

ADMIE HOLDING S.A.
FINANCIAL RESULTS FOR
THE FISCAL YEAR 2023



Robust performance:

Driving the Energy Transition



Athens – April 17th, 2024 – ADMIE HOLDING S.A. (RIC: ADMr.AT, Bloomberg: ADMIE.GA, Athens Stock Exchange: ADMIE), hereafter “the Company”, owner of a 51% of IPTO GROUP announces today its financial results for the period ended December 31st, 2023 prepared in accordance with International Financial Reporting Standards (IFRS).

ADMIE HOLDING S.A

Performance highlights

<p>Revenue reached EUR 59.4 million increased by 100.3 %, reflecting its 51% share in the profits of IPTO S.A. GROUP</p>	<p>Operating Expenses amounted to EUR 870 thousand compared to EUR 695 thousand in 2022. This increase is mainly due to an increase of EUR 113 million to third party expenses and EUR 52 million in personnel expenses.</p>	<p>Operating profit amounted to EUR 58.5 million up by 102% versus last year mainly due to the increase in revenue and operating efficiencies.</p>	<p>Financial income amounted to EUR 237 thousand compared to EUR 133 thousand in 2022, mainly due to the increased interest income generated by the Company’s special account in the Bank of Greece.</p>
<p>Net Profit reached EUR 58.8 million versus EUR 29.1 million in 2022.</p>	<p>EPS increased by 102% reaching 0.25 per share vs 0.13 the previous year</p>	<p>Cash reached EUR 5.4 million, while it is worth noting that the Company has zero debt.</p>	

Financial Overview

ADMIE HOLDING S.A.

<i>Amounts in EUR million</i>	FY 2023	FY 2022	%	Q4 2023	Q4 2022	%
Investment share, equity method	59.4	29.7	100.3%	12.9	8.7	47.0%
EBITDA	58.6	29.0	102.0%	12.6	8.6	47.1%
EBIT	58.6	29.0	102.0%	12.6	8.6	47.1%
Net Profit	58.8	29.1	102.0%	12.7	8.6	47.7%
Profit per share (EUR)	0.25	0.13		0.06	0.04	
Cash and cash equivalents, end of period	5.4	4.7				

Proposal for gross interim dividend per share at EUR 0.058 (Fiscal Year 2023).

The Board of Directors of the Company, with its decision No. 95/04.08.2023, decided the distribution of interim dividend amounted to EUR 13.5 million or 0.058 per share for FY 2023, before withholding tax and excluding own shares. The BoD proceeded to the payment of this amount on 11.10.2023. It is noted that this payment is also the final dividend for the Fiscal Year 2023, as interim amount reflected the maximum amount eligible for dividend distribution for the year.

In addition, the Company, based on the dividend that it will receive in 2024 from its Affiliate IPTO S.A., will propose the distribution of the maximum allowable interim gross dividend per share for the fiscal year 2024.

Ioannis Karampelas, CEO of ADMIE Holding S.A commented:

"2023 was an important year, marked by the solid execution of our operational strategy. At the same time, IPTO Group made significant progress in the implementation of major plans and achieved a strong increase in revenues and profitability. As a result, we have been able to increase our share performance and proposed dividend per share, fulfilling one of our main targets, to fully reciprocate the trust placed in us by the investment community.

I want to thank our dedicated team for implementing our business plan and for supporting our multidimensional vision. We expect to continue creating growth for our shareholders, while supporting IPTO in executing its ambitious System growth plan, maintaining our focus on building a sustainable and inclusive economy."

Christina Giovani, Chairman of ADMIE HOLDING S.A commented:

"2023 was a year of great achievement reporting substantial growth and profitability for ADMIE Holding; I am honoured to be joining as Chairperson at this exciting time.

Going forward, our aspiration is further promoting a sound corporate governance framework, supporting sustainable growth and financial resilience.

In today's changing environment, we are committed in shaping a strategy that unlocks shareholder value, ensuring the right frameworks and policies, and enhancing an inspiring culture that empowers us to address the challenges ahead us."

About ADMIE Holding S.A

ADMIE Holding S.A, owns 51% of the Independent Power Transmission Operator S.A (IPTO) and is listed on the Athens Stock Exchange (ADMIE). Its purpose is to provide operational support to IPTO's ("the Affiliate") activities by offering top-level management expertise and managing stakeholder relationships in a transparent, inclusive and sustainable way. IPTO operates the Hellenic Electricity Transmission System (HETS). Its objective is the operation, maintenance and development of the HETS to ensure the supply of electricity in Greece and the operation of the electricity market according to the principles of transparency, equality and free competition.

ADMIE HOLDING S.A. – SUMMARY FINANCIAL STATEMENTS

ADMIE HOLDING S.A. – Summary Statement of Profit & Loss account	FY 2023	FY 2022	Δ%
Amounts in mil. EUR			
Investment share, equity method	59.4	29.7	100.3%
Operating Expenses	0.8	0.7	25.4%
Profit before tax	58.8	29.1	101.9%
Net Profit	58.8	29.1	102.0%
Profit per share (EUR)	0.25	0.13	

ADMIE HOLDING S.A. – Summary Statement of Balance Sheet	31.12.2023	31.12.2022	Δ%
Amounts in mil. EUR			
ASSETS			
Total current assets	5.8	5.0	17.6%
Total non-current assets	800.7	755.4	6.0%
TOTAL ASSETS	806.5	760.4	6.0%
EQUITY & LIABILITIES			
Total Equity	806.4	760.2	6.1%
Total Long-term Liabilities	0.0	0.0	
Total Short-term Liabilities	0.2	0.1	
TOTAL LIABILITIES & EQUITY	806.5	760.4	6.1%

ADMIE HOLDING S.A. – Summary Statement of Cash Flows	FY 2023	FY 2022
Amounts in mil. EUR		
Profits before tax	58.8	29.1
Adjustments for:		
<i>Profits for participation rate in affiliated companies (IPTO 51%)</i>	(59.4)	(29.7)
Net cash flows from operating activities	(0.9)	(0.6)
Dividend collection from IPTO	15.0	17.3
Purchase of tangible and intangible assets	(0.0)	(0.0)
Net cash flows from investing activities	15.1	17.3
Purchase of own shares	-	(0.2)
Dividend distribution to shareholders	-	-
Distribution of interim dividend to shareholders	(13.5)	(15.8)
Receipt of annuity from the Bank of Greece	-	-
Capital lease payment	(0.0)	(0.0)
Payment of interest	(0.0)	(0.1)
Net cash flows from financing activities	(13.5)	(16.0)
Net increase in cash and cash equivalents	0.7	0.7
Cash and equivalents at the beginning of the year	4.7	4.0
Cash and equivalents at the end of the year	5.4	4.7

WEBCAST DETAILS

CONFERENCE DETAILS

Title: ADMIE HOLDING S.A. Full Year 2023 Financial Results. **Date:**

Wednesday, 17th April 2024

Time: 14:00 London time, 15:00 Central European Summer Time, 16:00 Athens time

PARTICIPATION via Telephone and On-Line

❖ **Telephone participation:**

Dial In Greece:	+ 30 213 009 6000 or +30 210 94 60 800
Dial In UK (local & International):	+ 44 (0) 203 059 5872
Dial In UK (TF):	+ 44 (0) 800 368 1063
Dial In US:	+ 1 516 447 5632

Please dial in 5-10 minutes before the scheduled time.

❖ **Webcast participation:**

To join the Webcast presentation please click [here](#)

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IPTO S.A.





IPTO S.A.

Independent Power Transmission Operator (“the affiliate”)

Performance Highlights

<p>Total revenue for FY 2023 reached EUR 391.9 million, increased by 33% compared to EUR 295 million last year. Revenue for the fourth quarter amounted to EUR 99 million increased by 18.5%.</p>	<p>Revenue from Transmission System Rent amounted to EUR 367.4 million versus EUR 272 million in 2022, increased by 35.1%. Revenue from Balancing Market¹, amounted to EUR 15.6 million in 2023, increased by 30.3%.</p>	<p>Operating expenses increased by 10,62% to Euro 227 million in 2023 compared to Euro 205 million the prior year.</p>	<p>Group consolidated EBITDA increased by 42.9% to EUR 277.4 million compared to EUR 194.1 million the previous year. EBITDA margin reached 70.80% in 2023 compared to 65.9% in 2022. For the fourth quarter of 2023 consolidated EBITDA amounted to EUR 65.1 million, up by 29.2%. Adjusted EBITDA stood at EUR 278.1 million versus EUR 189.6 million in 2022.</p>
<p>Net profit for FY 2023 amounted to EUR 116.6 million (higher by 100.3% compared to 2022), while respectively in the Q4 '23 Net profit amounted to EUR 25.2 million increased by 47.0% compared to Q4'22. The net profit margin reached 29.74% in 2023, versus 19.76% in 2022</p>	<p>Capital expenditures reached EUR 644 million compared to EUR 335.9 million the previous year.</p>	<p>Strong Financial position, with Net Debt at EUR 950.5 million and Net Debt / EBITDA 3.42 versus 3.99 the previous year.</p>	<p>The under-recovery of revenues, due to the non-implementation of new unitary TUoS charges in 2023, amounted to EUR 13 million. The amount will be fully recovered in 2025</p>

¹ From 01.01.2022 the revenue from the Balancing Market relates to a charge to the Energy Exchange that until recently was included in the System Usage Charges.

Financial Overview

Financial results under IFRS for the period ended December 31st 2023

FULL YEAR RESULTS

Overview ² IPTO S.A.	GROUP			COMPANY		
<i>Amounts in EUR million</i>	FY 2023	FY 2022*	Δ%	FY 2023	FY 2022*	Δ%
Revenue from transmission system rent	367.4	272.0	35.1%	368.7	273.2	34.9%
Revenue from balancing market	15.6	11.9	30.3%	15.6	11.9	30.9%
Concession agreement expenses	0.0	0.0	n/a	(6.9)	(2.3)	196.1%
Revenue from other operations	8.9	10.7	(16.5)%	7.6	9.3	(18.1)%
Total revenue	391.9	294.6	33.0%	384.9	292.0	31.8%
Other income	8.6	5.6	54.6%	8.3	5.7	45.4%
Operating expenses	121.0	113.1	7.0%	114.1	111.2	2.6%
Provisions	2.0	(7.1)	(128.2)%	2.0	(7.1)	(127.8)%
EBITDA	277.5	194.1	42.9%	277.1	193.7	43.1%
Adjusted EBITDA	278.1	189.6	46.6%	277.7	189.2	46.8%
<i>Adjusted EBITDA margin</i>	<i>71.0%</i>	<i>64.4%</i>		<i>72.1%</i>	<i>64.8%</i>	
EBIT	164.7	89.2	84.7%	164.8	88.9	85.3%
Adjusted EBIT	165.3	84.7	95.2%	165.4	84.4	95.9%
Profit before Taxes	151.9	76.8	97.6%	153.7	77.5	98.3%
Net profit	116.6	58.2	100.3%	117.9	58.9	100.1%
	31.12.2023	31.12.2022	Δ%	31.12.2023	31.12.2022	Δ%
Net Debt	950.5	775.4	22.6%	613.5	594.1	3.3%
Cash and cash equivalents	245.7	198.6	23.7%	185.0	183.2	1.0%

²EBITDA, EBIT, adjusted EBITDA, adjusted EBIT and Net Debt are considered Alternative Performance Indicators (API). For definitions and further information please refer to Appendix A
 * Comparable data of specific accounts have been reclassified for comparability purposes. For more information on the reconciliation of comparable amounts, please refer to the Annual Financial Report 2023 of IPTO SA.

Q4 RESULTS

Overview ³ IPTO S.A.	GROUP			COMPANY		
<i>Amounts in EUR million</i>	Q4 2023	Q4 2022	Δ%	Q4 2023	Q4 2022	Δ%
Revenue from Transmission System Rent	92.0	75.9	21.2%	91.9	76.2	20.6%
Revenue from balancing market	3.9	2.7	41.7%	3.9	2.7	41.7%
Concession agreement expenses	0	0	n/a	(1.8)	(0.7)	174.1%
Revenue from other operations	3.2	4.9	(35.5)%	3.0	3.6	(17.0)%
Total revenue	99.0	83.5	18.5%	96.9	81.8	18.4%
Other income	4.1	2.7	53.7%	3.8	2.5	52.1%
Operating expenses	37.5	35.1	6.9%	35.3	34.4	2.7%
Provisions	0.5	0.7	(27.7)%	0.5	0.7	(27.2)%
EBITDA	65.1	50.4	29.2%	64.9	49.3	31.7%
Adjusted EBITDA	63.9	51.3	24.6%	63.7	50.1	27.0%
<i>Adjusted EBITDA margin</i>	<i>64.6%</i>	<i>61.4%</i>		<i>65.7%</i>	<i>61.3%</i>	
EBIT	34.7	23.7	46.1%	34.6	22.7	52.7%
Adjusted EBIT	33.5	24.6	35.9%	33.4	23.5	42.0%
Profit before Taxes	33.0	20.1	64.1%	33.2	19.4	71.3%
Net profit for period	25.2	17.1	47.0%	25.5	16.6	53.7%

³EBITDA, EBIT, adjusted EBITDA, adjusted EBIT and Net Debt are considered Alternative Performance Indicators (API). For definitions and further information please refer to Appendix A

Chairman and CEO of IPTO, Mr. Manos Manousakis commented

“I am pleased with IPTO Group's robust growth and record-breaking performance as we continue to expand and upgrade our network infrastructure.

In 2023 we made substantial progress in our investment programme supporting Greece's energy transition.

Our major importance projects are advancing, with the Crete-Attica interconnection expected to be fully in operation by 2025, the construction of NW Cyclades interconnection being in full swing, while the tender for the interconnections in the Dodecanese and NE Aegean islands is about to commence.

We are committed to providing a safe electricity supply in Greece while investing to drive strategic international interconnections to Germany, Italy, the Balkans, North Africa and the Middle East that will turn Greece into a net exporter of green electricity while expediting the decarbonization of Europe's energy mix.

By planning and delivering strategic interconnection projects and effectively operating a system where renewable sources represent more than 50%, we lower electricity bills for consumers and contribute to the national economy's sustainable growth.”

About IPTO

IPTO is the Independent Power Transmission Operator and manages the Hellenic Electricity Transmission System. IPTO performs the duties of System operation maintenance and development, to ensure Greece's electricity supply in a safe, efficient and reliable manner. As of June 20. 2017 IPTO follows the model of proprietary separated Administrator (Ownership Unbundling) and is fully harmonized with Directive 2009/72/EC. IPTO seeks to promote the development of competition in the Greek electricity market and guarantee the non- discriminatory treatment of System users.

IPTO's network comprises of transmission lines, overhead, submarine and underground, as well as international interconnection points with Italy, Albania, North Macedonia, Bulgaria and Turkey. The interconnected mainland and islands system operates in High Voltage (150kV) and extra-High Voltage (400kV).

Financial Overview



Full year 2023 Results

Group Revenue increased by 33% to EUR 392 million in 2023 compared to EUR 295 million in prior year and for the Company, increased by 31.8% to EUR 385 million in 2023 compared to 292 million in 2022.

Group Operating expenses increased by 10.6% to EUR 227.0 million approximately in 2023 compared to EUR 205.0 million in prior year, while for the Company increased by 8.3% to EUR 220.0 million approximately in 2023 compared to EUR 203.0 million in 2022.

Consolidated EBITDA reached EUR 277.5 million compared to EUR 194.1 million the previous year for the Group as well as for the Company, increased by 42.9% for the Group and 43.1% for the Company, with the EBITDA margin reaching 70.8% in 2023 compared to 65.9% in 2022 for the Group and 72.0% in 2023 compared to 66.3% in 2022 for the Company.

Group Adjusted EBITDA stood at EUR 278.1 million compared to EUR 189.6 million in 2022, excluding the following non-recurring items:

- For 2023 provision for the discount of reduced electricity given to employees and retirees of the Company amounting to EUR 28 thousand, provisions for staff compensation amounting to EUR 625 thousand, provision for risks and expenses amounting to EUR 1.996 thousand as well as gains from the revaluation of fixed assets amounting to EUR 2.018 thousand.
- For 2022 provision for the discount of reduced electricity given to employees and retirees of the Company amounting to EUR 36 thousand, provisions for staff compensation amounting to EUR 2.576 thousand, and release of provision for risks and expenses amounting to EUR 7.090 thousand.

Consolidated EBIT amounted to EUR 164.7 million, compared to EUR 89.2 million in 2022 increased by 84.7%, with **depreciation** up by 7.4% to EUR 112.7 million which is attributable to capitalization of projects.

Consolidated adjusted EBIT amounted to EUR 165,3 million versus EUR 84.7 million in 2022, excluding the above non-recurring items.

Consolidated EBT amounted to EUR 151.9 million compared to EUR 76.8 million in 2022 with financial expenses increased to EUR 20.1 million versus EUR 15.8 million mainly because of the rise in Euribor floating interest rates.

Net profit reached EUR 116.6 million compared to EUR 58.2 million an increase of 100.3% with net profit margin reaching 29.7% in 2023, versus 19.7% in 2022 for the Group and 30.6% in 2023, versus 20.2% in 2022 for the Company.

Group key performance indicators

Return on Equity was reached to 7.7% in 2023, compared to 4.1% in 2022.

Return on capital employed ratio (ROCE) increased to 6.1% in 2023, compared to 3.7% in 2022.

The Net Debt/EBITDA ratio restricted to 3.4 in 2023 versus 4.0 in 2022.

The Debt/Equity ratio reached 0.62 versus 0.54 in 2022.

Net Interest Coverage ratio reached 8.18x versus 5.63x the previous year.

Dividend

The Board of Directors of the Company approved the Financial Statements for the fiscal year 2023 on April 5th, 2024 and proposed to the Annual General Meeting of Shareholders the distribution of a dividend of EUR 58.96 million approximately of the net profit for the fiscal year.

Fourth Quarter 2023

The **consolidated total revenue** of the Group in the Q4 2023 increased by 18.5%, compared to the previous year and amounted to EUR 99 million, reflecting the increase in congestion income recognized according to RAEWW's Decision 910/2022.

Consolidated EBITDA in the Q4 2023 amounted to EUR 65.1 million, recording an increase of 29.2% y-o-y compared to EUR 50.4 million in the Q4 2022. **Adjusted EBITDA** of the Group amounted to EUR 63.9 million, higher by 24.6% compared to the corresponding amount of the Q4 2022 not including the following:

- provision for the reduction of reduced electricity given to employees and retirees of the Affiliate and provisions for compensation of personnel amounting to EUR 0.3 million, against a provision of EUR 0.15 million for 2022,
- provision for risks and expenses amounting to EUR 0.5 million compared to a corresponding provision of EUR 0.7 million in the Q4 2022
- gains from the revaluation of fixed assets amounting to EUR 2 million in the Q4 2023.

Consolidated EBIT increased by 46.1% and amounted to EUR 34.7 million, compared to EUR 23.7 million in Q4'22, while the **adjusted EBIT** amounted to EUR 33.5 million, compared to EUR 24.6 million in the corresponding quarter a year ago.

Consolidated Net Profit during Q4 '23 amounted to EUR 25.2 million, higher by 47% versus EUR 17.1 million in the Q4 '22, while **consolidated adjusted net profit** stood at EUR 24.3 million versus EUR 17.9 in the previous year.

Operational Overview



IPTO through its investment program of EUR 5 billion until 2030, creates modern, durable and green electrical infrastructures that support the energy transition of the country and strengthen the safe electricity supply of consumers in mainland and island Greece.

The progress of the important projects that IPTO Group has already launched is as follows:

Interconnection of Crete - Attica

After the laying of the entire submarine electric and optical cables of the Crete - Attica interconnection, "ARIADNE INTERCONNECTION SINGLE MEMBER S.P.S.A." is proceeding at an intensive pace, with the terrestrial section of the interconnection, along with the relevant study-construction works by the contractors, being in its final straight.

Regarding the converter stations, the installation of the converter transformers has been completed on the Attica side, while the majority of the equipment has been manufactured and tested at the contractors' facilities. Additionally, the foundation works for the buildings at both ends of the interconnection have been completed, and their construction is underway.

Regarding the progress of the terrestrial cables, construction of the underground conduit is advancing in Attica from the Koumoundourou EHV S/S towards the landing point in Pachi, where approximately 90% of the infrastructure and 70% of the cable installation have been completed. In Crete, road construction progress exceeds 60%, while infrastructure works for underground cables have progressed to a rate exceeding 35%.

According to the integration decision of the Minister of Development and Investments (A.P.: EYD PEKA & POLPRO 6673/21.6.2023), the interconnection of Crete with HETS Phase II will be funded with EUR 313,2 million from the NSRF Program "Infrastructure, Environment and Sustainable Development 2014-2020" for the 1st stage of the project (until 31/12/2023), thus drawing significant resources and reducing to a very large extent the cost of the project of major importance for the Greek consumer. The 2nd stage of the project is expected to be funded by the NSRF programming period 2021-2027.

Electricity interconnection of the Cycladic Islands

The fourth and final phase of the electrical interconnection of Cyclades concerns the interconnection of Santorini, Folegandros, Milos and Serifos.

The first phase of the interconnection (Santorini-Naxos) is already being constructed with a completion horizon of 2024. In the summer of 2022, the laying of the high voltage cable between the two islands completed and the construction of the High Voltage Substation in Santorini is progressing.

On November 2022 the tender process was completed and in February 2023 the contracts for the cables were signed for the remaining three islands of the SW Cyclades (Folegandros, Milos, Serifos), which will integrate the entire island complex into the High Voltage System by the end of 2025.

On September 2023, the contracts of the High Voltage Substations for Folegandros, Milos and Serifos were signed, putting the entire project in construction phase.

On February 2024, the laying of the submarine high-voltage cable for the Lavrio-Serifos interconnection was completed. The completion of the interconnection of Cyclades will enable the development of RES plants with a total capacity of 332 MW on the islands, achieving a more stable, green and economical energy mix for the island complex.

The project is co-financed by the Recovery and Resilience Fund "Greece 2.0" with funding from the European Union Next Generation EU and by the Government Gazette No 494 4/8/2022 was characterized as a project of general importance for the economy of the country.

Western Corridor of Peloponnese

The last section of the Megalopolis EHV S/S interconnection with the existing Acheloos - Distomo Transmission Line 400 kV was completed and became fully operational in May 2023. The extension of the 400 kV System to Megalopolis will drastically increase transmission capacity to and from the Peloponnese, and will decongest the region's saturated grids, thus enhancing voltage stability for the Southern System as a whole.

Eastern Corridor of Peloponnese

The sub-project of the Transmission Line 400 kV that will connect the existing Megalopolis EHV S/S with the new Corinth EHV S/S was completed and put into operation in December 2022. In December 2023, the contract of the sub-project of the new Transmission Line connecting the Corinth EHV S/S to the Koumoundourou EHV S/S was signed, putting the second part of the project in construction phase.

The completion of this sub-project is expected in first half of 2026. The project of the Transmission Line "Koumoundourou EHV S/S – Corinth EHV S/S" is co-financed by the Recovery and Resilience Fund "Greece 2.0" with the funding of the European Union's "Next Generation EU" and by the Government Gazette No 494 4/8/2022 was characterized as a project of general importance for the economy of the country.

The upgrade of Koumoundourou EHV S/S

The construction process of the new gas-insulated (GIS) Koumoundourou EHV S/S, which will replace the existing air-insulated EHV S/S, are in progress. The implementation of the new Koumoundourou EHV S/S will serve the connection of the 400 kV Eastern Peloponnese Corridor, will be the terminal of the Attica-Crete interconnection with the mainland grid and will enhance the reliability of the supply of loads (mainly in Western) Attica. The project is co-financed by the Recovery and Resilience Fund, as part of the Megalopolis – Corinth - Koumoundourou EHV S/S Transmission Line. The upgraded Koumoundourou EHV S/S is expected to be finalized in the second half of 2025.

The project is co-financed by the Recovery and Resilience Fund "Greece 2.0" with funding from the European Union's instrument Next Generation EU.

Dodecanese and Northeast Aegean islands electrical interconnections

In the summer of 2023, IPTO assigned the contracts for the studies and marine surveys regarding the Dodecanese electrical interconnections and in November 2023 for the Northeast Aegean islands electrical interconnections, which are currently in progress. Specifically, the seabed survey for the Corinth – Kos interconnection, Kos – Rhodes interconnection for the Dodecanese has been launched with a completion date of June 2024. For the Northeast Aegean, the seabed survey for the Skyros - Evia route has been completed and the surveys for the Lesvos - Skyros, Limnos - Lesvos, Limnos - Thrace routes are in progress, these surveys are expected to be completed by August 2024.

These studies are particularly important for the maturity of the electrical interconnections that the Operator is planning to launch by the end of the decade, as part of its investment program.

According to the current design, with the Dodecanese electrical interconnection, Kos, Rhodes and Karpathos will be connected to the mainland grid, via Corinth, in two phases. Accordingly, the Northeastern Aegean interconnection will include the islands of Limnos, Lesvos, Skyros, Chios and Samos, and will be implemented in three phases. The interconnection of the Dodecanese islands is included in the proposal of the relevant Ministry for co-financing from the Islands' Decarbonization Fund.

International interconnections

IPTO prioritizes international interconnection projects, with the aim of strengthening regional cooperation in the Energy sector, promoting Greece a strong exporter of clean energy and deepening the European electricity market.

In this context, the Operator:

- In June 2023, it commissioned, together with the Bulgarian Transmission System Operator (ESO EAD), the second Greece-Bulgaria interconnection (Nea Santa Maritsa), which will significantly increase the margin for energy exchanges between the two countries.
- Completed the feasibility studies for the second Greece-Italy interconnection of 1 GW, together with the neighboring country's Operator, Terna.
- With the support of the State, it is intensively promoting a new North-South clean energy corridor, the Green Aegean Interconnector, which is planned to interconnect the electricity systems of Greece and Germany. This project is particularly important for the transfer of the energy surplus from Greece and the Eastern Mediterranean to the major consumption centers in central Europe. The initial capacity of the interconnection is planned to be 3 GW and in a second phase it could reach 6 to 9 GW. IPTO submitted the project to the European Network of Transmission System Operators (ENTSO-E) in order to be included in the revised Ten-Year Network Development Plan (TYNDP 2024) which is prepared, while IPTO is in close cooperation with the involved Operators TenneT (Germany) and ELES (Slovenia) for its further maturation. The project was included in the 2024 Development Procedural Plan by ENTSO-E in February 2024.
- Cooperates with the Operator of Egypt (EETC – Egyptian Electricity Transmission Company) and the project promoter ELICA SA, with which has signed a Memorandum of Understanding regarding the launch of discussions dedicated to the evaluation of its participation in the share capital of the developer of the project GREGY – Green Energy Interconnector, concerning the electrical interconnection between Greece and Egypt.
- In September 2023, signed a Shareholders' Agreement (SHA) jointly with National Grid S.A - Saudi Electricity Company for the establishment of the special purpose company "Saudi Greek Interconnection", taking the first step towards the maturation of the Greece-Saudi Arabia electricity interconnection. In February 2024, the special purpose entity "Saudi Greek Interconnection" was established with the object of conducting the feasibility study for the electricity interconnection between Greece and Saudi Arabia, by IPTO and National Grid, which hold a 50% share each. The partnership is supervised by the Ministry of Environment and Energy of Greece and the Ministry of Energy of Saudi Arabia and specifies the strategic cooperation between the two countries in the field of Energy.
- In October 2023, IPTO was appointed as the Project Promoter of the project for the electrical interconnection between Greece, Cyprus, and Israel, which is included in the 6th list of Projects of Common Interest in Europe.

The assumption of the role of Project Promoter by the Greek TSO in the landmark project of the electrical interconnection between Cyprus and Israel into the European electricity system, via Greece, ensures the technical and financial adequacy of the project and lays the groundwork for its timely completion. It is reminded that since 2021, IPTO has been assisting the project as a technical advisor, having contributed significantly to its design maturity and the contractual arrangements critical for its progress.

A project of energy significance for the wider region, with years of systematic effort, has now reached the critical point of construction commencement. Its completion will mark the electrical interconnection of Cyprus with the European transmission system, ensuring robust energy security for the island. Additionally, Israel will enhance its supply security, gaining the ability to increase, further and faster, the participation of Renewable Energy Sources (RES) in its energy balance.

In December, EuroAsia Interconnector Ltd transferred the amount of EUR 55,2 million it had received as pre-financing from the European Union's Climate, Infrastructure and Environment Executive Agency (CINEA) and the Connecting Europe Facility (CEF) mechanism of the EU. With the receipt of an additional EUR 109,2 million in January 2024, the total pre-financing received amounted to EUR 164,5 million, representing 25% of the total grant.

In December, IPTO issued the first notice to proceed, and the first installment was paid to the Contractor of the cables.

On December 4th, 2023, an agreement was signed between the Company, the Ministry of Energy, Commerce, and Industry of Cyprus, and TAQA, a publicly listed company on the Abu Dhabi Securities Exchange (ADX), specifically a Memorandum of Understanding (MoU). The MoU outlines the framework of negotiations between the three parties for the entry of the Cypriot Government and TAQA into "GREAT SEA INTERCONNECTOR S.M.S.A.", with the aim of accelerating the implementation of the Crete-Cyprus segment, which exhibits the highest degree of maturity.

Meanwhile, the IPTO Group:

- Is maturing the project of the new Greece - Albania interconnection, together with the Transmission System Operator of the neighboring country.
- Is planning the construction of a new interconnection between Greece and Turkey, which will strengthen the interconnection of the European and Turkish Transmission System.
- Is promoting the upgrade of the existing interconnection with North Macedonia.

In November 2023, a Memorandum of Cooperation for the interconnection of the electricity markets of the Balkan countries was signed in Athens by the relevant institutions of Regulatory Authorities, Transmission System Operators - including IPTO - and Energy Exchanges, which paves the way for the creation of a single electricity market in Southeast Europe.

Significant events



Signing of IPTO-EIB loan agreement through RRF for the interconnection of the SW Cyclades

On January 24th, 2023, the Company, proceeded to:

- a. partial cancellation of the loan agreement signed with the EIB on December 16th, 2022, of amount EUR 250 million (without the guarantee of the Greek State). The partial cancellation concerned amount of EUR 93 million, as a result, the available loan balance equals EUR 157 million,
- b. cancellation of the loan agreement signed with the EIB on December 16th, 2022, of amount EUR 65 million (with the guarantee of the Greek State), and
- c. signing of a new loan agreement with the EIB through the Recovery and Resilience Fund amounted to EUR 108.44 million, with a duration of 15 years.

The aforementioned loan agreements with the EIB concern the financing of the “Cyclades Interconnection Phase 4” project.

Share capital increase of the subsidiary company “GRID TELECOM S.M.S.A.”

On February 1st, 2023 the Extraordinary General Assembly of the sole shareholder of the subsidiary “GRID TELECOM S.M.S.A.” approved an increase of its share capital by the amount of EUR 9.7 million, in order to address the financial needs for capital expenditure. The share capital increase was carried out by issuing 97.383 new common registered voting shares, with a nominal value of Euro one hundred (EUR 100) each. On May 16th, 2023, the payment of EUR 9.7 million to the subsidiary was certified.

Purchase of 8.33% and share capital increase of the related company “Selene CC S.A.”

Transelectrica due to regulatory reasons decided to withdraw from the shareholdership of “SELENE CC S.A.” and maintain only a contractual relationship with the company. Each shareholder (IPTO, ESO-EAD, TERN) purchased and acquired an equal part of the share capital previously owned by Transelectrica, (25% of the company’s share capital), which corresponds to 16.666 shares with a nominal value of EUR 1.073 each (8.33% of the share capital). The Company paid approximately EUR 18 thousand for the acquisition of 16.666 shares, which corresponds to 8.33% of the share capital of “SELENE CC S.A.”.

On February 21st, 2023 the Extraordinary General Meeting of “SELENE CC S.A.” approved an increase of its share capital by EUR 6 million, in order to cover its financial needs. On March 17th, 2023 the Board of Directors of IPTO approved the payment of the share capital of its share amounted to EUR 2 million.

As a consequence of the above, IPTO on December 31st, 2023 holds 33.33% of the total paid in share capital of “SELENE CC S.A.”.

Issuance of bond loan

On March 28th, 2023, the Company issued Series A bonds of EUR 80 million, as part of the EUR 150 million bond loan agreement of 30/12/2021 with a consortium of banks.

Loan disbursement from subsidiary company “ARIADNE INTERCONNECTION SINGLE MEMBER S.P.S.A.”

On April 20th, 2023, the subsidiary company “ARIADNE INTERCONNECTION SINGLE MEMBER S.P.S.A.” disbursed a loan of EUR 200 million from the European Investment Bank with a fixed interest rate.

Electrification of the Western Peloponnese Corridor

On May 2023, the last section of the Megalopolis EHV S/S interconnection with the existing 400 kV Acheloos-Distomo Transmission Line was completed and put into full operation. The extension of the 400 kV System to Megalopolis will drastically increase transmission capacity to and from the Peloponnese, and will decongest the region’s saturated grids, thus enhancing voltage stability for the Southern System as a whole.

Electrification of the second Greece-Bulgaria interconnection (New Santa-Maritsa)

On June 2023, IPTO commissioned, together with the Bulgarian Transmission System Operator, the second Greece-Bulgaria interconnection (New Santa-Maritsa), by which the margin for energy exchanges is significantly increased between the two countries.

Grant for the subsidiary company “ARIADNE INTERCONNECTION SINGLE MEMBER S.P.S.A.”

On June 21st, 2023, a decision was issued to include the 1st stage of the Project in the NSRF Operational Program “Transport Infrastructure, Environment and Sustainable Development 2014 -2020”, with a maximum grant amount of EUR 313.2 million, while on October 11th, 2023 the 1st disbursement was made, amounted to EUR 76.5 million and on January 31st, 2024, the second disbursement of EUR 22.9 million was made .

In addition, on September 26th, 2023, the Government Gazette (5646/B'/26/9/2023) was issued, which determined the operations, the amount and the financing process through the Public Investment Program of the Project, which can be financed with the highest amount of EUR 588 million.

Participation of “GRID TELECOM S.M.S.A.” in a joint venture

“GRID TELECOM S.M.S.A.” in cooperation with the anonymous company “TERNA ENERGY S.A.”, established a Union of Companies under the company name “TERNA ENERGY ASSOCIATION OF COMPANIES Commercial Industrial & Technical S.A.- GRID TELECOM S.A.”, which after its successful participation in the relevant tender, has been chosen as temporary contractor for the execution of the project “Ultra Broadband Infrastructure – ULTRA FAST BROADBAND through PPP” for Geographical Zones 2, 4, 5 and 6. For the partnership agreement signing with the Greek State, the members of the Union established an anonymous company, which will sign and implement the agreement. On 10/2/2023, the above companies signed a Shareholders Agreement to regulate their relations. In order to fulfill the competitive process and after a decision of the Board of Directors, the members of the Association of Companies established on 17/5/2023 an anonymous company with the name “TERNA FIBER SPECIAL PURPOSE COMPANY” and the distinguishing title “TERNA FIBER S.A.” with headquarters in the Municipality of Athens, in which the founders participate as follows: “TERNA ENERGY S.A.” with a percentage of 50.1% and “GRID TELECOM S.M.S.A.” with a percentage of 49.9%. The initial share capital of the company amounted to Euro one hundred thousand (EUR 100.000) divided into one hundred thousand registered voting shares, with a nominal value of Euro one (1) each and paid in cash by the Founding Members of the Union.

The sole and exclusive purpose of the incorporated company is:

- (a) the execution of the Partnership Agreement that will be signed between the Greek State through the Minister of Digital Governance, the company, and the founders – original shareholders of the company as third parties, for the execution of the project “Ultra Broadband Infrastructure – ULTRA FAST BROADBAND through PPP” for Geographical Zones 2, 4, 5 and 6, as they are mentioned in the Invitation for Expression of Interest and in the Issue of Invitation to Submit Binding Offers, the fulfillment of the obligations and the exercise of the company’s rights arising from it.
- (b) the conclusion of the Partnership Agreement, its Appendixes, and other Contractual Documents in accordance with the provisions of Law 3389/2005 and the Invitation to Submit Binding Offers regarding the PPP Project the conclusion of any contract imposed, provided for, or permitted by the Agreement Partnership or Law 3389/2005, as applicable each time, as well as the fulfillment of all kinds of obligations of the company from the above contracts.
- (c) The exercise and performance of any type of commercial transactions directly or indirectly related to the PPP Project, the Partnership Agreement, and the Contractual Documents, as well as any type of legal acts, actions and acts of implementation that are related to the nature and operation of the company.

Bond repurchase

On July 21st, 2023, the Company repurchased bonds of EUR 90 million, which pertains to Series B of the bond loan agreement dated 24/9/2020.

Greece-Cyprus-Israel electrical interconnection

In October 2023, IPTO was appointed as the Project Promoter of the project for the electrical interconnection between Greece, Cyprus, and Israel, which is included in the 6th list of Projects of Common Interest in Europe.

The assumption of the role of Project Promoter by the Greek TSO in the landmark project of the electrical interconnection between Cyprus and Israel into the European electricity system, via Greece, ensures the technical and financial adequacy of the project and lays the groundwork for its timely completion. It is reminded that since 2021, IPTO has been assisting the project as a technical advisor, having contributed significantly to its design maturity and the contractual arrangements critical for its progress.

A project of energy significance for the wider region, with years of systematic effort, has now reached the critical point of construction commencement. Its completion will mark the electrical interconnection of Cyprus with the European transmission system, ensuring robust energy security for the island. Additionally, Israel will enhance its supply security, gaining the ability to increase, further and faster, the participation of Renewable Energy Sources (RES) in its energy balance.

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Establishment of the special purpose subsidiary company "GREAT SEA INTERCONNECTOR S.M.S.A."

On November 24th, 2023, the establishment of the special purpose company "GREAT SEA INTERCONNECTOR S.M.S.A." was completed, which has undertaken the construction and financing of the PCI 2.6 project for the electrical interconnection between Greece – Cyprus - Israel, that is included in the 6th list of Projects of Common Interest in Europe. Currently, the sole shareholder of "GREAT SEA INTERCONNECTOR S.M.S.A." is the Company.

Memorandum of Cooperation between 'GRID TELECOM S.M.S.A.' and 'ESO EAD'

On November 2023, the subsidiary of the Group 'GRID TELECOM S.M.S.A.' and the Bulgarian Electricity System Operator 'ESO EAD' signed a Memorandum of Cooperation (MoU) aimed at jointly commercializing the optical fibers running through the overhead high-voltage electrical interconnections between Greece and Bulgaria.

Cooperation between "GRID TELECOM S.M.S.A." and "EXA Infrastructure" to enhance digital connectivity in Southeastern Europe

On December 2023, the subsidiary of the Group "GRID TELECOM S.M.S.A." and EXA Infrastructure, the largest platform of specialized digital infrastructures connecting Europe to North America, announced their strategic cooperation to enhance digital connectivity and provide infrastructure services in Southeastern Europe. The collaboration between the two companies creates the conditions for a critical network interconnection in the broader Balkans and Mediterranean region.

Reconstitution of the Board of Directors into a corporate body

On December 14th, 2023, the Board of Directors was reconstituted into a corporate body following the replacement of board member Mr. Antonios Aspras by Ms. Despina Kalliouri. The Company's Board of Directors was reconstituted as follows:

1. **Manousos Manousakis**, as Chairman of the Board of Directors and CEO (Executive member).
2. **Ioannis Margaris**, as Vice-President of the Board of Directors (Executive member).
3. **Dong Chen**, as Deputy CEO (Executive member).
4. **Yin Liu**, as a Board Member (Non-Executive member).
5. **Yunpeng He**, as a Board Member (Non-Executive member).
6. **Ioannis Karampelas**, as a Board Member (Non-Executive member).
7. **Stavros Ignatiadis**, as a Board Member (Non-Executive member).
8. **Despina Kalliouri**, as a Board Member (Non-Executive member).
9. **Fotios Nikolopoulos**, as a Board Member, Representative of the employees (Non-Executive member).

The term of office of the above Board of Directors expires on 31/5/2025.

Loan disbursement for financing the project "Cyclades Interconnection Phase 4"

On December 21st, 2023, the Company partially disbursed loan agreements with the EIB for financing the project "Cyclades Interconnection Phase 4, by amount of EUR 50 million from the loan agreement with the EIB totaling of EUR 157 million, and by amount of EUR 35 million from the loan agreement through the Recovery and Resilience Fund with the EIB totaling of EUR 108.44 million.

Commencement of operation of the Training Center

In 2023, the operation of the Company's Training Center commenced. The Training Center aims to provide training services for maintaining and enhancing the technical expertise of IPTO. The new Center has the capability to train technical personnel needed not only by IPTO but by Greece as a whole to advance energy transition.

Subsequent Events

Establishment of "SAUDI GREEK INTERCONNECTION S.A."

On February 5, 2024, the establishment of the special purpose company "SAUDI GREEK INTERCONNECTION S.A." was completed, tasked with conducting the feasibility study for the Greece-Saudi Arabia electricity interconnection via HVDC cable. As stipulated in the Articles of Association of "SAUDI GREEK INTERCONNECTION S.A.," IPTO and National Grid each hold a 50% share. As part of this collaboration, the two Transmission System Operators signed the Shareholders Agreement (SHA) on September 27, 2023, in Athens.

Receipt of pre-financing from the European Union's Climate, Infrastructure and Environment Executive Agency (CINEA) for the electrical interconnection between Greece and Cyprus

In January 2024, an additional amount of EUR 109,2 million was received. The total pre-financing received amounted to EUR 164,5 million, which constitutes 25% of the total grant.

Commencement of Phase 2 for the sale of 20% of "ARIADNE INTERCONNECTION SINGLE MEMBER S.P.S.A."

In February 2024, Phase 2 of the tender process for the sale of a 20% stake in the special purpose company "ARIADNE INTERCONNECTION SINGLE MEMBER S.P.S.A." commenced. The company is a 100% subsidiary of IPTO and serves as the implementation entity for the Attica-Crete electricity interconnection.

Following the relevant decision of the Regulatory Authority for Energy, Water and Environment (RAEWW), which approved the eligibility of the schemes that had expressed their interest during Phase 1 of the Tender (Expression of Interest), and subsequent to the signing of the necessary Confidentiality Agreements, IPTO proceeded to issue the invitation for submission of binding offers (Request for Binding Offers - RfBO).

The participants shall be obliged to submit their binding offers within the second quarter of 2024, whilst – after the end of the submission process – IPTO shall proceed with the offers' evaluation.

Financial analysis



IPTO S.A. – Analysis of Revenue and Basic Operating Expenses

The following financial information and analysis is provided by IPTO Group, Affiliate of ADMIE Holding S.A., in the context of the consolidated Financial Statements of IPTO SA for the financial year ended on 31.12.2023, in accordance with the IFRS.

Revenue Analysis	GROUP		COMPANY	
	FY 2023	FY2022*	FY2023	FY 2022*
Revenue				
Revenue from transmission system rent	367.4	272.0	368.7	273.2
Revenue from balancing market	15.6	11.9	15.6	11.9
Concession agreement expenses	-	-	(6.9)	(2.3)
Revenue from other operations	8.9	10.7	7.6	9.3
Total revenue (net)	391.9	294.6	384.9	292.1

The **Revenue from Transmission System Rent** during fiscal year 2023 marked an increase of 35.1% and amounted to EUR 367.4 million, versus EUR 272.0 million in 2022 for the Affiliate company.

The following table presents the analysis of the Transmission System Rent Revenue for the Company:

Calculation of Revenue System Rent⁴

Amounts in mil. EUR	2023	2022
Allowed Revenue (RAEWW decision E-102/2023 for 2023 & RAEWW decision 587/2022 for 2022)	372.1	310.6
Adjustments for:		
<i>Operating expenses for G/S Zakynthos</i>	3.7	0.0
<i>Proportion of excess price for the acquisition of the assets of Crete (RAEWW dec. 643/2022)</i>	4.6	1.5
<i>Factors (P1) +(P2) +(P5) + (P6) + (P7) + (INF) included at the Required Revenue</i>	1.2	2.9
<i>Difference (under – recovery) between Required revenue and Charges of System Usage</i>	(12.9)	(41.8)
Revenue from Transmission System Rent	368.7	273.2
Recovery sources of Revenue from Transmission System Rent		
<i>Charges of System Usage</i>	299.9	238.6
<i>(P3) Revenue from Interconnector rights</i>	68.4	35.7
<i>(P4) Revenue from participation in Compensation Mechanism among Transmission System Operators (ITC)</i>	(0.3)	(1.1)

Revenue from Balancing Market during 2023 amounted to EUR 15.6 million for the Group compared to EUR 11.9 million in prior year. The Required Balancing Market Revenue is apportioned through the balancing market fee between the balancing service providers and the balance responsible parties, which are registered at the HETS's Operator registry.

The **revenue from other operations** amounted to EUR 8.9 million, marking a decrease of 16.5% compared to the previous fiscal year. The decrease is mainly due to a) the decrease in revenue from maintenance services of fixed assets, since maintenance services for medium voltage substations is gradually transferred from 2022 to HEDNO S.A. as well as b) the decrease of revenue from customers' contributions, due to more completed connection contracts during prior year. This decrease was partly offset by the positive contribution of revenue from contracts.

* Comparable data of specific accounts have been reclassified for comparability purposes. For more information on the reconciliation of comparable amounts, please refer to the Annual Financial Report 2023 of IPTO SA.

⁴Detailed explanation for the Calculation of Transmission System Rent Revenue is presented in Appendix B

Operating expenses before provision, depreciation and amortization and other income of the IPTO Group in 2023, increased by 7% and amounted to EUR 121 million, compared to EUR 113.1 million in 2022. More specifically, **Payroll cost** decreased by 4.0% to EUR 54.9 million mainly due to the voluntary retirement program implemented in 2022, resulting in the relevant severance payments burdening the previous fiscal year while simultaneously achieving a reduction in the wage cost for 2023.

Operating Expenses, Provisions, D&A <i>Amounts in mil. EUR</i>	GROUP			COMPANY		
	FY 2023	FY 2022	Δ%	FY 2023	FY 2022	Δ%
Payroll Cost	54.9	57.1	-4.0%	54.7	56.8	-3.8%
Materials and consumables	1.7	1.0	72.9%	1.7	1.0	72.9%
Third party benefits	9.6	8.5	13.1%	9.4	8.5	11.2%
Third party fees	32.2	25.1	28.5%	30.4	23.8	27.9%
Taxes - duties	4.5	2.7	66.3%	4.4	2.7	67.1%
Other Expenses	18.2	18.8	-2.7%	13.5	18.5	-27.0%
Operating expenses before provision, depreciation and amortization and other income	121.0	113.1	7.0%	114.1	111.2	2.6%
Provision (release of provision) for risks and expenses	2.0	-7.1	-128.2%	2.0	-7.1	-127.8%
Depreciation and amortization	112.8	104.9	7.4%	112.3	104.8	7.2%
Other income	-8,6	-5,6	54,6%	-8,3	-5,7	45,4%
Total operating expenses	227,2	205,4	10,6%	220,1	203,2	8,3%

At the same time, **third party fees** increased by EUR 7.1 million mainly due to the increase of employees with project contracts required for covering extended operational needs of the Group, as a result of the departure of regular staff through voluntary programs. **Third party benefits** increased by EUR 1.1 million due to: a) repairs at the Koumoundourou EHV S/S and b) costs of supervision of transmission lines that took place in 2023.

Other expenses marked a decrease of EUR 0.5 million and include mainly corporate social responsibility program, as the Group has committed to implement a wide range of public benefit projects, concerning the electric interconnection project between Crete-Attica, with purpose of meeting the needs of the local community.

The **Total provisions** amounted to EUR 2.0 million, compared to a release of EUR 7.1 million in 2022.

Group's Depreciation and amortization amounted to EUR 112.8 million, higher by 7.4%, mainly due to the capitalization of projects, the majority of which were completed at the end of 2022, amounting to EUR 132 million, as a result of the implementation of the Group's investment program.

Financial Income of the Group amounted to EUR 6.8 million compared to EUR 3.2 million in 2022. The change is mainly the result of a) the increase of deposits held at the Bank of Greece and the increase in the yield rate compared to prior period and b) the interest on time deposits relating to 2023. During 2022, there was no corresponding income for the Group.

Financial Expenses amounted to EUR 20.1 million versus EUR 15.8 million of the corresponding period a year ago, as a result of the increase in floating interest rates due to Euribor increase during 2022.

The **nominal tax rate** for the current period is 22% and the income tax amounted to EUR 35.3 million.

The consolidated **Cash flows from operational profit before changes in the capital employed** amounted at EUR 277.5 million.

CAPEX

Total investments for the Group amounted to EUR 644 million (2022: EUR 335,9 million). Respectively, for the Company total investments amounted to EUR 638,9 million (2022: EUR 332,5 million).

The main projects included in the additions for construction in progress for the fiscal year, are analysed as follows:

- Amount of EUR 242.934 concerns works carried out in the context of the construction project of the Crete-Attica interconnection through the subsidiary company "ARIADNE INTERCONNECTION SINGLE MEMBER S.P.S.A."
- Amount of EUR 149.250 concerns interconnection works carried out for Cyclades
- Amount of EUR 110.801 concerns interconnection works carried out for Greece – Cyprus - Israel
- Amount of EUR 29.116 concerns works upgrading circuits in the Ionian Islands
- Amount of EUR 10.885 concerns interconnection works carried out for Greece – Bulgaria

IPTO GOUP's gross outstanding debt, was as follows, as of December 31st, 2023 and December 31st, 2022:

IPTO GROUP	2023	2022
EUR million		
European Investment Bank	690.0	429.8
Syndicated Bond	501.2	542.7
Total	1,191.2	972.5

Disclaimer

This document contains forward-looking statements that involve risks and uncertainties. These statements may Generally, but not always, be identified by the use of words such as “outlook”, “guidance”, “expect”, “plan”, “intend”, “anticipate”, “believe”, “target” and similar expressions to identify forward-looking statements. All statements other than statements of historical facts. Including, among others, statements regarding the future financial position and results of ADMIE Holding and ADMIE (IPTO), the outlook for 2024 and future years as per IPTO’s business strategy and five-year business plan planning, the effects of global and local economic and energy conditions, the impact of the sovereign debt crisis, effective tax rates, future dividend distribution, and management initiatives regarding ADMIE Holding’s and IPTO’s business and financial conditions are forward- looking statements. Such forward-looking statements are subject to risks and uncertainties that may cause actual results to differ materially, because current expectations and assumptions as to future events and circumstances may not prove accurate. Actual results and events could differ materially from those anticipated in the forward-looking statements for many reasons, including potential risks described in ADMIE Holding’s Annual Financial Report ended December 31st, 2023.

Although the Company believes that, as of the date of this document, the expectations reflected in the forward-looking statements are reasonable, we cannot assure you that our future results, level of activity, performance or achievements will meet these expectations. Moreover, neither the Company’s directors, employees, advisors nor any other person assumes responsibility for the accuracy and completeness of the forward-looking statements. After the date of the condensed financial statements included in this document, unless required by law to update these forward-looking statements, the Company will not necessarily update any of these forward- looking statements to adjust them either to actual results or to changes in expectations.

INCOME STATEMENT FOR YEAR 01/01/2023 – 31/12/2023

(In thousand EUR)

	Group		Company	
	01/01/2023- 31/12/2023	01/01/2022- 31/12/2022*	01/01/2023- 31/12/2023	01/01/2022- 31/12/2022*
Revenue				
Revenue from transmission system rent	367,434	271,959	368,656	273,196
Revenue from balancing market	15,563	11,943	15,563	11,943
Concession agreement expenses	-	-	(6,919)	(2,337)
Revenue from other operations	8,890	10,651	7,608	9,294
Total revenue (net)	391,887	294,554	384,908	292,096
Expenses/(Other Income)				
Payroll cost	54,869	57,141	54,656	56,837
Depreciation and amortization	112,757	104,948	112,282	104,762
Materials and consumables	1,668	965	1,668	965
Third party benefits	9,593	8,485	9,435	8,481
Third party fees	32,197	25,056	30,412	23,772
Taxes–duties	4,470	2,688	4,442	2,659
Provision (release of provision) for risks and expenses	1,996	(7,090)	1,974	(7,109)
Other income	(8,606)	(5,565)	(8,267)	(5,687)
Other expenses	18,243	18,752	13,487	18,475
Total expenses (net)	227,186	205,379	220,088	203,156
Profit before tax and financial results	164,701	89,174	164,819	88,941
Financial expenses	(20,130)	(15,835)	(20,105)	(15,806)
Financial income	6,817	3,160	9,031	4,403
Share of profit of investments in associates and joint ventures	469	345	-	-
Profit before tax	151,858	76,845	153,745	77,538
Income Tax	(35,297)	(18,640)	(35,835)	(18,621)
Net profit after tax	116,561	58,205	117,910	58,917
Attributable to:				
Owners of the Company	116,561	58,205	117,910	58,917
Non-controlling interests	-	-	-	-

* Comparable data of specific accounts have been reclassified for comparability purposes. For more information on the reconciliation of comparable amounts, please refer to the Annual Financial Report 2023 of IPTO SA.

STATEMENT OF FINANCIAL POSITION AS AT 31/12/2023

(In thousand EUR)

	Group		Company	
	31/12/2023	31/12/2022*	31/12/2023	31/12/2022*
ASSETS				
Non-current assets				
Tangible assets	3,573,487	3,032,061	3,560,880	3,025,686
Intangible assets	8,108	6,693	8,060	6,623
Right of use asset	6,949	2,425	4,062	1,346
Investments in subsidiaries	-	-	215,038	205,300
Investments in associates and joint ventures	4,423	1,994	3,071	1,050
Financial assets at amortized cost	4,062	4,068	4,062	4,068
Deferred tax assets	588	5	-	-
Long-term portion of finance lease receivables	3,588	3,568	6,550	4,200
Other long-term receivables	27,410	9,388	26,893	9,380
Total non-current assets	3,628,614	3,060,202	3,828,617	3,257,652
Current assets				
Inventories	29,383	22,936	29,383	22,936
Trade receivables	68,783	109,192	68,783	109,131
Other receivables	88,782	127,917	85,271	125,817
Income tax receivable	6,947	10,714	-	-
Short-term portion of finance lease receivables	2,307	1,133	240	195
Cash and cash equivalents	245,713	198,617	184,972	183,158
Total current assets	441,916	470,509	368,649	441,237
Total assets	4,070,529	3,530,711	4,197,266	3,698,889
EQUITY AND LIABILITIES				
Equity				
Share capital	38,444	38,444	38,444	38,444
Legal reserve	13,111	13,101	12,815	12,815
Other reserves	(8,236)	(7,675)	(8,234)	(7,675)
Revaluation reserve	896,159	893,967	896,159	893,967
Retained earnings	578,718	491,685	575,852	487,400
Equity attributable to owners of the Company	1,518,196	1,429,522	1,515,035	1,424,950
Non controlling interests	-	-	-	-
Total equity	1,518,196	1,429,522	1,515,035	1,424,950
Non-current liabilities				
Long-term borrowings	1,100,633	927,274	715,073	730,705
Provisions for employee benefits	11,643	10,904	11,643	10,904
Other provisions	10,059	9,003	10,059	9,003
Deferred tax liabilities	182,762	182,538	182,762	182,533
Subsidies	599,096	451,738	596,096	451,738
Long-term lease liabilities	3,465	1,240	3,196	1,162
Long-term liability from concession agreement	-	-	610,983	456,293
Other non-current liabilities	33,185	31,235	15,286	12,834
Special accounts (reserves)	111,026	98,505	111,026	98,505

* Comparable data of specific accounts have been reclassified for comparability purposes. For more information on the reconciliation of comparable amounts, please refer to the Annual Financial Report 2023 of IPTO SA.

Total non-current liabilities	2,051,868	1,712,439	2,256,123	1,953,678
Current liabilities				
Trade and other payables	222,334	207,436	146,538	123,312
Short-term liability from concession agreement	-	-	11,850	16,606
Short-term lease liabilities	1,586	264	904	233
Short-term portion of long-term borrowings	90,536	45,271	79,306	45,199
Income tax payable	21,172	2,225	21,064	2,147
Accrued and other liabilities	55,234	65,078	56,842	64,289
Special accounts (reserves)	109,603	68,477	109,603	68,477
Total current liabilities	500,465	388,751	426,107	320,261
Total equity and liabilities	4,070,529	3,530,711	4,197,266	3,698,889

STATEMENT OF CASH FLOW FOR YEAR 01/01/2023 – 31/12/2023

(In thousand EUR)

	Group		Company	
	01/01/2023- 31/12/2023	01/01/2022- 31/12/2022	01/01/2023- 31/12/2023	01/01/2022- 31/12/2022
Cash flows from operating activities				
Profit before tax	151,858	76,845	153,745	77,538
<i>Adjustments for:</i>				
Depreciation of tangible and intangible assets	126,167	117,951	125,692	117,765
Amortization of subsidies	(13,410)	(13,003)	(13,410)	(13,003)
Interest income	(6,817)	(3,160)	(9,031)	(4,403)
Other provisions	1,996	(7,090)	1,974	(7,109)
Asset write-offs	1,876	1,383	3,080	1,383
(Gain) from valuation of fixed assets	(2,018)	-	(2,018)	-
(Gain) from optical fiber lease	(2,441)	(2,245)	(1,158)	(895)
Gain from associates and joint ventures	(469)	(345)	-	-
Interest expense	20,130	15,835	20,105	15,806
Personnel provisions	654	2,612	654	2,612
Operational profit before changes in the capital employed	277,525	188,783	279,632	189,694
(Increase)/decrease:				
Trade receivables	37,164	5,279	36,824	5,427
Other receivables	11,748	(25,916)	9,248	(19,811)
Inventories	419	(2,720)	419	(2,720)
Trade payables	792	(5,309)	(14,870)	(6,927)
Other payables and accrued expenses	54,863	60,976	57,566	52,101
Income Tax Receipts/(Payments)	1,292	(3,129)	(4,127)	(3,129)
Net cash inflows from operating activities	383,804	217,965	364,692	214,636
Cash flows from investing activities				
Interest and dividend received	6,619	4,564	9,069	5,678
Subsidies received	140,952	34,794	61,471	34,794
Capital receivables from leases	291	271	386	205

Investments in related parties and subsidiaries	(2,021)	-	(11,760)	(3,500)
Purchases of current and non-current assets	(661,813)	(317,638)	(401,441)	(172,158)
Net cash (outflows) from investing activities	(515,972)	(278,008)	(342,274)	(134,980)
Cash flows from financing activities				
Loan repayments	(135,667)	(34,000)	(135,667)	(34,000)
Receipt of loans	365,000	145,000	165,000	-
Loan issuance costs	(451)	(1,498)	(451)	(1,189)
Dividends paid	(29,458)	(33,914)	(29,458)	(33,914)
Share issue transaction costs	(58)	(21)	-	-
Lease liabilities payment (capital)	(623)	(302)	(574)	(272)
Interest paid	(19,479)	(19,989)	(19,453)	(17,237)
Net cash inflows/(outflows) from financing activities	179,264	55,275	(20,603)	(86,613)
Net increase/(decrease) of cash and cash equivalents	47,096	(4,767)	1,815	(6,957)
Cash and cash equivalents, opening balance	198,617	203,384	183,158	190,115
Cash and cash equivalents, closing balance	245,713	198,617	184,972	183,158

Source: IPTO S.A.

APPENDIX A – ALTERNATIVE PERFORMANCE INDICATORS

In the context of the implementation of “Alternative Performance Measures” guidelines of the European Securities and Markets Authority (ESMA/2015 /1415eI) applicable as of July 3rd, 2016 to the “Alternative Performance Measures”, the Group uses “Alternative Performance Measures” in the decision-making framework on financial, operational and strategic planning as well as for the evaluation and publication of its performance. The “APM’s” serve to a better understanding of the financial and operational results of the Group and its financial position. Alternative Performance Measures should always be considered in conjunction with the financial results, prepared under IFRS, and not to replace them. The following measures are used to describe the Group’s and the Company’s performance:

EBIT (Earnings before interest and tax)

EBIT is used for the best analysis of Group’s and Company’s operating results and is calculated as follows: Total revenue minus total expenses. The EBIT margin (%) is calculated by dividing the EBIT by the total revenue.

Adjusted EBIT

Adjusted EBIT is defined as published EBIT adjusted by a) provisions (including provisions for litigations and trade receivables), b) valuation losses (impairments) of fixed assets and, c) non-recurring items.

EBITDA (Earnings before interest, tax, depreciation and amortization)

EBITDA is used for the best analysis of Group’s and Company’s operating results and is calculated as follows: Total revenue minus total expenses before depreciation and amortization and valuation losses (impairments) of fixed assets. The EBITDA margin (%) is calculated by dividing the EBITDA by the total revenue.

Adjusted EBITDA

Adjusted EBITDA is defined as published EBITDA adjusted by the effect of a) provisions (including provisions for litigations and trade receivables), b) valuation losses (impairments) of fixed assets and c) non-recurring items.

Adjusted earnings before tax

Adjusted earnings before tax is defined as published Earnings Before Tax adjusted by a) provisions (including provisions for litigations and trade receivables), b) valuation losses (impairments) of fixed assets, c) non-recurring items and d) non-recurring financial income/expenses.

Adjusted net income

Adjusted net income is defined as published Group net income adjusted by a) provisions (including provisions for litigations and trade receivables), b) valuation losses (impairments) of fixed assets, c) non-recurring items and d) non-recurring financial income/expenses.

Net debt/EBITDA

The ratio reflects how earnings before interest, tax, depreciation and amortization of the Group and the Company cover net debt (as defined in the following paragraph)

Net debt

Net debt is defined as the Group and the Company’s debt (current and non-current portion of debt, including finance lease liabilities) minus cash and cash equivalents and indicates the level of liquidity as well as the ability of the Group and the Company to repay the interest.

Return on Equity

This ratio shows how efficiently the Group and the Company used its net assets to generate additional profits and is calculated as follows: Profit before tax divided by equity.

The calculation of the above Rates (except for Alternative Performance Measures) directly derived from the Statement of Financial Position and Income Statement.

The following table analyzes the calculation of selected Alternative Performance Measures:

Adjusted ratio calculation	Group		Company	
	2023	2022	2023	2022
Total revenue	391,887	294,554	384,908	292,096
Total expenses	(227,186)	(205,379)	(220,088)	(203,156)
EBIT	164,701	89,174	164,819	88,941
Provisions/ (release) of provisions*	2,650	(4,477)	2,628	(4,497)
Non-recurring items*	(2,018)	-	(2,018)	-
Adjusted EBIT	165,333	84,697	165,429	84,444
Depreciation and amortization	112,757	104,948	112,282	104,762
Adjusted EBITDA	278,091	189,645	277,711	189,206
Provisions/ (release) of provisions*	(2,650)	4,477	(2,628)	4,497
Non-recurring items*	2,018	-	2,018	-
EBITDA	277,459	194,122	277,101	193,703

	Group		Company	
	2023	2022	2023	2022
EBIT	164,701	89,174	164,819	88,941
Financial expenses	(20,130)	(15,835)	(20,105)	(15,806)
Financial income	6,817	3,160	9,031	4,403
Share of profit of investments in associates and joint ventures	469	345	-	-
Profit before tax	151,858	76,845	153,745	77,538
Adjusted profit before tax	152,489	72,367	154,355	73,041
Effective tax rate	23,2%	24,3%	23,3%	24,0%
Adjusted income tax	(35,444)	(17,554)	(35,977)	(17,541)
Adjusted net income after tax	117,046	54,814	118,378	55,500

Effective tax rate calculation

	Group		Company	
	2023	2022	2023	2022
Profit before tax	151,858	76,845	153,745	77,538
Income tax	(35,297)	(18,640)	(35,835)	(18,621)
Adjusted income tax	(35,297)	(18,640)	(35,835)	(18,621)
Effective tax rate	23,24%	24,26%	23,31%	24,02%

*Extraordinary – non-recurring items mainly include the following:

- For 2023 provision for the discount of reduced electricity given to employees and retirees of the Company amounting to EUR 28 thousand, provisions for staff compensation amounting to EUR 625 thousand, provision for risks and expenses amounting to EUR 1.996 thousand as well as gains from the revaluation of fixed assets amounting to EUR 2.018 thousand.
- For 2022 provision for the discount of reduced electricity given to employees and retirees of the Company amounting to EUR 36 thousand, provisions for staff compensation amounting to EUR 2.576 thousand, and release of provision for risks and expenses amounting to EUR 7.090 thousand.

Adjusted ratio calculation	Group		Company	
	Q4 2023	Q4 2022	Q4 2023	Q4 2022
	Total revenue	99,008	83,543	96,881
Total expenses	(64,347)	(59,812)	(62,267)	(59,155)
EBIT	34,661	23,731	34,614	22,669
Provisions/ (release) of provisions*	815	887	785	841
Non-recurring items*	(2,018)	-	(2,018)	-
Adjusted EBIT	33,458	24,618	33,381	23,510
Depreciation and amortization	30,463	26,685	30,288	26,618
Adjusted EBITDA	63,922	51,303	63,669	50,128
Provisions/ (release) of provisions*	(815)	(887)	(785)	(841)
Non-recurring items*	2,018	-	2,018	-
EBITDA	65,125	50,416	64,902	49,287

	Group		Company	
	Q4 2023	Q4 2022	Q4 2023	Q4 2022
	EBIT	34,661	23,731	34,614
Financial expenses	(4,213)	(4,494)	(4,202)	(4,488)
Financial income	2,413	809	2,835	1,228
Share of profit of investments in associates and joint ventures	92	31	-	-
Profit before tax	32,953	20,078	33,246	19,409
Adjusted profit before tax	31,750	20,965	32,013	20,251
Effective tax rate	23,5%	14,6%	23,4%	14,7%
Adjusted income tax	(7,465)	(3,061)	(7,503)	(2,972)
Adjusted net income after tax	24,286	17,903	24,510	17,278

Effective tax rate calculation

	Group		Company	
	Q4 2023	Q4 2022	Q4 2023	Q4 2022
	Profit before tax	32,953	20,078	33,246
Income tax	(7,747)	(2,932)	(7,792)	(2,849)
Effect from income tax rate	-	-	-	-
Adjusted income tax	(7,747)	(2,932)	(7,792)	(2,849)
Effective tax rate	23,51%	14,60%	23,44%	14,68%

Regarding the Q4:

- For the Q4 2023 provision for the reduction of reduced electricity given to employees and retirees of the Affiliate and provisions for compensation of personnel amounting to EUR 0.3 million, and provision for risks and expenses amounting to EUR 0.5 million. as well as gains from the revaluation of fixed assets amounting to EUR 2 million.
- For the Q4 2022 provision for the reduction of reduced electricity given to employees and retirees of the Affiliate and staff compensation amounting to EUR 0.1 million and provision for risks and expenses amounting to EUR 0.7 million.

APPENDIX B – EXPLANATION OF REGULATED REVENUE

(In thousand EUR)

The analysis of the regulated revenue for the Company is as follows:

Regulated revenue from transmission system rent

	2023	2022	Movement
Composition of AR based on RAEWW decision E-102/2023 for 2023:			
Operating expenses	105,710	101,923	3,787
<i>Controllable operating expenses (incl. Ariadne)</i>	92,676	93,447	(771)
<i>Non-controllable operating expenses (incl. Ariadne)</i>	13,034	8,476	4,558
Depreciation	94,693	87,475	7,218
Total operating expenses	200,403	189,398	11,005
RAB	2,293,408	2,098,311	195,097
WACC	7,57%	6,10%	
RAB*WACC	173,611	127,997	45,614
Revenue from non-regulated activities	(1,917)	(6,783)	4,866
AR Allowed revenue	372,097	310,612	61,485
Plus: Items not budgeted in RAEWW decisions 587/2022:			
G/S Zakynthos	3,657	-	3,657
Proportion of the excess acquisition value of the fixed assets of Crete (RAEWW decision 643/2022)	4,602	1,487	3,116
AR revised	380,356	312,099	68,258
Adjustments for (RAEWW decisions 946/2022 and E-103/2023):			
(P1) (Over)/Under recovery of revenue	4,542	2,878	1,664
(P2) Over/(Under) investment	13,959	(9,020)	22,979
(P5) Clearance of non-controlled operating expenses	1,482	2,446	(964)
(P6) Revenue from non-regulated activities	3,577	2,194	1,383
(P7) Clearance due to change in the tax rate	(9,445)	(7,776)	(1,669)
(INF) Inflation clearance	(12,903)	12,174	(25,077)
AR adjusted	381,570	314,995	66,575
Revenue recovered from other sources (RAEWW decisions 910/2022 and 1058/2021):			
(P3) Interconnection rights	(68,376)	(35,676)	(32,700)
(P4) ITC	(335)	1,062	(1,937)
RR Required revenue	312,858	280,381	32,477
Actual Revenue			
TUoS	299,944	238,581	61,363
Other sources			
(P3) Interconnection rights	68,376	35,676	32,700
(P4) ITC	335	(1,062)	1,397
Revenue from transmission system rent	368,656	273,196	95,461

The revenue from the transmission system rent, as mentioned above, amounts to Euro 368.656 thousand for the year 2023 and Euro 273.195 thousand for the year 2022. RAEWW established a new methodology (Decision 495/2021) for the calculation of IPTO's Allowed and Required Revenue, which was implemented for the revenue of the Regulatory Period 2022-2025. RAEWW, with Decision 587/2022, determined Allowed Revenue (AR) for the years of the Regulatory Period 2022-2025. Following IPTO's request regarding the excessive acquisition value of the fixed assets of high-voltage elements of the electric system in Crete (Euro 17.8 million), RAEWW accepted, with Decision 643/2022, the gradual recognition of this value, and thus, an amount of Euro 4.6 million was recognized in the year 2023, increasing the Allowed Revenue (revised AR) for 2023 to Euro 380.356 thousand. Additionally, within 2023, the recovery of the rental cost regarding the G/S for Zakynthos (Euro 3.7 million) which was carried out by the Company due to the exceptional circumstances during the summer of 2022, was incorporated in AR.

For 2023, Allowed Revenue (AR) of Euro 372.097 thousand was budgeted, increased by Euro 61.4 million compared to 2022, mainly as a result of:

- the revised Weighted Average Cost of Capital (WACC) at 7.57%, following IPTO's proposal for the revision of the WACC parameters for the years 2023-2025, based on Decision E-102/2023,
- the implementation of the new revenue model (ECA), jointly accepted by both the Authority and IPTO.

The implementation of the new revenue model (ECA) for the year 2022 resulted to several deviations in the Allowed Revenue (AR) for the Regulatory Period 2022-2025 compared to the model applied for the Decision 946/2022. The amounts presented in the above table have been adjusted according to RAEWW's Decision E-102/2023.

Regulated Revenue from Balancing Market

The revenue from Balancing Market for 2023 amounted to Euro 15.6 million. The Required Revenue for 2023 was approved by RAEWW's Decision 945/2022 amounting to Euro 15.3 million. The Required Revenue of the Balancing Market is allocated through the Balancing Market fee among the balancing service providers and the contracting parties registered in the Registry of the Hellenic Electricity Market Operator (HETS).



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