliers in order to obtain better commercial and credit terms. To the extent that such items are already recorded as liabilities in the financial statements there is no additional commitment to be disclosed. In cases where the underlying transaction occurs after the year end, the Group is not liable to settle the letter of credit and hence no such liability exists as at the year end.

Capital expenditure

The table below presents a breakdown of the Group's capital expenditure for the periods indicated.

	Year ended 31 December		**Six months ended 30 June**	
			(unaudited)	
	(€000)			
	2017	**2018**	**2018**	**2019**
Growth	49,153	39,184	16,953	11,823
Maintenance	103,654	73,260	30,588	41,676
Regulatory driven	19,700	34,896	8,255	23,184
Other(1)	36,225	9,374	4,735	1,579
Total	**208,732**	**156,713**	**60,531**	**78,262**

Notes

(1) Other includes the acquisition of land in 2017.

The Group's capital expenditure for the twelve months ended 30 June 2019 was €174 million. The most significant element of the Group's capital expenditure during the period under review was required maintenance and regulatory driven investments at the Refineries. The table below sets out the levels of capital expenditure at each of the Refineries for FY17 and FY18.

	Year ended 31 December		
		(*€ million)*	
	2016	**2017**	**2018**
Aspropyrgos refinery	29	47	44
Elefsina refinery	28	85	33
Thessaloniki refinery	29	13	16

The Company expects that capital expenditure will be at similar levels as the last three years to cover required maintenance and regulatory investments. In addition to these amounts, €400 million are expected to be spent in the 5-year period 2020 – 2024 for the Group's investment programme in its core business and growth in renewables (see "*Description of the Guarantor—Strategy*").

Off-balance sheet arrangements

Off balance sheet arrangements used by the Group relate to industry standard practices such as issuance of letters of credit or letters of guarantee for the supply of crude oil and products, factoring arrangements and the participation in the set-up of an inventory financing and stock keeping entity, OTSM. Relative information is disclosed in the Group's annual financial statements.

DIVIDEND POLICY

The Group distributes dividends on the basis of a number of parameters which have a different bearing every time a decision is made. Some of the key considerations when deciding on the distribution to shareholders are:

- Profitability and financial ratio considerations:
    - There is a statutory requirement companies limited by shares entities which require a distribution of 35% of their net projects, subject to certain exemptions.
    - The percentage of annual net income and annual post-tax free cashflow after capital investments and payment of financing charges.
- Balance sheet ratios:
    - Gearing and leverage ratios with a forward projection to ensure the Group does not exceed a reasonable level that would expose it to refinancing risks.
    - The amount of debt repayments coming up in the next 12 to 24 months and the availability of cash resources or committed facilities.
- Market data:
    - Dividend yield.
    - Market comparable payments for similar companies.
    - Market value of the Company and dividend impact.

All of the above are assessed on a historic level as well as on a forward plan basis to take into account projections of the ratios described above and any exceptional investment plans that may need to be considered.

QUANTITATIVE AND QUALITATIVE DISCLOSURES ABOUT MARKET RISKS

For a description of the Group's management of financial risk factors, see "*Information Incorporated by Reference*".

CRITICAL ACCOUNTING POLICIES AND ESTIMATES

For a description of the Group's critical accounting judgements and key sources of estimation uncertainty, see "*Information Incorporated by Reference*".

DESCRIPTION OF THE GUARANTOR: INDUSTRY AND REGULATORY OVERVIEW

Global Economy and Petroleum Industry

Demand for oil and gas is strongly linked to the strength of the global economy and as such, projected economic growth is considered an indicator for future demand for the Group's products and services. On the supply side, political tensions in oil producing countries can affect the availability of crude oil and its price.

In 2018, the growth rate of the global economy remained at a high level (estimated at 2.9%) marginally lower versus last year (3% in 2017) driven by commercial and industrial activity. Unemployment continued to decline and for many countries came at the lowest levels since the start of the global economic crisis. GDP growth in advanced economies declined marginally by 0.1% to 2.2% and in emerging economies from 4.3% in 2017 to 4.2% in 2018. The factors that affected growth were trade tensions, rising borrowing costs for both developed and emerging economies, as well as global geopolitical developments such as the U.S. sanctions against Iran.

In the Eurozone, GDP growth slowed considerably to an estimated 1.9%, below expectations and down 0.5% compared to 2017, as exports slowed due to strong euro and declining demand. In Italy, concerns about the stability of the financial system and political developments increased the country's borrowing costs.

In the US, growth is estimated to have reached 2.9% in 2018, higher than both forecast and 2017, driven mainly by fiscal policy and domestic demand, with the unemployment rate at the lowest of the last 50 years. The US Federal Reserve continued to normalize monetary policy in 2018, further increasing interest rates.

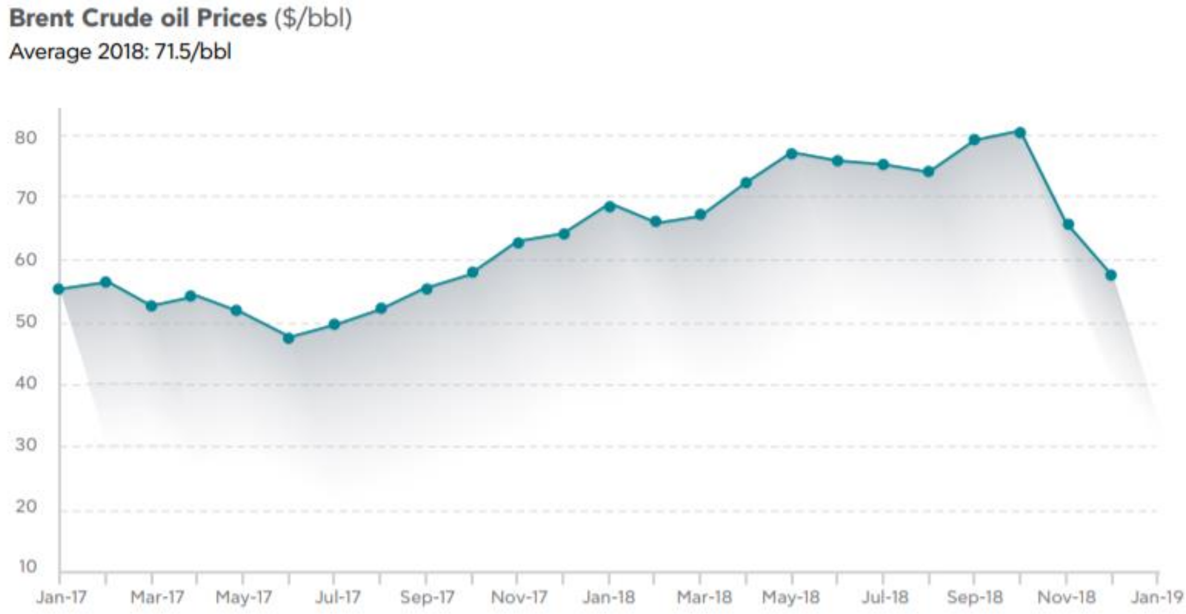
With regard to emerging economies, growth in China is estimated to have reached 6.5% in 2018 (down 0.4% compared to 2017), as industrial output and exports were affected by trade tensions, mainly with the US and a slowdown in certain economies. In Turkey, economic activity in 2018 declined sharply (3.5% compared to 7.4% in 2017), reflecting the sovereign debt crisis, increased political uncertainty and reduced confidence that led to a significant currency depreciation.

World oil demand growth is estimated to have increased by 1.5 million barrels per day ("**mbpd**"), in 2018, taking global demand to 98.8 mbpd. In 2019, it is expected to increase by 1.3 mbpd, exceeding 100 mbpd. Demand in both European and Asian OECD countries was affected by high oil prices and a slowdown in economic activity. On the contrary, demand in North America was strong, supported by the expansion of industrial activity (increased petrochemical capacity) and economic growth. Global oil production in 2018 increased mainly due to non-OPEC production growth of 2.5 mbpd, with the US, Canada, Russia and Kazakhstan being the key contributing countries.

This partly offset the reduced OPEC production (-1.1 mbpd) compared to 2017. Following an OPEC decision in January 2019, its members will proceed to a total reduction of 1.2 mbpd aiming to stabilize prices. The increase in supply is expected from countries outside OPEC for 2019 as well.

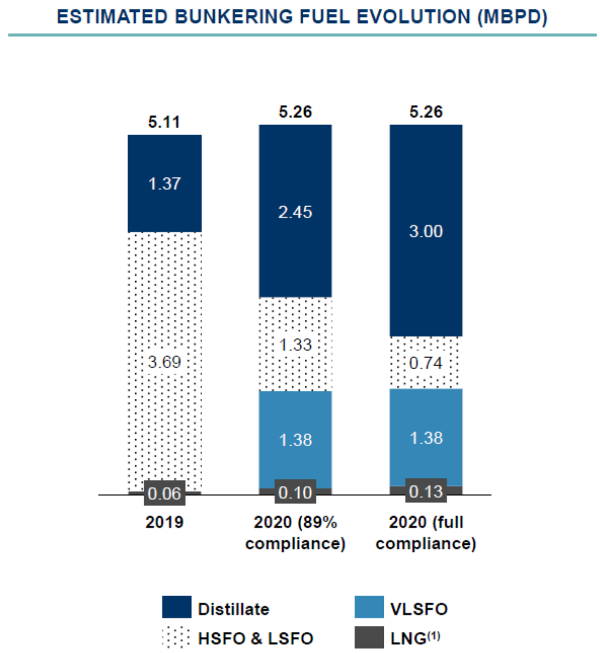
Brent crude oil averaged $72/bbl in 2018, up 29% from 2017, with significant volatility throughout the year, peaking above $80/bbl in the beginning of 4Q18, before dropping significantly below $50/bbl at the end of the year. US production growth, geopolitical developments (tensions in Middle East, resumption of US sanctions against Iran), production control by OPEC, as well as the macroeconomic environment were the main pricing drivers in 2018.

In terms of crude oil differentials, the difference between Brent prices and West Texas crude prices averaged $6.8/bbl in FY18, significantly higher than 2017 due to the continued increase in US production. Brent Urals spread in 2018 increased by $0.2/bbl, to $1.2/bbl with significant volatility due to fluctuation in the supply of high sulphur crude oil in the region. The graph below sets out the average Brent crude oil prices for 2017 and 2018.



IMO Regulation

The IMO regulation from 2020 is a key milestone for the refining industry, with a high level of compliance anticipated. Wood Mackenzie estimates that between 2.0 to 3.0 mbpd (greater than 20% of global HSFO demand) of HSFO demand will be displaced. Although some vessels will be fitted with scrubbers allowing them to continue to use HSFO, such technology will take time to be widely implemented. The graphic below sets out the estimated bunkering fuel evolution following compliance with the IMO Regulation (source: Wood Mackenzie).



Note:

(1) Volume of oil substituted by liquefied natural gas

Greek Market

Following the recovery of the Greek economy in 2017, growth accelerated in 2018 (estimating an increase in nominal GDP of 2.5% compared with 2.1% in 2017), mainly due to an increase in exports and private consumption. Economic activity, completion of the EU program review and strengthening of bank liquidity, have improved confidence and have allowed the lifting of most capital controls. In addition, employment growth and a decline in the unemployment rate have further improved economic outlook.

Greek bonds yields remained high, with increased volatility, due to political and macroeconomic developments in regional economies (mainly Italy and Turkey), but also due to uncertainty for high taxation, wages' growth, as well as delays in implementing reforms and privatizations that may negatively affect the prospects of the Greek economy.

Domestic fuel demand in 2018 amounted to 6.7 million tons, according to official data, a 3% decrease compared to 2017, mainly due to a 17% decrease in heating oil consumption. Auto-fuels demand remained stable, with diesel up 3%, offsetting a corresponding 2% drop in gasoline.

Refining margins

Performance of the industry relies heavily on refining margins, which mainly comprise two key metrics. The first is the so-called "benchmark margin". The benchmark margin is calculated on the basis of a theoretical crude oil feedstock slate and standard production yield which each refinery expects to have under normal operations. This is used as a benchmark and it is widely available as a market reference for each type of refinery. The second is the "realised margin". The realised margin is driven by the actual performance of each refinery and results in either over- or under-performance compared to the benchmark for that specific refinery. Differences between the benchmark margin and the realised margin arise as a result of:

a) differences in the technological or mechanical configuration between the generic refinery used to calculate the standard benchmark refining margin and the specific refinery;
b) changes in the mix of crude feedstock used in real production;
c) changes in actual production profile due to mechanical availability issues; and
d) differences in the additional returns from commercial wholesale product trading premia.

Benchmark refining margin

Benchmark refining margin is an indication of the unit (in U.S.$/barrel) gross margin of a reference refinery. It is calculated as the difference between the sum of the revenue of the volumetric output of refined products or intermediates ("refined output") minus the cost of crude and other feedstock ("feed") to produce those volumes for a refinery of a certain configuration, based on which the exact volume of each product is derived, assuming normal operation, over the volume of feed ("benchmark refining margin" or "benchmark margin"). The figures for the revenue of refined output and the cost of feed are based on a set of international price quotes (Platts or Argus (an independent media organisation which specialises in reporting news and price information relating to physical energy and related commodity markets)) in U.S.$. Those are calculated on a daily basis and do not include any effect of price movement, since the calculation of cost of feed does not take into account inventories.

Benchmark refining margin is a prevalent indicator of profitability in the refining industry and is widely used. Differences between benchmark refining margins for the same set of price quotes derives from the different configuration across refineries. While benchmark refining margins provide an indication of the theoretical profitability of a refinery, based on the evolution of prices of crude, feed and refined output, they do not take into account the actual operation of a refinery, as well as a number of other variables that are specific to a refinery (for example, sales and trading margins) and other income and expenses, including operating expenses.

Realised margin

Realised margin is the actual unit gross margin in U.S.$/barrel of a specific refinery or refining company as calculated and published. It is calculated as the total revenue from refined output sold minus the cost of feed over a given period over the volume of refined output sold ("realised refining margin" or "realised margin"). As with refining margin, the effect of international crude and products price changes on the inventory is not considered in the calculation, so any Inventory effect and other non-operating items are not included (for further detail on Inventory effect and other non-operating items, please see the section headed "Selected Alternative Performance Measures" above). Realised margins are also commonly used in the refining industry as an indicator of actual gross margin profitability and are usually compared to benchmark refining margins and the difference between the two (realised minus benchmark) is called “over- (or under-) performance” or “additional margin” (“overperformance” or “underperformance”).

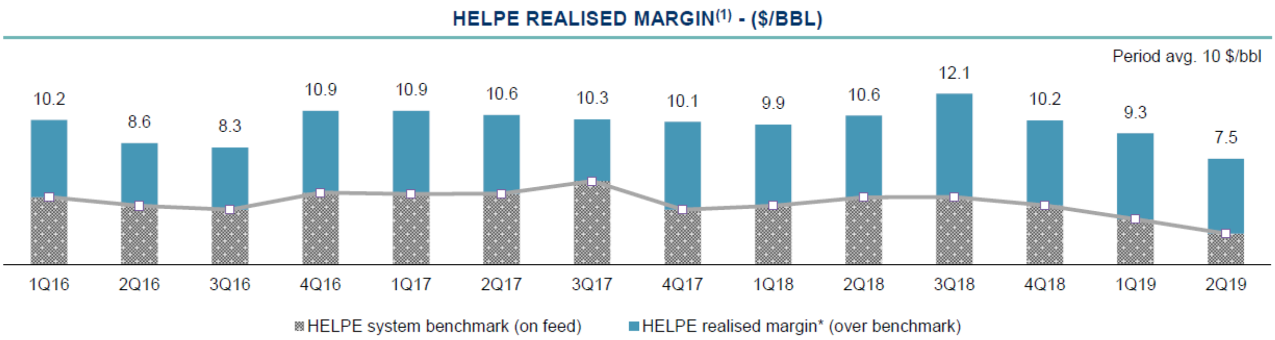
Realised margins are a better proxy of actual performance (compared to benchmark refining margins), since they do take into account the effect of actual operations (crude and feedstock volumes processed and volumes of each of products at actual prices), as well as the contribution of sales and trading activities. However, they should not be relied on as a sole indicator of profitability, as they do not consider line items other than gross margin, like operating expenses, depreciation costs, finance expenses and others.

Recent refining margin performance

From 2014, higher supply in the Atlantic basin, initially for sweet/light grades (due to increased shale oil production in the United States) and later for sour/heavy grades in the Middle East (due to increased production in Iraq and the lifting of sanctions on Iran) had a positive impact on refining margins. Increased demand globally, with demand growth between 2015 and 2017 averaging 2.0 mbpd also positively affected refining margins. In 2018, the re-imposition of US sanctions on Iran, the reduction of supply from OPEC countries, as well as lower demand growth for oil products, led benchmark refining margins lower as compared to the 2015 to 2017 average. Volatile conditions and cyclicality as a general trend may continue to prevail in the industry with their impact depending, among other things, on variations in crude supply conditions globally and, more importantly, regionally, refined product demand and the level of geographically relevant refining capacity.

Refining margins are expected to remain volatile. Increased crude oil supply is positive for refiners, however, that may differ across regions and is subject to significant changes on the back of geo-politics, regulation and logistical constraints that individual refiners cannot influence. Capacity additions, especially from non-OECD countries, are expected to continue, however, the timing is affected by financial capacity of sponsors, permitting, environmental and other issues. Numerous projects, especially in oil producing countries, are reported to have been delayed in the last couple of years. Overcapacity remains an important consideration for the refining industry, particularly in Europe. In global refining, the level of spare capacity following the round of closures in the previous years and the increase in demand appears to have declined in the 2015 to 2016 period. Penetration of substitutes and effect of optimisation and fuel saving is expected to continue, and there is a risk of much lower oil demand growth in the countries within the OECD given the push for greater efficiency and alternatives. Benchmark margins for Mediterranean refineries were weaker in 2018 due to supply/demand balances of products and Urals crude, which drive benchmark margins, as analysed below. The Druzhba pipeline contamination incident temporarily disrupted the regional crude market and caused the Brent-Urals spread to narrow to parity by 2019. As a result, the Med benchmark Catalytic Cracking margin averaged $4.9/bbl in 2018, $1.0/bbl lower year-on-year. The Med Benchmark Hydrocracking / Coking margin was up $0.3/bbl at $5.5/bbl in 2018.

The graph below sets out the Group’s realised margin since the first quarter of 2016.



Notes:

(1) System benchmark calculated using actual crude feed weights. Includes wholesale trading premia and propylene contribution which is reported under petrochemicals.

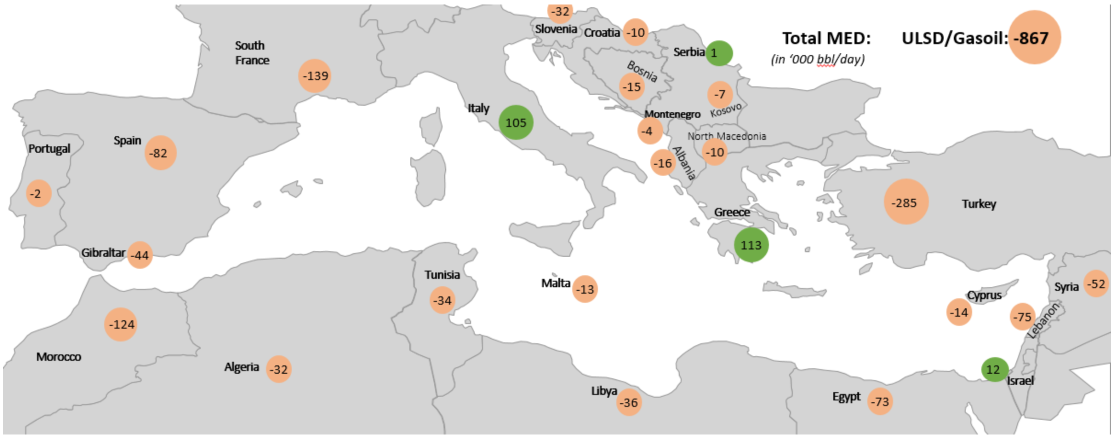
Oil Product Cracks

Most product cracks (the spread between the selling price of the product and crude oil) were lower compared to 2017, with the exception of diesel, which recorded a significant increase (+23%) due to higher demand and, at the same time, reduced availability of high sulphur crude, especially in the Mediterranean. Light-ends cracks were weaker throughout the year, with a drop to multi-years' lows over the last months of the year, due to oversupply and declining demand, driving gasoline to an average $2.8/bbl – as at the end of the fourth quarter of 2018 (FY18 $8.1/ bbl). In 1H19, diesel cracks weakened slightly whereas gasoline cracks recovered to levels comparable with 2Q19.

Gasoline cracks, following a period of weakness between 2011 and 30 June 2014 largely caused by gasoline oversupply and weaker demand in the second half of 2014, improved and retained their relative strength for most of the following three and a half years. In 2H18, the global gasoline market was negatively affected by significant oversupply due to lower demand in the United States and China and higher availability of lighter crudes. Over the last four months, and following the closure of the Philadelphia refinery, gasoline cracks have recovered.

Middle distillates are considered the main driver of crude oil demand, with the largest components of demand being road transport and heating; and jet fuel for aviation being another important use. Middle distillate cracks recovered in 2H14, following a period of oversupply and remained strong for most of 2015. Oversupply in 2016 led cracks lower for the year, with recovery to current levels in 2017. The supply/demand balances for diesel and gasoil in the Mediterranean are shown in the map below:

Key Diesel / Gasoil balances in the Med region, kb/d (2020)[2]

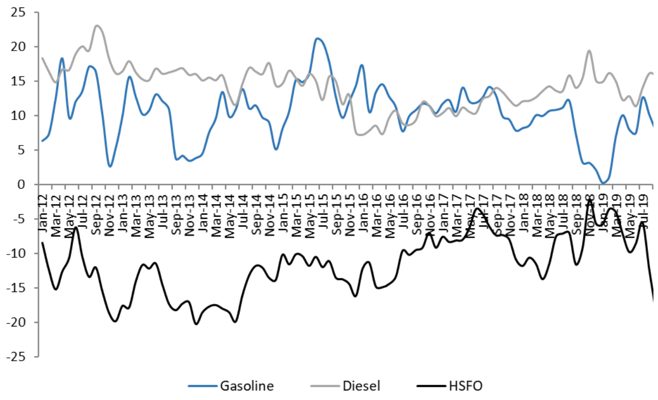


Fuel oil cracks have been negative in the last seven years, as demand has been declining consistently for industrial, energy generation and bunkering use, due to a regulatory move to cleaner sources. The medium and long-term outlook remains negative for fuel oil as OECD countries continue to switch to cleaner sources of energy.

---

2 Source: Woodmac, Company information

Oil products cracks (U.S.$/bbl) – monthly data from January 2012 through July 2019[3]



Polypropylene margins ranged between U.S.$400-500/tonne for the five-year period 2010 to 2014. However, from 2015, benchmark polypropylene margins increased ranging between U.S.$500-600/tonne, having reached even higher levels during that period. Capacity additions in the next couple of years may have a negative impact on polypropylene margins, if those exceed demand growth.

Refining is a cyclical industry. Political tensions and their resolution in the Middle East, North Africa and the Russian Federation, the phasing out of nuclear power in a number of OECD countries, the availability of substitutes such as LNG and shale gas, global economic growth, oil products demand, the level of refining capacity both regionally and globally and changes in supply/demand balances in the global map are the main uncertainties expected to influence crude oil prices and refining margins in the medium term.

REGULATION

Greece

The principal measures contained in the legislation for the downstream oil sector in Greece are the following:

Operating licences (Law 3054/2002 Articles 4-9 as amended by Laws 3423/2005, 4152/2013, 4233/2013, 4254/2014, 4441/2016, 4447/2016, 4546/2018 and 4602/2019)

The law sets out a licensing system for refiners, wholesalers and retailers operating in Greece. The law specifies the conditions that must be fulfilled by the holders of refining, trade and retail licences. The law also specifies the conditions for holders of pipeline operating licenses.

Special levy before taxes (Law 3335/2005 Article 11 of which has amended Law 3054/2002 Article 19.2)

A special levy before taxes of 1.2% is imposed on oil products which are distributed in the internal market, with the exception of fuels that are distributed to the armed forces, jet fuels and marine fuels (for coastal shipping and bunkers). The taxation proceeds are earmarked for the subsidisation of wholesalers and retailers who cover product supplies in remote regions, where low profitability can discourage other operators. However, pursuant to article 2 par. 15 of Law 4336/2015, the proceeds from the special levy are used to cover general expenses of the Greek State.

Funds are also used to promote the spread of environmentally friendly service stations. In addition, 15% of the taxation proceeds are earmarked for environmental projects in the municipalities where refineries are located. Funds raised are also used to help finance the KEDAK, the inspection body which has been established with the aim of ensuring adherence to standards in the storage and distribution sectors (the "**KEDAK**").

3 Source: Company information based on public data.

Storage and wholesale sectors (Law 3054/2002 as amended by Laws 3335/2005, 4172/2013, 4254/2014, 4447/2016 and 4602/2019)

This law includes measures aimed at the storage and distribution sectors. One of its most important measures gives retailers and major users the right to acquire oil products directly from refineries or overseas suppliers (in the past, retailers were obliged to purchase oil products from wholesalers).

Licences for wholesale operations are also subject to companies having a minimum capital ranging from €200,000 up to €1.5 million, depending on the volume of sales during the previous calendar year for distributing most oil products, with the exception of marine fuel, jet fuel, LPG and asphalt, for each of which an additional €500,000 of minimum capital is required.

Licensed companies must also hold adequate insurance coverage against specific risks, which remains to be determined in more detail by virtue of a ministerial decision.

Wholesalers are also obliged to maintain minimum storage capacity, that must be the ‘property of, leased or assigned’ to them, and which must also be available for maintaining emergency stocks. The minimum storage capacity required in order to obtain a licence to distribute oil products ranges from 1,500m^3 to 13,000m^3 depending on the volume of sales during the previous calendar year.

In addition, importers of crude oil, finished or intermediate petroleum products, who supply the domestic market, as well as major end consumers who import oil products for their own use, have an obligation to maintain emergency product stocks irrespective of the type of licence that they hold. Importers and major end consumers are required to maintain 90 days’ equivalent of stocks, calculated on the basis of the previous year’s net imports. A dedicated inspection body, KEDAK, has been established to ensure compliance by the storage and wholesale sectors with the measure.

In accordance with Law 3054/2002, Article 12.3, emergency stocks must be maintained in storage facilities which have been accredited as “Emergency Stocks Storage Facilities”. The storage facilities of a refining licence holder may be regarded as Emergency Reserves Storage Facilities. The storage facilities of end consumers, except for those of major end consumers are not regarded as Emergency Reserves Storage Facilities.

Compulsory stock obligations (Law 4123/2013 and Law 4361/2016)

Law 4123/2013 has harmonised national legislation with EU Directive 2009/119/EC. On the basis of the aforementioned law, a new CSO Regulation was issued by YPEKA (now YPEN) in November 2013 (Decision D1/B/21196/19.11.2013, which has been afterwards amended by Decision 175977/2016).

The main provisions of Law 4123/2013 are:

(d) compulsory stocks correspond to 90 days of average daily net imports and are calculated on the basis of the crude oil equivalent of imports;

(e) option to establish a Central Stockholding Entity (“**CSE**”);

(f) economic operators with stockholding obligations are given the right to delegate their obligations at least in part to:

the CSE (when it is established); and

other economic operators with surplus stocks or available stockholding capacity; and

(g) up to 30% of the CSO can be maintained in other EU countries.

Law 4123/2013 may allow the Group to reduce the level of stocks maintained and hence the level of working capital tied up, as it provides for the option to keep up to 30% of its stocks in another EU country and introduces the possibility of a government regulated CSE to keep such stocks.

Pursuant to Article 33 of Law 4361/2016, importers may assign, in full or in part, the maintenance of their CSO stock to another market participant that has excess stock or the ability to maintain CSO stock in certified tanks for CSO stock. The assignment agreement for the maintenance of CSO stock must have a term of at least six months. In connection with agreements meeting the CSO transparency, suitability and adequacy criteria of Articles 1 and 3(1) of Law 4123/2013, the legal minimum term of six months will cease to apply by virtue of a Ministerial Decision to be issued within 30 days of commencement of the central CSO inventory's operations.

Domestic Fuel prices (Law3054/2002 Article 20 as amended by Laws 3423/2005, 3653/2008, 3851/2010, 4001/2011, 4062/2012 and 4546/2018)

The prices of oil products are determined freely in Greece. For the purpose of promoting a competitive marketplace, the refineries have the obligation to notify the Minister of Development and Investments and the RAE of the method employed in determining ex-factory prices of oil products. For the same reason, oil products marketing companies have the obligation to notify the Minister of Development and the RAE of the real sale price (including any discounts or other arrangements) of oil products sold to retail outlets per region.

The Greek government maintains the right to set maximum retail prices for motor fuels in certain situations. Maximum retail prices are calculated by taking into account the weighted average price in the Attica region, as well as refinery, wholesale and retail profit margins, differential transportation costs (particularly in remote and island locations) and product taxes.

Opening hours (***Law 3054/2002 Article 22 as amended by Law 4062/2012***)

Opening hours of service stations have been liberalised. In order to ensure continuous availability of fuels, at least 10% of the total number of the service stations in any given prefecture must operate, under a rotation system, during the night hours of working days and at least 25% of the total number of service stations in the prefecture must operate during Sundays and public holidays, as regulated from time to time by the corresponding prefecture. It is noted that the Greek Council of State has issued several decisions (1357/2006, 2227/2010 and 671-672/2011) pursuant to which the above-mentioned provision complies with the Greek Constitution, namely with Articles 5 and 106.

Internal market monitoring

In September 2008, the Greek Competition Authority ("**GCA**") unveiled a series of draft proposals aimed at further promoting competition across the fuel distribution chain. The GCA stated the need to heighten oversight, by establishing an Integrated Information System for Oil Refining and Marketing, and grant additional monitoring powers to the Regulatory Authority for Energy.

With regards to fuel transport and the licensing procedure, caps in transport capacity ownership for oil companies have been abolished since 1 July 2013.

Environment

Greece's environmental policy is largely shaped by the need to meet a variety of targets agreed by the EU. Law 3851/2010, transposing Directive 2009/28/EU, sets the Europe 2020 target of increasing the share of renewable energy in gross final energy consumption to 20% and in gross energy consumption to 40% by 2020.

As part of its "Clean Energy for all Europeans" package, the European Commission has adopted an updated of the Renewable Energy Directive for the period 2021 -2031 ("**RED II**"). The RED II raises the overall EU target for Renewable Energy Sources consumption by 2030 to 32% and an energy efficiency target of at least 32.5%, with an upwards revision clause by 2023.

Based on the draft National Plan for Energy and Climate, Greece sets mainly medium-term energy targets, aiming to achieve certain goals by 2030. Based on said draft, the main long-term target Greece has set is the reduction of greenhouse gas emissions by 2050.

Further to the above, it is underlined that Greece has ratified the Paris Climate Agreement by virtue of Law 4426/2016.

Other Countries

The Group operates in five South-Eastern European markets regulated by local legislation. Cyprus and Bulgaria, as members of the EU, do not have restrictions on price setting or products imports and exports. In Montenegro, Serbia and FYROM, some restrictions, such as regulated pricing and preferential customs regulation for locally produced oil products, apply. These restrictions effectively impose price caps for final customers based on international crude oil and product price evolution, with a time lag that usually ranges between 10 to 15 days. As a result, the profitability of companies operating in those markets is subject to higher volatility. To this end the Group commits adequate resources to optimise its supply chain in order to manage the pricing mismatch between sales and purchases.

TAXATION

The following is a general description of certain United Kingdom and Hellenic Republic tax considerations relating to the Notes. It does not purport to be a complete analysis of all tax considerations relating to the Notes whether in those countries or elsewhere. Prospective purchasers of Notes should consult their own tax advisers as to the consequences under the tax laws of the country of which they are resident for tax purposes and the tax laws of the United Kingdom and the Hellenic Republic of acquiring, holding and disposing of Notes and receiving payments of interest, principal and/or other amounts under the Notes. This summary is based upon the law as in effect on the date of this Prospectus and is subject to any change in law that may take effect after such date.

Also investors should note that the appointment by an investor in Notes, or any person through which an investor holds Notes, of a custodian, collection agent or similar person in relation to such Notes in any jurisdiction may have tax implications. Investors should consult their own tax advisers in relation to the tax consequences for them of any such appointment.

UNITED KINGDOM TAXATION

The following applies only to persons who are the beneficial owners of Notes and is a summary of the Issuer's understanding of current law and published practice in the United Kingdom relating to withholding taxation treatment and certain provision of information requirements in relation to payments of interest in respect of the Notes and stamp duties treatment in relation to the issue and transfer of the Notes. The comments do not deal with other United Kingdom tax aspects of acquiring, holding or disposing of Notes. The following is a general guide and should be treated with appropriate caution. Prospective Noteholders who may be subject to tax in a jurisdiction other than the United Kingdom or who may be unsure as to their tax position should seek their own professional advice.

Payments of interest on the Notes may be made without deduction of or withholding on account of United Kingdom income tax provided that the Notes continue to be listed on a "recognised stock exchange" within the meaning of section 1005 of the Income Tax Act 2007. The Luxembourg Stock Exchange is a recognised stock exchange. The Notes will satisfy this requirement if they are officially listed in the Grand Duchy of Luxembourg in accordance with provisions corresponding to those generally applicable in EEA states and are admitted to trading on the Luxembourg Stock Exchange. Provided, therefore, that the Notes remain so listed, interest on the Notes will be payable without withholding or deduction on account of United Kingdom tax.

In other cases, an amount must generally be withheld from payments of interest on the Notes on account of United Kingdom income tax at the basic rate (currently 20%). However, where an applicable double tax treaty provides for a lower rate of withholding tax (or for no tax to be withheld) in relation to a Noteholder, HMRC can issue a notice to the Issuer to pay interest to the Noteholder without deduction of tax (or for interest to be paid with tax deducted at the rate provided for in the relevant double tax treaty).

The United Kingdom withholding tax treatment of payments by the Guarantor under the terms of the Guarantee which have a United Kingdom source is uncertain. In particular, such payments by the Guarantor may not be eligible for the exemptions described above in relation to payments of interest. Accordingly, if the Guarantor makes any such payments, these may be subject to United Kingdom withholding tax at the basic rate.

The references to "interest" in this United Kingdom Taxation Section mean "interest" as understood in United Kingdom tax law. The statements do not take any account of any different definitions of "interest" or "principal" which may prevail under any other law or which may be created by the terms and conditions of the Notes or any related documentation.

No United Kingdom stamp duty or Stamp Duty Reserve Tax ("**SDRT**") is payable on the issue of the Notes or on a transfer by delivery of the Notes.

GREEK TAXATION

The following is a summary of certain material Greek tax consequences of the purchase, ownership and disposal of the Notes. The discussion is not exhaustive and does not purport to deal with all the tax consequences applicable to all possible categories of purchasers, some of which may be subject to special rules, and also does not touch upon procedural requirements relating to the issuance of a tax registration number or the filing of a tax declaration. Further, it is not intended as tax advice to any particular purchaser and it does not purport to be a comprehensive description or analysis of all of the potential tax considerations that may be relevant to a purchaser in view of such purchaser's particular circumstances.

The summary is based on the Greek tax laws in force on the date of this Prospectus, published case law, ministerial decisions and other regulatory acts of the respective Greek authorities as in force at the date hereof and does not take into account any developments or amendments that may occur after the date hereof, whether or not such developments or amendments have retroactive effect. Further, non-Greek tax residents may have to submit a declaration of non-residence or produce documentation evidencing non-residence in order to claim any exemption under applicable tax laws of Greece.

Prospective holders of the Notes are advised to consult their own tax advisers as to the laws of Greece and other tax consequences of the purchase, ownership and disposal of the Notes.

1. Greek withholding tax

Payment of principal under the Notes and the Guarantee

No Greek income tax will be imposed on payments of principal to any Noteholders in respect of the Notes.

Payments of interest on the Notes

Payments of interest on the Notes issued by the Issuer and held by:

(a) Noteholders who neither reside nor maintain a permanent establishment in Greece for Greek tax law purposes (the "**Non-Resident Noteholders**") will not be subject to Greek income tax, provided that such payments are made outside of Greece by a paying or other similar agent who neither resides nor maintains a permanent establishment in Greece for Greek tax law purposes; and

(b) Noteholders who either reside or maintain a permanent establishment in Greece for Greek tax law purposes (the "**Resident Noteholders**") will be subject to Greek withholding income tax currently at a flat rate of 15%, if such payments are made directly to Resident Noteholders by a paying or other similar agent who either resides or maintains a permanent establishment in Greece for Greek tax law purposes. The interest payments will be taxed via the annual income tax return of the Resident Noteholders. The 15% tax will, as a rule, exhaust the tax liability of Resident Noteholders who are natural persons (individuals), while it will not for other types of Resident Noteholders.

Payments of interest under the Guarantee

Payments of interest by the Guarantor under the Guarantee made to:

(a) Resident Noteholders shall have the same tax treatment as payment of interest on the Notes described above; and

(b) Non-Resident Noteholders will be subject to Greek withholding income tax currently at a flat rate of 15 per cent, subject to the provisions of any applicable tax treaty for the avoidance of double taxation of income and the prevention of tax evasion entered into between Greece and the jurisdiction in which a Non-Resident Noteholder is a tax resident.

Disposal of Notes – Capital Gains

Generally, taxable capital gain equals to the positive difference between the consideration received from the disposal of Notes and the acquisition price of the same Notes. For these purposes, expenses directly linked to the acquisition or sale of the Notes are included in the acquisition or sale price and are not added to or deducted from such price.

Capital gains resulting from the transfer of Notes issued by the Issuer and earned by Resident Noteholders or Non-Resident Noteholders will not be subject to Greek income tax (on grounds of equal treatment with corporate bonds issued by Greek entities).

For Resident Noteholders, in particular, such exemption is final in respect of Resident Noteholders who are natural persons (individuals) or legal persons or other entities retaining single entry books, while for Resident Noteholders retaining double entry books the exemption operates as a tax deferral.

2. **Solidarity Levy**

The overall income of an individual exceeding currently EUR 12,000 will be subject to an annual levy called solidarity levy (εισφορά αλληλεγγύης). The rate of the solidarity levy rises progressively from 2.2% to 10% and is calculated with reference to both taxable and tax-exempt income. According to Ministerial Guidelines E2009/2019 and no. 2465/2018 Decision of the Council of State, the solidarity levy is not imposed to income generated in Greece and acquired by a non-Greek tax resident when Greece is not entitled to impose tax on the basis of a Double Tax Treaty.

3. **EU Savings Directive and Amending Directive on Administrative Cooperation**

Directive 2003/48/EC (the "**EU Savings Directive**"), which since 2005 had allowed the European Union tax administrations to exchange tax information on natural persons (individuals), was repealed by the Council on November 10, 2015 by virtue of Council Directive (EU) 2015/2060. The EU Savings Directive required the automatic exchange of information between Member States on private savings income which enabled interest payments made in one Member State to residents of other Member States to be taxed in accordance with the laws of the state of residence. The repeal was decided as a consequence of the adoption by the EU Council of Directive 2014/107/EU which amended the provisions of the Directive 2011/16/EU on the mandatory automatic exchange of information between tax administrations (the "**Amending Directive on Administrative Cooperation**").

The Amending Directive on Administrative Cooperation, which entered into force on 1.1.2016 and which is generally broader in scope that the EU Savings Directive, implements the July 2014 OECD Global Standard on automatic exchange of financial account information within the European Union. The scope of the Amending Directive on Administrative Cooperation covers not only interest income but also dividends and other types of capital income, and the annual balance of the accounts producing such items of income. It also provides for some transitional measures and derogations with respect to Austria.

In line with the above, articles 3 - 13 of Greek law 3312/2005, which implemented into Greek law the EU Savings Directive, were repealed with effect as from 1.1.2016 by virtue of article 5 of Greek law 4378/2016, subject to the abovementioned transitional measures with regards to Austria which were also transposed into Greek law. Same Law 4378/2016 also transposed in Greece the Amending Directive on Administrative Cooperation which is effective, with respect to Greece, in connection with taxable periods commencing as from 1 January 2016.

THE PROPOSED FINANCIAL TRANSACTIONS TAX ("FTT")

On 14 February 2013, the European Commission published a proposal (the "**Commission's Proposal**") for a Directive for a common FTT in Belgium, Germany, Estonia, Greece, Spain, France, Italy, Austria, Portugal, Slovenia and Slovakia (the "**participating Member States**"). However, Estonia has since stated that it will not participate.

The Commission's Proposal has very broad scope and could, if introduced, apply to certain dealings in the Notes (including secondary market transactions) in certain circumstances.

Under the Commission's Proposal the FTT could apply in certain circumstances to persons both within and outside of the participating Member States. Generally, it would apply to certain dealings in the Notes where at least one party is a financial institution, and at least one party is established in a participating Member State. A financial institution may be, or be deemed to be, "established" in a participating Member State in a broad range of circumstances, including (a) by transacting with a person established in a participating Member State or (b) where the financial instrument which is subject to the dealings is issued in a participating Member State.

However, the FTT proposal remains subject to negotiation between participating Member States. It may therefore be altered prior to any implementation, the timing of which remains unclear. Additional EU Member States may decide to participate.

Prospective holders of the Notes are advised to seek their own professional advice in relation to the FTT.

SUBSCRIPTION AND SALE

Credit Suisse Securities (Europe) Limited, Goldman Sachs International, Alpha Bank A.E., Citigroup Global Markets Limited, Eurobank Ergasias S.A., National Bank of Greece S.A., Nomura International plc and Piraeus Bank S.A. (the "**Joint Bookrunners**") have, in a subscription agreement dated 2 October 2019 (the "**Subscription Agreement**") and made between the Issuer, the Guarantor and the Joint Bookrunners upon the terms and subject to the conditions contained therein, jointly and severally agreed to subscribe for the Notes at their issue price of 99.41% of their principal amount less commissions. The Issuer (failing which, the Guarantor) has also agreed to reimburse the Joint Bookrunners for certain of their expenses incurred in connection with the management of the issue of the Notes. The Joint Bookrunners are entitled in certain circumstances to be released and discharged from their obligations under the Subscription Agreement prior to the closing of the issue of the Notes.

Save for any fees payable to the Joint Bookrunners, so far as the Issuer is aware, no person involved in the issue of the Notes has an interest material to the offer. Certain of the Joint Bookrunners and their affiliates have engaged, and may in the future engage, in investment banking and/or commercial banking transactions with, and may perform other services for, the Issuer, the Joint Bookrunners and/or any of their respective affiliates in the ordinary course of business. The Joint Bookrunners and their affiliates have received, or may in the future receive, customary fees and commissions for these transactions.

United Kingdom

Each Joint Bookrunner has represented, warranted and undertaken that:

(a) it has only communicated or caused to be communicated and will only communicate or cause to be communicated an invitation or inducement to engage in investment activity (within the meaning of Section 21 of the Financial Services and Markets Act 2000 ("**FSMA**")) received by it in connection with the issue or sale of the Notes in circumstances in which Section 21(1) of the FSMA does not apply to the Issuer or the Guarantor; and

(b) it has complied and will comply with all applicable provisions of the FSMA with respect to anything done by it in relation to the Notes in, from or otherwise involving the United Kingdom.

United States of America

The Notes and the Guarantee have not been and will not be registered under the Securities Act or the securities laws of any state or other jurisdiction of the United States and may not be offered or sold within the United States or to, or for the account or benefit of, U.S. persons except in certain transactions exempt from or not subject to, the registration requirements of the Securities Act. Terms used in this paragraph have the meanings given to them by Regulation S under the Securities Act.

The Notes are subject to U.S. tax law requirements and may not be offered, sold or delivered within the United States or its possessions or to a U.S. person, except in certain transactions permitted by U.S. tax regulations. Terms used in this paragraph have the meanings given to them by the U.S. Internal Revenue Code of 1986 and Treasury regulations thereunder.

Each Joint Bookrunner has agreed that, except as permitted by the Subscription Agreement, it will not offer, sell or deliver the Notes, (a) as part of their distribution at any time or (b) otherwise, until 40 days after the later of the commencement of the offering and the Issue Date of the Notes, within the United States or to, or for the account or benefit of, U.S. persons, and that it will have sent to each dealer to which it sells Notes during the distribution compliance period a confirmation or other notice setting forth the restrictions on offers and sales of the Notes within the United States or to, or for the account or benefit of, U.S. persons except in accordance with Regulation S of the Securities Act. Terms used in this paragraph and not defined in this Prospectus shall have the meanings given to them by Regulation S under the Securities Act.

In addition, until 40 days after commencement of the offering, an offer or sale of Notes within the United States by a dealer (whether or not participating in the offering) may violate the registration requirements of the Securities Act.

The Hellenic Republic

Each Joint Bookrunner has represented and agreed that:

(a) it will make no public offer, as defined in limb (d) of article 2 of Regulation (EU) 2017/1129, of Notes in the Hellenic Republic; and

(b) it has complied and will comply with (i) the provisions of article 22 of Regulation (EU) 2017/1129 and (ii) Law 4514/2018, as amended and in force from time to time, transposing into Greek law Directive 2014/65/EC, as amended and currently in force, with respect to anything done by such Joint Bookrunner in relation to any offering of any Notes in, from or otherwise involving Hellenic Republic.

Singapore

This Prospectus has not been registered as a prospectus with the Monetary Authority of Singapore, and the Notes will be offered pursuant to exemptions under the Securities and Futures Act, Chapter 289 of Singapore (the "**Securities and Futures Act**"). Accordingly, the Notes may not be offered or sold or made the subject of an invitation for subscription or purchase nor may this Prospectus or any other document or material in connection with the offer or sale or invitation for subscription or purchase of the Notes be circulated or distributed, whether directly or indirectly, to any person in Singapore other than (a) to an institutional investor pursuant to Section 274 of the Securities and Futures Act, (b) to a relevant person under Section 275(1) of the Securities and Futures Act or to any person pursuant to Section 275(1A) of the Securities and Futures Act and in accordance with the conditions specified in Section 275 of the Securities and Futures Act, or (c) otherwise pursuant to, and in accordance with the conditions of, any other applicable provision of the Securities and Futures Act.

Where the Notes are subscribed or purchased under Section 275 of the Securities and Futures Act by a relevant person which is:

(a) a corporation (which is not an accredited investor (as defined in Section 4A of the Securities and Futures Act)) the sole business of which is to hold investments and the entire share capital of which is owned by one or more individuals, each of whom is an accredited investor; or

(b) a trust (where the trustee is not an accredited investor) whose sole purpose is to hold investments and each beneficiary is an individual who is an accredited investor,

securities (as defined in Section 239(1) of the Securities and Futures Act) of that corporation or the beneficiaries' rights and interest (howsoever described) in that trust shall not be transferable for six months after that corporation or that trust has acquired the Notes pursuant to an offer under Section 275 of the Securities and Futures Act except:

(ii) to an institutional investor or to a relevant person defined in Section 275(2) of the Securities and Futures Act or to any person arising from an offer referred to in Section 275(1A) or Section 276(4)(i)(B) of the Securities and Futures Act;

(iii) where no consideration is or will be given for the transfer;

(iv) where the transfer is by operation of law;

(v) pursuant to Section 276(7) of the Securities and Futures Act; or

(vi) as specified in Regulation 37A of the Securities and Futures (Offers of Investments) (Securities and Securities-based Derivatives Contracts) Regulations 2018.

Hong Kong

Each Joint Bookrunner has represented and agreed that:

(a) it has not offered or sold and will not offer or sell in Hong Kong, by means of any document, the Notes other than (i) to persons whose ordinary business is to buy or sell shares or debentures (whether as principal or agent); (ii) to "professional investors" as defined in the Securities and Futures Ordinance (Cap. 571) of Hong Kong and any rules made under that Ordinance; or (iii) in other circumstances which do not result in the document being a "prospectus" as defined in the Companies (Winding Up and Miscellaneous Provisions) Ordinance (Cap. 32) of Hong Kong or which do not constitute an offer to the public within the meaning of that Ordinance; and

(b) it has not issued or had in its possession for the purposes of issue, and will not issue or have in its possession for the purposes of issue, whether in Hong Kong or elsewhere, any advertisement, invitation or document relating to the Notes, which is directed at, or the contents of which are likely to be accessed or read by, the public of Hong Kong (except if permitted to do so under the securities laws of Hong Kong) other than with respect to the Notes which are or are intended to be disposed of only to persons outside Hong Kong or only to "professional investors" as defined in the Securities and Futures Ordinance and any rules made under that Ordinance.

General

Each Joint Bookrunner has represented, warranted and agreed that it has complied and will comply with all applicable laws and regulations in each country or jurisdiction in which it purchases, offers, sells or delivers Notes or possesses, distributes or publishes this Prospectus or any other offering material relating to the Notes. Persons into whose hands this Prospectus comes are required by the Issuer, the Guarantor and the Joint Bookrunner to comply with all applicable laws and regulations in each country or jurisdiction in which they purchase, offer, sell or deliver Notes or possess, distribute or publish this Prospectus or any other offering material relating to the Notes, in all cases at their own expense.

GENERAL INFORMATION

Authorisation

1. The creation and issue of the Notes has been authorised by resolutions of the Board of Directors of the Issuer dated 18 September 2019 and 20 September 2019. The giving of the Guarantee of the Notes has been authorised by a resolution of the Board of Directors of the Guarantor dated 20 September 2019.

Listing and Admission to Trading

2. Application has been made to the CSSF to approve this document as a prospectus. Application has also been made to the Luxembourg Stock Exchange for the Notes to be admitted to trading on the Luxembourg Stock Exchange's regulated market and to be listed on the Official List of the Luxembourg Stock Exchange with effect from 4 October 2019. The Luxembourg Stock Exchange's regulated market is a regulated market for the purposes of the Markets in Financial Instruments Directive (Directive 2014/65/EU). The Issuer estimates that the total expenses related to admission of the Notes to trading will be approximately €3,100.

Clearing Systems

3. The Notes have been accepted for clearance through Euroclear and Clearstream, Luxembourg (which are the entities in charge of keeping the records).

   The address of Euroclear is Euroclear Bank SA/NV, 1 Boulevard du Roi Albert II, B-1210 Brussels, Belgium and the address of Clearstream, Luxembourg is Clearstream Banking, 42 Avenue JF Kennedy, L-1855 Luxembourg.

Legal and Arbitration Proceedings

4. There are no governmental, legal or arbitration proceedings, (including any such proceedings which are pending or threatened, of which the Issuer or the Guarantor is aware), which may have, or have had during the 12 months prior to the date of this Prospectus, a significant effect on the financial position or profitability of the Issuer, or the Guarantor or the Guarantor and its Subsidiaries (taken as a whole).

Significant/Material Change

5. There has been no material adverse change in the prospects of the Issuer since 31 December 2018. There has been no significant change in the financial performance or financial position of the Issuer since 31 December 2018.

6. There has been no material adverse change in the prospects of the Guarantor since 31 December 2018. There has been no significant change in the financial performance or financial position of the Guarantor and its Subsidiaries (taken as a whole) since 30 June 2019.

Independent Auditors

7. The stand-alone financial statements of the Issuer have been audited for the years ended 31 December 2017 and 31 December 2018 by Ernst & Young LLP of 16 Bedford Street, Belfast BT2 7DT, United Kingdom. Ernst & Young LLP are registered to carry out audit work by the Institute of Chartered Accountants in England and Wales.

8. The consolidated financial statements of the Guarantor as at 31 December 2018 and 31 December 2017, and for each of the years ended 31 December 2018 and 2017, have been audited by Ernst & Young (Hellas) Certified Auditors Accountants S.A., independent auditors, as stated in their reports incorporated by reference herein. The interim condensed consolidated financial statements of the Guarantor for the six-month periods

ended 30 June 2019 and 2018 have been reviewed by Ernst & Young (Hellas) Certified Auditors-Accountants S.A., independent auditors, as stated in their reports incorporated by reference herein. Ernst & Young (Hellas) Certified Auditors-Accountants S.A is registered as a corporate body with the public register for company auditors accountants kept with the Body of Certified Auditors Accountants, or ("**SOEL**"), in Greece with registration number 107.

Documents on Display

9. Copies of the following documents (together with English translations thereof if applicable) may be inspected during normal business hours at the offices of the Issuer and the Principal Paying Agent for 12 months from the date of this Prospectus:

   (a) the certificate of incorporation and memorandum and articles of association of the Issuer;

   (b) the constitutional documents (with an English translation thereof) of the Guarantor;

   (c) the Agency Agreement and the Trust Deed (which includes the Guarantee of the Notes);

   (d) stand-alone financial statement reports of the Issuer for the years ended 31 December 2017 and 31 December 2018;

   (e) the 2017 Annual Report and 2018 Annual Report of the Guarantor for the years ended 31 December 2017 and 31 December 2018; and

   (f) the interim condensed consolidated financial statements of the Guarantor for the six-month periods ended 30 June 2018 and 30 June 2019.

In addition, this Prospectus, the documents listed at (a) to (f) above and each document incorporated by reference are available on the website of the Guarantor (www.helpe.gr).

Material Contracts

10. No contract (other than contracts entered into in the ordinary course of business) has been entered into by the Issuer, the Guarantor or a member of the Group which is, or may be, material or contains, or may contain, provisions which could result in the Issuer, the Guarantor or any member of the Group being under an obligation or entitlement which is or may be material to the Issuer's or the Guarantor's ability to meet its obligations to holders of the Notes.

Yield

11. On the basis of the issue price of the Notes of 99.41% of their principal amount, the gross real yield of the Notes is 2.125% per annum payable on a semi-annual basis.

Legend Concerning U.S. Persons

12. The Notes and any Coupons appertaining thereto will bear a legend to the following effect: "Any United States person who holds this obligation will be subject to limitations under the United States income tax laws, including the limitations provided in Sections 165(j) and 1287(a) of the Internal Revenue Code."

ISIN and Common Code

13. The ISIN for the Notes is XS2060691719 and the common code is 206069171.

Websites

14. Any information contained in any other website specified in this Prospectus does not form part of this Prospectus, except where that information has been incorporated by reference into this Prospectus.

INDEX OF DEFINED TERMS

$ ... 6
€ ... 6
1H19 ... 77
Accountholder ... 56
Accounting Principles ... 50
Accounting Standards ... 48
Adjusted EBITDA ... 101
Adjusted net income ... 103
Affiliate ... 54
Agency Agreement ... 36
Alternative Performance Measure ... 100
Amending Directive on Administrative Cooperation ... 136
Authorised Signatory ... 50
bbl ... 7
Blocking Regulation ... 25
BOPP ... 66
Brexit ... 10
Business Day ... 42
CAGR ... 96
Calculation Amount ... 39
Capital employed ... 103
CCGT ... 81
CCR ... 74
CDP ... 85
Clearstream, Luxembourg ... 2
Code ... 41
CODO ... 69
Commission's Proposal ... 136
COMO ... 69
Company ... 59
Compulsory Stock Obligations ... 50
Couponholders ... 36
Coupons ... 36
CSCF ... 23
CSE ... 23, 131
CSO ... 23
CSO Regulation ... 50
CWT ... 23
Day Count Fraction ... 39
Definitive Notes ... 55
Delegated Regulation ... 31
DEPA S.A. ... 50
Dispute ... 49
distributor ... 4
DODO ... 69
E&P ... 17
EDA ... 81
EEA ... 6
EIB Facility ... 50
Elefsina Project ... 74
Elpedison ... 17
Ethics Code ... 25
EU ... 8
EU ETS ... 23
EUAs ... 23
EUR ... 6
euro ... 6
Eurobond €450 million ... 118
Euroclear ... 2
Event of Default ... 44
Exchange Date ... 55
Exchange Event ... 55
Extraordinary Resolution ... 50
FCC ... 74
Final Maturity Date ... 39
Financial Indebtedness ... 50
FOB ... 77
FSMA ... 138
GCA ... 132
GDPR ... 25
Global Coordinators ... 1
Global Note ... 2
GPW ... 93
Greek Systemic Banks ... 9
Group ... 33, 51, 59
Guarantee of the Notes ... 36
Guarantor ... 1, 36, 59
Hellenic Petroleum ... 1, 59
HELPE Renewables ... 83
HF ... 19, 65, 92
Holding Company ... 51
HPF ... 1, 59
HSFO ... 24
IFRS ... 51, 60
IMO ... 22
IMO Regulation ... 24
Implementation Day ... 78
Independent Auditors ... 48
Interest Payment Date ... 38
Inventory effect ... 103
Investor's Currency ... 26
Issue Date ... 1, 38
Issuer ... 1, 36, 59
IT ... 15
JCPOA ... 25
Joint Bookrunners ... 1, 4, 138
kbpd ... 65, 92
KEDAK ... 130
LPG ... 66
LTM ... 77, 103
m^3 ... 73
MAS ... 4
Material Group Member ... 51
Material Subsidiary ... 51
mbpd ... 125
Member State ... 6
MENA ... 8
Middle Distillates ... 76
MiFID II ... 4
mm3 ... 68
Moody's ... 51
MSR ... 23
MT ... 69
NCI ... 66
Net debt ... 103
NIOC ... 25, 78
NIOC Agreement ... 78
Non-Resident Noteholders ... 135
Noteholder Option ... 40

Noteholders ... 36
Notes ... 1, 36
NOx ... 74
OPEC ... 12
Order ... 1, 6
OT ... 88
Parent Company ... 1, 59
Participating Member State ... 51
participating Member States ... 136
Paying Agents ... 36
Permanent Global Note ... 2
Permitted Securitisation ... 51
Permitted Security Interest ... 51
Permitted Transaction ... 52
Person ... 53
Phase III ... 23
Phase IV ... 23
Platts ... 12
PMS ... 74
Potential Event of Default ... 53
Presentation Date ... 42
Principal Paying Agent ... 36
Proceedings ... 49
Project ... 53
Project Assets ... 53
Project Company ... 53
Project Debt ... 53
Prospectus ... 1
Put Date ... 40, 53
Put Notice ... 40, 53
Put Option Event ... 53
Put Option Notice ... 40
Put Period ... 40, 54
PV ... 72
Quasi Security ... 37
Rate of Interest ... 38
RED II ... 132
Refineries ... 14
Refining ... 72
Refining margins ... 103
Regular Period ... 39
Regulation S ... 1
Relevant Coupons ... 42
Relevant Date ... 43
relevant persons ... 6
Reported EBITDA ... 101
Reporting Information ... 48
Required Step ... 45
Reserved Matter ... 47
Resident Noteholders ... 135
S&E ... 83
SDRT ... 134
Securities Act ... 1
Securities and Futures Act ... 4, 139
Security Interest ... 54
Segmental EBITDA ... 101
SF (CMP) Regulations ... 4
SO^2 ... 74
SOC ... 88
SOEL ... 142
SRAR ... 71
Stabilisation Manager ... 6
Subscription Agreement ... 138
Subscription and Sale ... 1
Subsidiary ... 54
TARGET Settlement Day ... 54
TARGET2 ... 54
Temporary Global Note ... 2
Tender Offer ... 58
Trust Deed ... 36
Trustee ... 36
U.S. dollar ... 6
U.S.$ ... 6
UCO ... 75
UK ... 10
ULSADO ... 75
ULSD ... 74
USD ... 6
VGO ... 75
VOC ... 85
VSFO ... 24

THE ISSUER

Hellenic Petroleum Finance plc
8th Floor, 20 Farringdon Street
London EC4A 4AB
United Kingdom

THE GUARANTOR

Hellenic Petroleum S.A.
8A, Chimarras Str.
151 25 Maroussi
Greece

GLOBAL COORDINATORS AND JOINT BOOKRUNNERS

Credit Suisse Securities (Europe) Limited
One Cabot Square
London E14 4QJ
United Kingdom

Goldman Sachs International
Plumtree Court
25 Shoe Lane
London EC4A 4AU
United Kingdom

JOINT BOOKRUNNERS

Alpha Bank A.E.
40 Stadiou Str.
102 52 Athens
Greece

Citigroup Global Markets Limited
Citigroup Centre
Canada Square
Canary Wharf
London E14 5LB
United Kingdom

Eurobank Ergasias S.A.
8, Othonos Str.
105 57 Athens
Greece

National Bank of Greece S.A.
Akadimias 68, 1st floor
10678 Athens
Greece

Nomura International plc
1 Angel Lane
London EC4R 3AB
United Kingdom

Piraeus Bank S.A.
4 Amerikis Str.
10564 Athens
Greece

TRUSTEE

BNY Mellon Corporate Trustee Services Limited
One Canada Square
London E14 5AL
United Kingdom

PRINCIPAL PAYING AGENT

The Bank of New York Mellon
One Canada Square
London E14 5AL
United Kingdom

LEGAL ADVISERS

To the Issuer and the Guarantor as to English law:

Freshfields Bruckhaus Deringer LLP
65 Fleet Street
London EC4Y 1HS
United Kingdom

To the Issuer and the Guarantor as to Greek law:

Bernitsas Law Firm
5, Lykavittou Str.
Athens, 106 72
Greece

To the Global Coordinators, the Joint Bookrunners and the Trustee as to English law:

Allen & Overy LLP
One Bishops Square
London E1 6AD
United Kingdom

To the Global Coordinators and the Joint Bookrunners as to Greek law:

Koutalidis Law Firm
4, Valaoritou Str.
Athens, 106 71
Greece

INDEPENDENT AUDITORS TO THE ISSUER

Ernst & Young LLP
16 Bedford Street
Belfast BT2 7DT
United Kingdom

INDEPENDENT AUDITORS TO THE GUARANTOR

Ernst & Young (Hellas) Certified Auditors Accountants S.A.
8B Chimarras str., Maroussi
151 25 Athens
Greece