

# Financial Results – Q1 2022

Investors' and Analysts' Presentation

15 June 2022





# 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 2022 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 31. December 2021.

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.

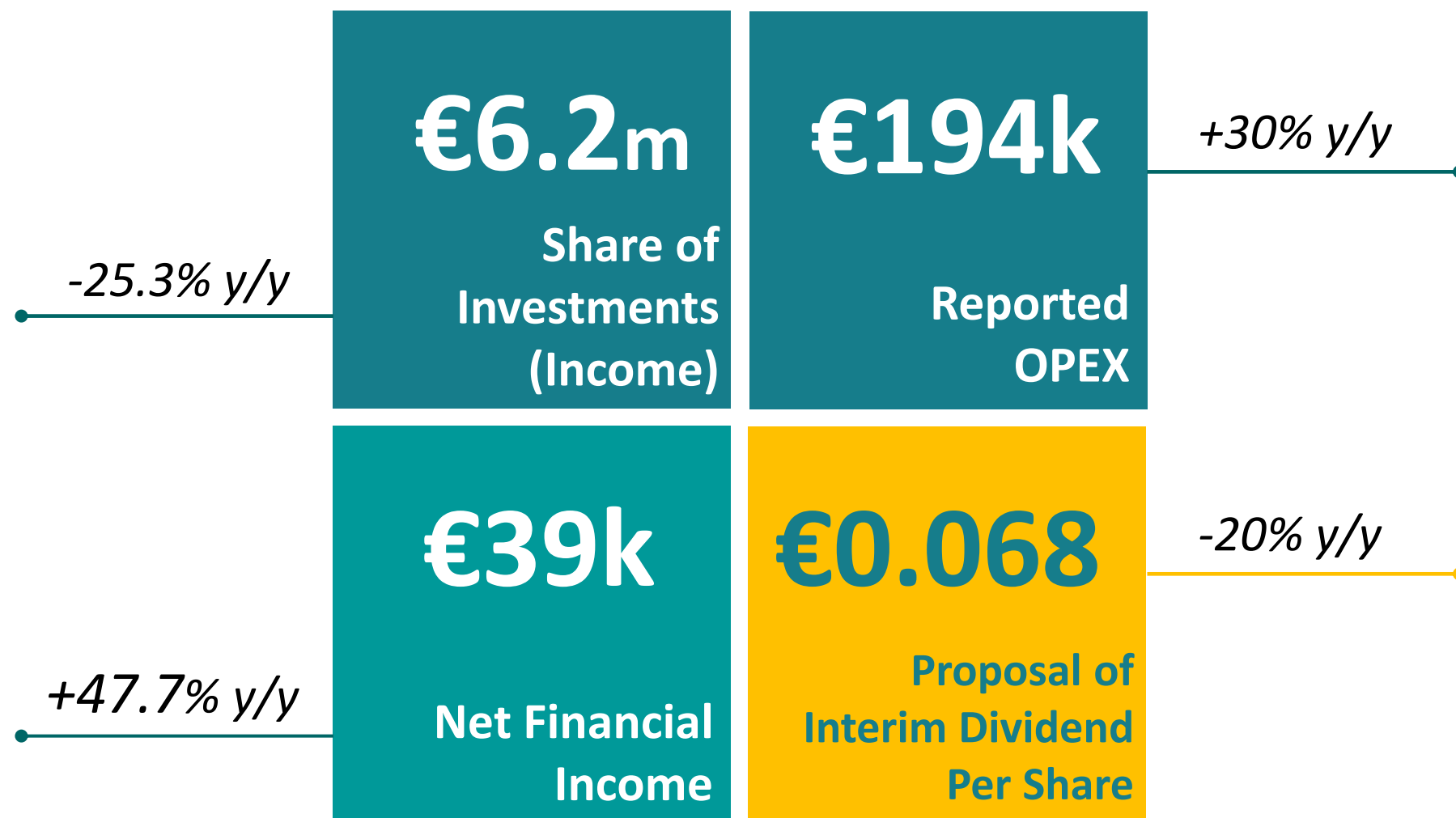
ADMIE Holding S.A. holds a 51% stake in “Independent Power Transmission Operator S.A.” (ADMIE/IPTO).



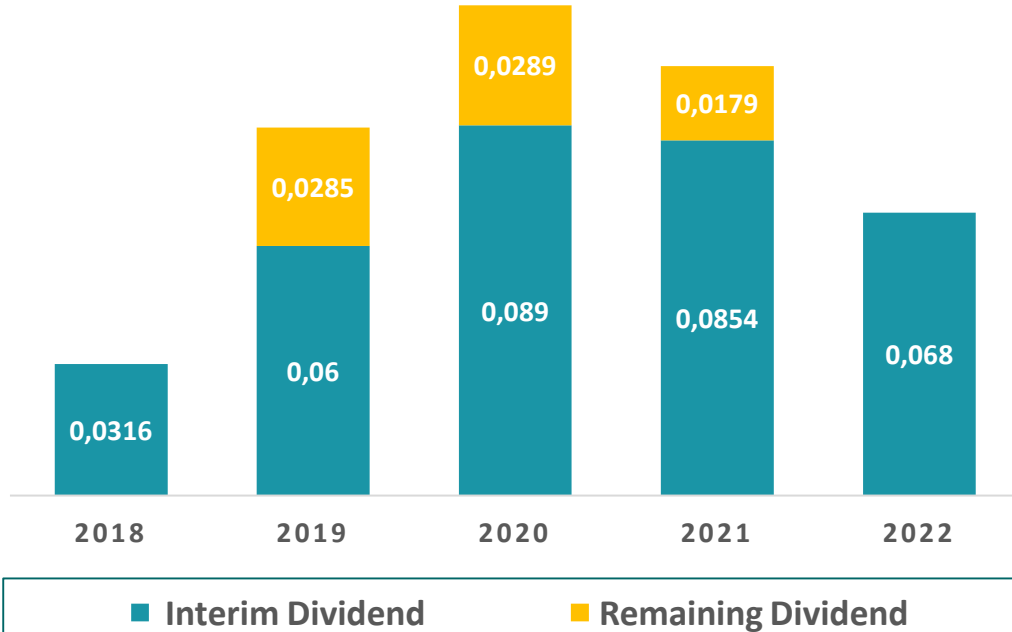
# Agenda

1. Key Developments
2. IPTO S.A. Q1'22 Financial Highlights
3. ADMIE Holding Q1'22 Financial Highlights
4. Appendix

# ADMIE HOLDING Q1'22 Highlights



# Dividend Policy



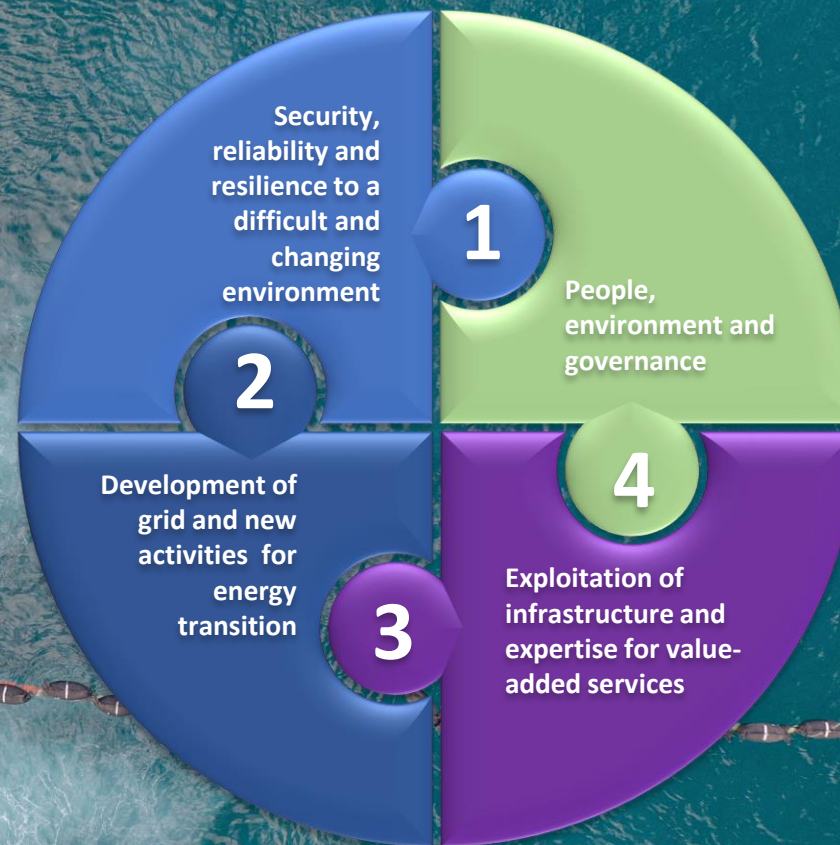
	2019	2020	2021	2022
Dividend per share	0,09	0,12	0,103	0,068
Dividend Yield (%) *	4%	5%	3,9%	2,9%

\*Calculations based on year – end stock prices..

- ✓ Average dividend yield since listing ~4%
- ✓ Bound to distribute based on a minimum payout ratio of 50% (IPTO SA)
- ✓ ADMIE Holding SA is committed to distribute the bulk of dividend collected by IPTO SA



# IPTO's Strategic Plan 2021-2024





# Key milestones in 2022

## Ariadne Interconnection



- The second interconnection of Crete with the mainland is in progress. According to the current timetable, commissioning of the project is expected in 2024.

## Crete- Peloponnese Interconnection



- The technically demanding interconnection between Crete and the Peloponnese was completed in May and fully operational on July, 2021.
- It has already brought tangible benefits to Crete, as it reduced power generation from conventional units and shielded the island's energy security during tourist season



## Interconnection of Cyclades

- Phase IV has been included in the National Recovery and Resilience Plan.
- The tenders for the first section, Naxos-Santorini completed in 2021.
- Afterwards the tenders for the rest of the Folegandros, Milos and Serifos are expected to be completed in 2022.

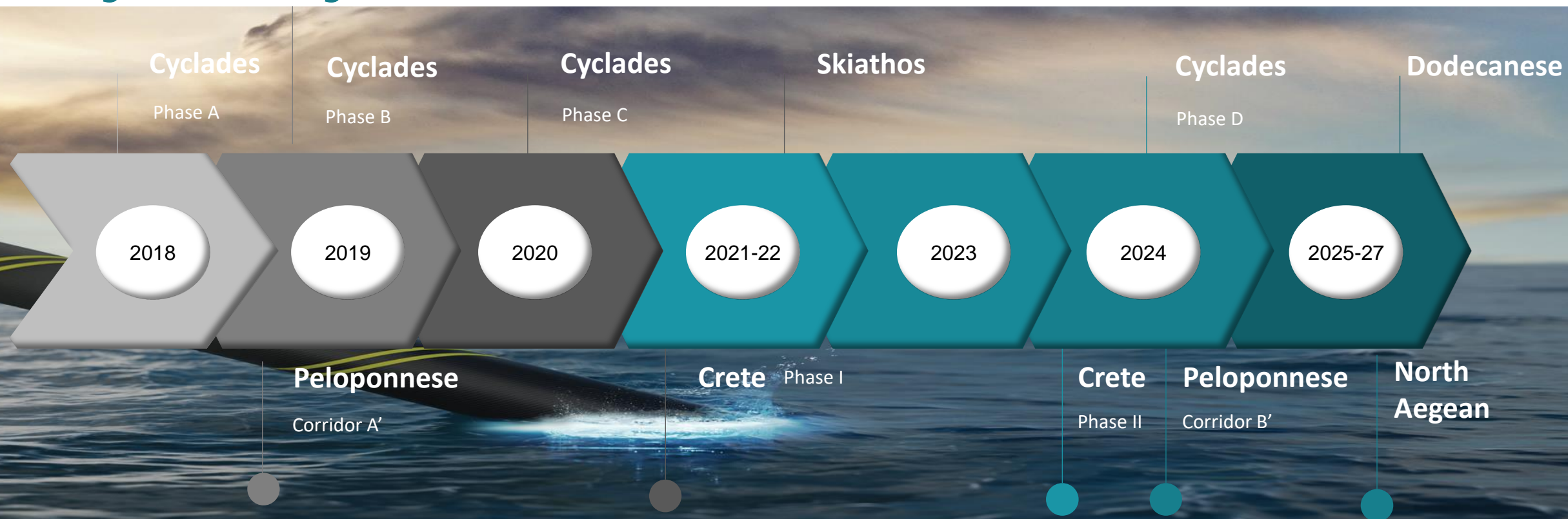
## International Interconnections



- Announced tender for the second interconnection between Greece and Bulgaria with an overhead Transmission Line of 400kV. Expected H2'2022.
- Signed a MoU with the Italian TSO Terna for a second interconnection between Greece and Italy, which is currently under research stage.

*International crisis of energy prices and high increase of raw materials led to a partial slowdown of the launch of new electricity transmission projects and the construction progress of the ongoing projects mainly due to delays on tender processes as the contractors asked for budgets revisions; RAE already approved various project budget revisions*

# Major Projects 2022-2031





# IPTO GROUP Q1'22 Highlights

## TOTAL REVENUES

€70.3 m

Q1'21 €67.9m (+3.5%)

- ✓ Increase by 3.5% due to the increase in revenue from Unitary TUoS and from Balancing Market.
- ✓ Revenue from services related to fixed assets decreased to 1.3 EUR million.
- ✓ Increase by 1.4 EUR million of received customer contributions due to increased wind farm connection contracts.

## EBITDA

€45.6 m

Q1'21 €47.5 m (-3.9%)

- ✓ Maintain Strong profitability margins
- ✓ Sufficient liquidity and high Interest coverage ratio (>6 times)

## Net PROFIT

€12.2m

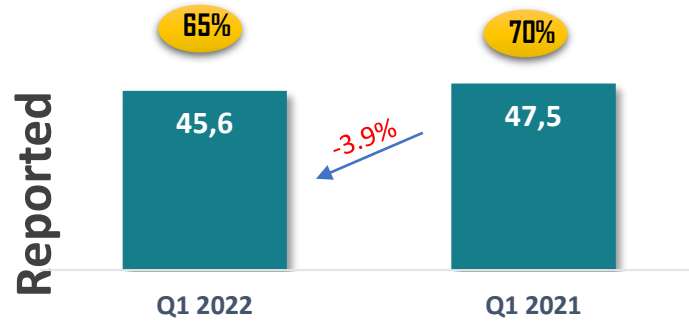
Q1'21 €16.3m (-25.3%)

- The nominal tax rate for the current period is 22% and the Group's income tax amounted to EUR 4.1 million.

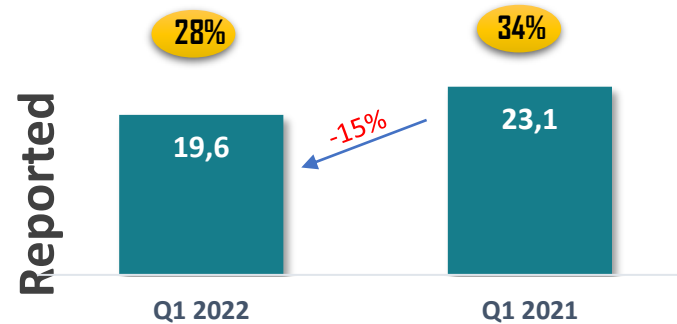
The issuance of RAE's decision regarding the Allowed Revenue for the regulatory period 2022-2025, as well as the Required Revenue for 2022 is still pending, resulting to the delay of the necessary revision of System Usage Charges and as such the Operator has not been able to receive and recover the sufficient revenues for the completed projects and its increased operating expenses

# Profitability

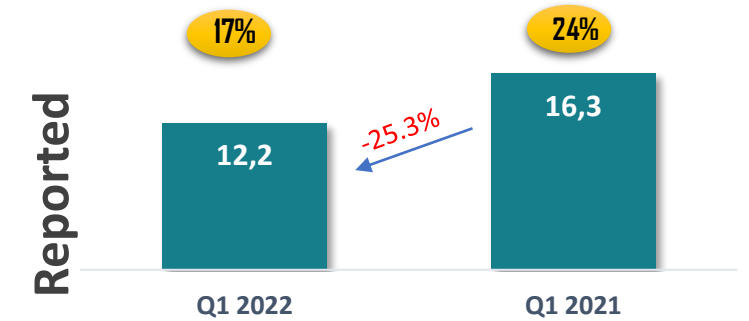
## EBITDA



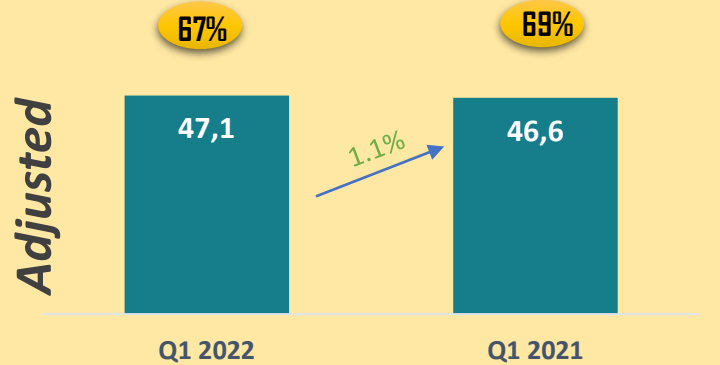
## EBIT



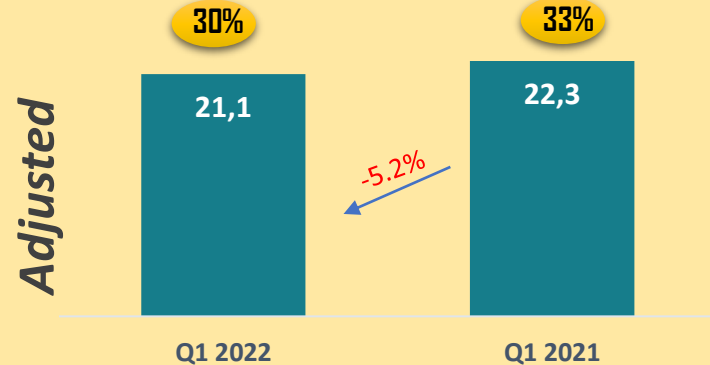
## Net Income



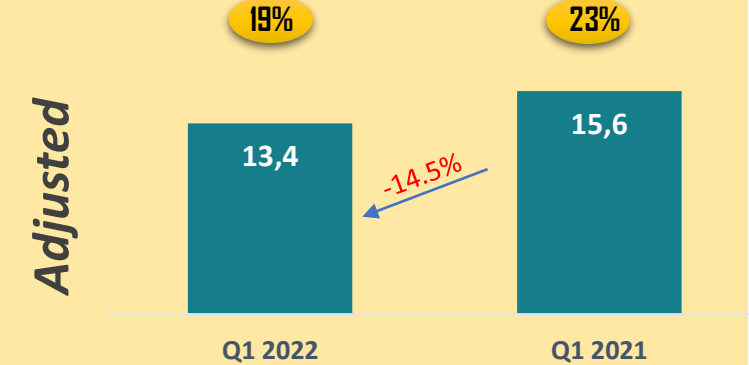
## Adjusted



## Adjusted



## Adjusted



Adjusted figures include these one-off items:

- a. provision for reduced electricity tariff given to employees and retirees of the Company and provision for employee compensation, totaling EUR 0.14 million compared to EUR 0.04 million in the 1st quarter of 2021, and
- b. provision for risks and expenses of EUR 1.34 million compared to release of provision of EUR 0.88 million in the 1st quarter of 2021.

Adjusted EBIT amounted to EUR 21.1 million, lower by 5.2% compared to EUR 22.3 million in the 1st quarter of 2021 excluding the aforementioned extraordinary - non - recurring items.

Positive effect in tax expense of the reduction in income tax rate to 22% in the 1st quarter of 2022 compared to 24% in the 1st quarter of 2021.



# Q1'22 Adjusted EBT evolution

## Key figures

### Revenue

- Combined effect due to small decrease of Revenues from transmission system rent (net) and Revenue from other operations by €0.8m and an increase of revenue from Balancing Market (new revenue stream in 2022) by €3.2m.

### Personnel Expenses

- Have remained relatively stable, with a small decrease by €0.5m.

### Third Party fees

Negatively affected by increasing number of new employees with freelancers' contracts (+€1.7m),

### Other OPEX

Negatively affected by expenses for the operation of RSC (€0.7m).

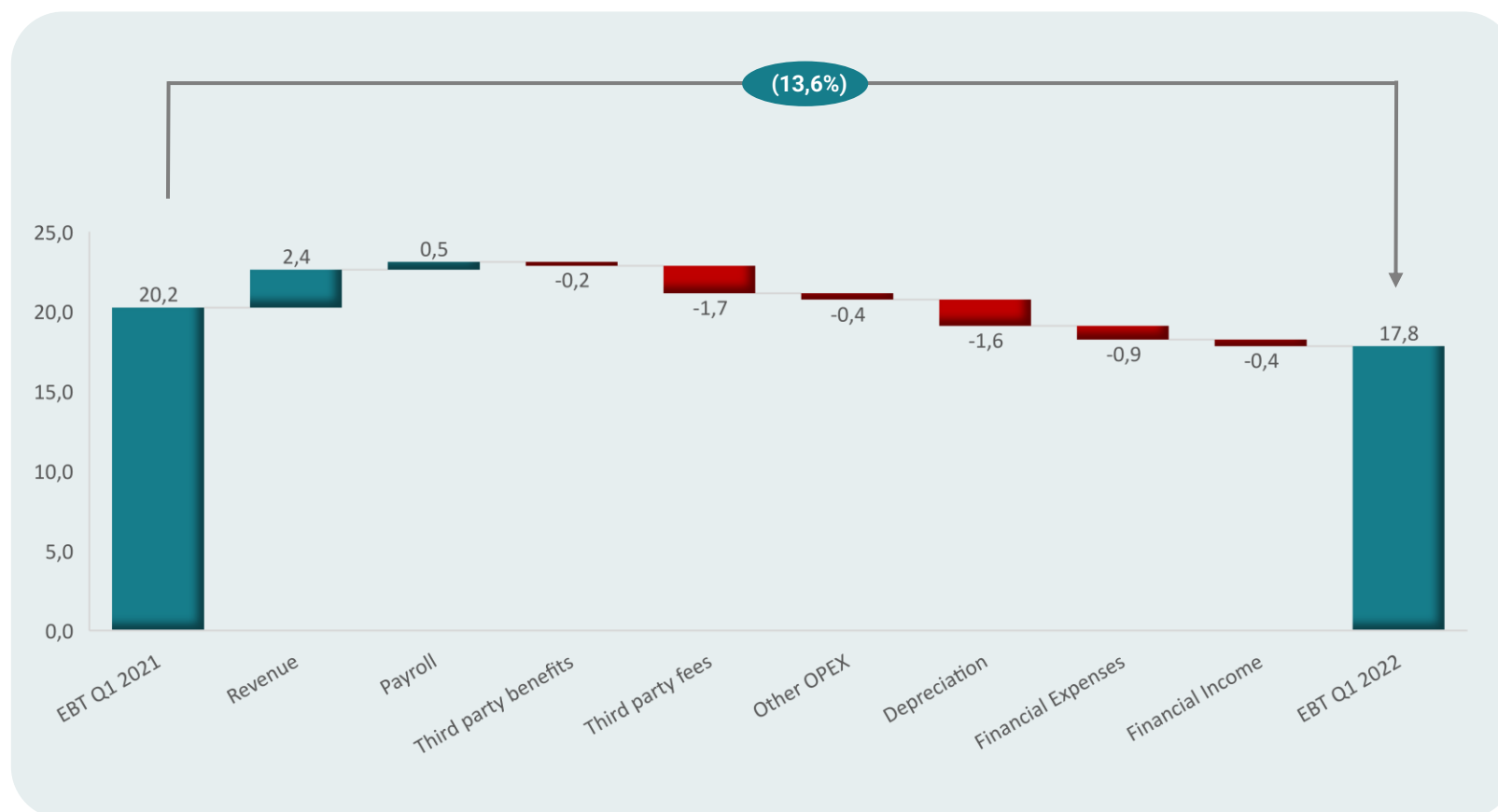
### Depreciation

Higher by capex implementation and the expansion of IPTO's RAB at the end of 2021 and during 2022.

### Financial Expenses

Negatively affected by lower capitalization of interest expense and increase of leverage and loan guarantee commission

## Adjusted EBT (€m)



# Cash Flow & Net Debt

## Key figures

Net Debt

**€ 694.1 million**

Leverage

**3.6x Net Debt/adj.  
EBITDA\***

Coverage ratio

**~6x Interest coverage  
ratio\*\***

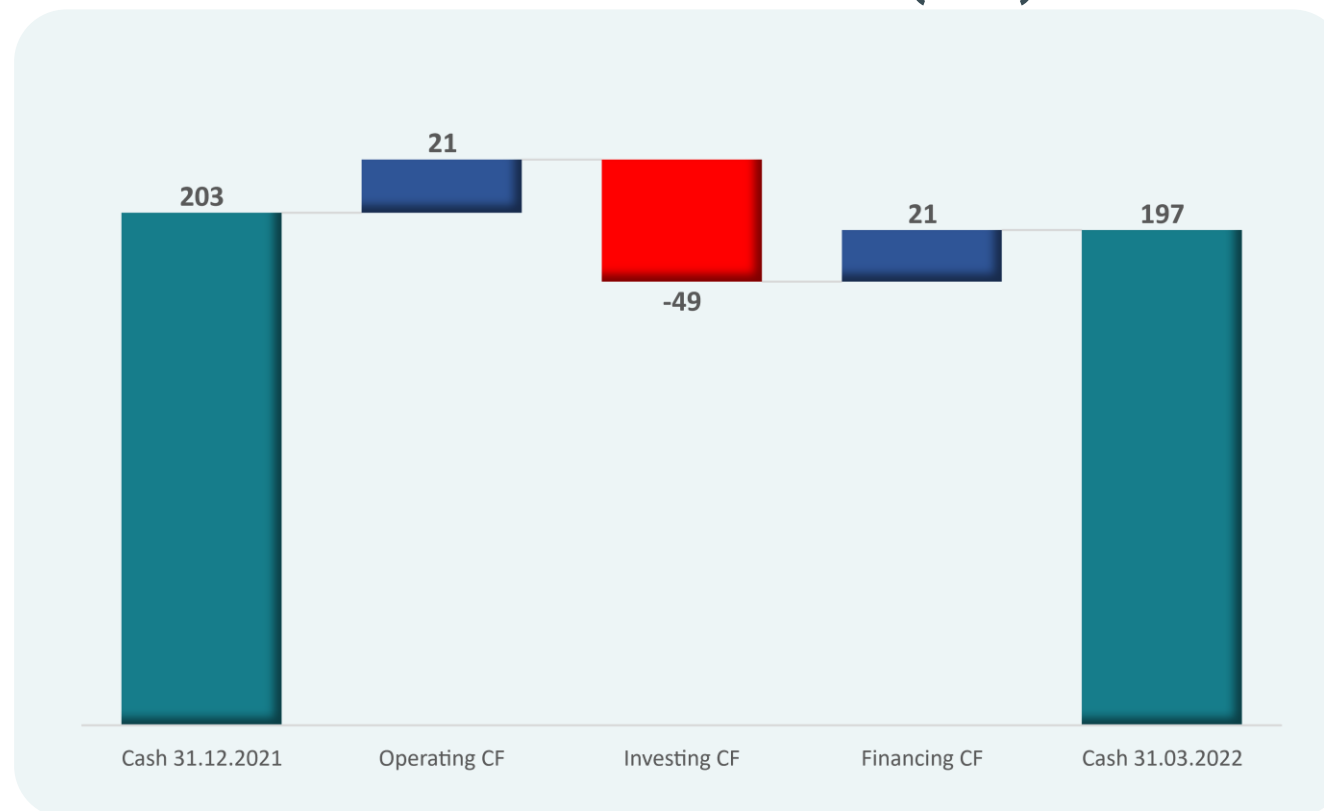
Leverage

**0.49x Net Debt/Equity**

*\*adj. EBITDA FY 2021*

*\*\*EBIT/Interest Expense*

## Cash Flow evolution (€m)





# Update Regulatory Framework

## IPTO's Proposal on Regulatory Period 2022-25

Allowed Revenue  
(by 2025)

**€ 540.7 million**

RAB  
(by 2025)

**€ 2,384.3 million**

Special RAB  
(for PMI - by 2025)

**€ 922.6 million**

WACC  
(average for 4-yr period, pre-tax  
nominal)

**7.52%**

*Savings for Public Service Obligation reductions  
expected to reach €0.9 bn by 2026*

## Consultation for WACC & AR started

End May '21

Beginning July

Beginning  
October

end November-  
early December

H1 '22

RAE Consultation for New Methodology

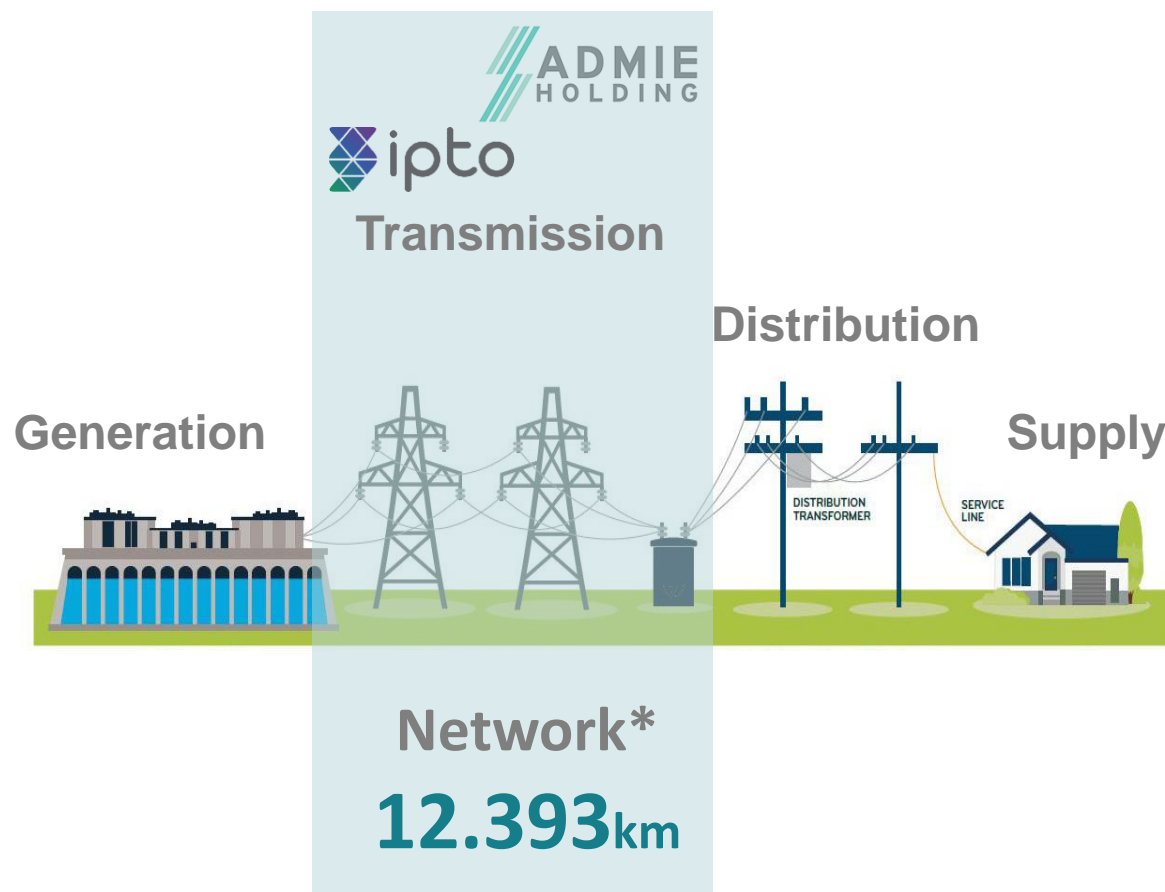
RAE Decision for New Methodology

IPTO's Proposal for RP 2022-25

Regulator's Consultation for IPTO's  
Proposal for RP 2022-25

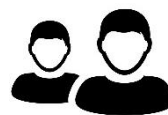
Regulator's Final Resolution

# ADMIE at a glance



*\*11,968 km is the distance between Paris, France and Christmas Island, Australia*

- Sole Transmission System Operator (TSO) in Greece



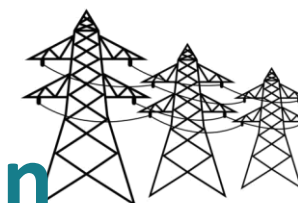
Employees<sup>1</sup>  
**1.607**



Transported Energy  
**52.4 TWh**



Net Profit<sup>1</sup>  
**€69,4m**



RAB  
**€2.0bn**

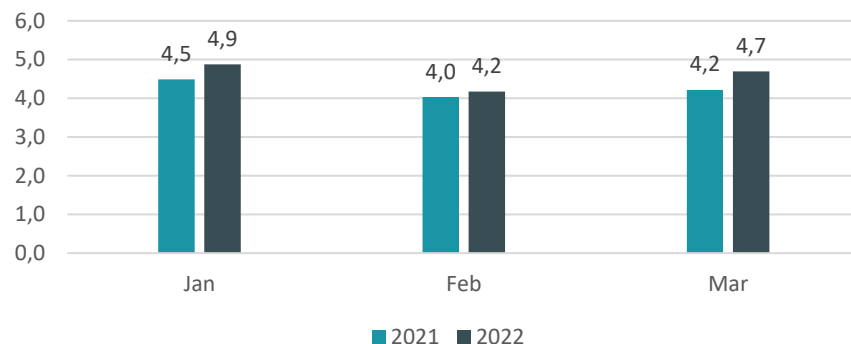


# Electricity Demand & Supply for Q1'22

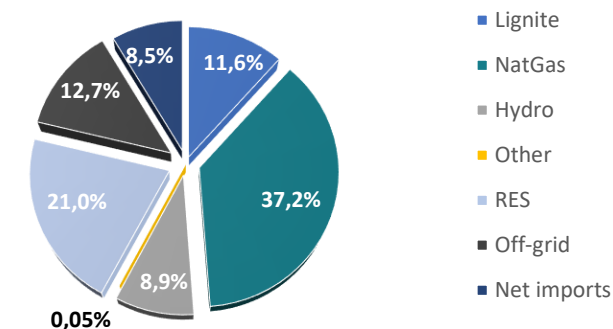
## Key figures

- Q1'22 Total Market Demand reached 13.7 TWh (+8.0% y-o-y)
- RES contribution reached 21.0% in Mar'22
- Net imports at 2.2 TWh; net exports shaped at 1.0 TWh
- Hourly market Demand peaked close to 9.2GW in January

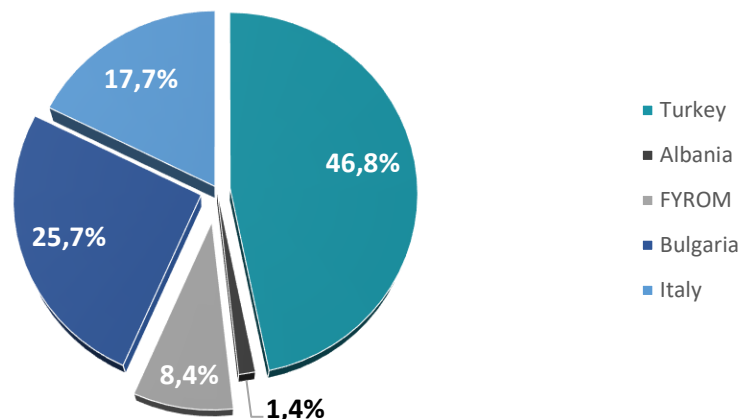
Market demand (TWh)



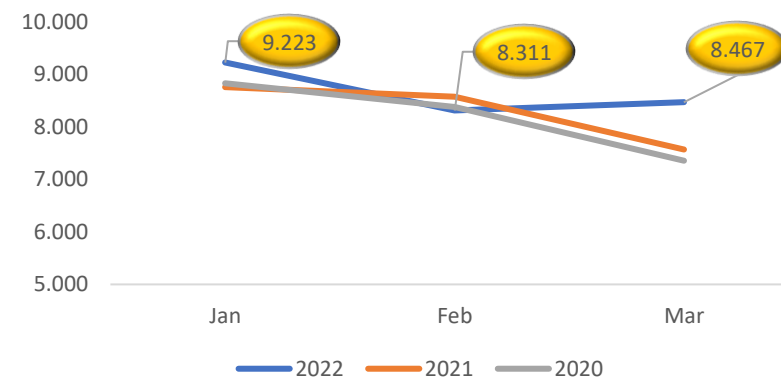
Production & Interconnection Mix



Import Mix



Max Hourly Demand (MW)





# Appendix A

## IPTO key financial items

# IPTO selected items

Balance sheet	Group	
	31.03.2022	31.12.2020
Non-current assets	2,807.9	2,799.8
Current assets	492.5	513.9
<i>Of which: Cash &amp; equiv.</i>	<i>196.5</i>	<i>203.4</i>
<b>Total Assets</b>	<b>3,300.4</b>	<b>3,313.64</b>
Equity	<b>1,416.8</b>	<b>1,404.7</b>
Interest-bearing liabilities	694,1	664,0
Non-current liabilities	1,577.9	1,549.3
Current liabilities	305.7	359.7
<b>Equity &amp; Liabilities</b>	<b>3,300.4</b>	<b>3,313.6</b>

Profit & Loss Statement	Group		
	31.03.2022	31.03.2021	Chg % yoy
System rent	64.0	64.6	-1%
<b>Total revenues</b>	<b>70.3</b>	<b>67.9</b>	<b>3.5%</b>
Reversals/(Provisions & Impairments)	1.3	-0.9	-252%
<b>EBITDA</b>	<b>45.6</b>	<b>47.5</b>	<b>-3.9%</b>
<b>EBITDA margin</b>	<b>67.1%</b>	<b>68.7%</b>	
Operating Income	19.6	23.1	-15.0%
<i>Financial Income</i>	<i>0.4</i>	<i>0.8</i>	<i>-48.5%</i>
<i>Financial Expenses</i>	<i>-3.85</i>	<i>-2.87</i>	<i>34.3%</i>
Net Financial Expenses	-3.4	-2.0	
<b>Net profit/(loss)</b>	<b>12.2</b>	<b>16.3</b>	<b>-25.3%</b>
Cash flows	31.03.2022	31.03.2021	Chg % yoy
CF from Operations before WC	47.0	46.1	-6.9%
CF from Operations after WC*	21.2	-4.1	-616%
CF from Investments	-48.5	-78.7	-38.4%
CF from Financing	20.5	-6.2	-432%
<b>Change in cash</b>	<b>-6.8</b>	<b>-89.0</b>	



# ADMIE Holding selected items

Balance sheet	31.03.2022	31.12.2021
Non-current assets	748.9	742.7
Current assets	4.0	4.2
<i>of which: Cash &amp; equiv.</i>	3.9	4.0
<b>Total Assets</b>	<b>752.9</b>	<b>747.0</b>
Equity	<b>752.9</b>	746.9
Current liabilities	0.0	0.1
<b>Total Equity &amp; Liabilities</b>	<b>753.0</b>	<b>747.0</b>

P&L	31.03.2022	31.03.2021
Income from Affiliate	6.2	8.3
EBITDA	6.0	8.2
Operating Income	6.0	8.2
Net profit	6.0	8.3
Cash flows	31.03.2022	31.03.2021
CF from Operations	-0.1	0.0
CF from Investing	0.0	0.0
CF from Financing	-0.1	0.1
<b>Change in cash</b>	<b>-0.2</b>	<b>0.1</b>

source: ADMIE (IPTO)



# Appendix B

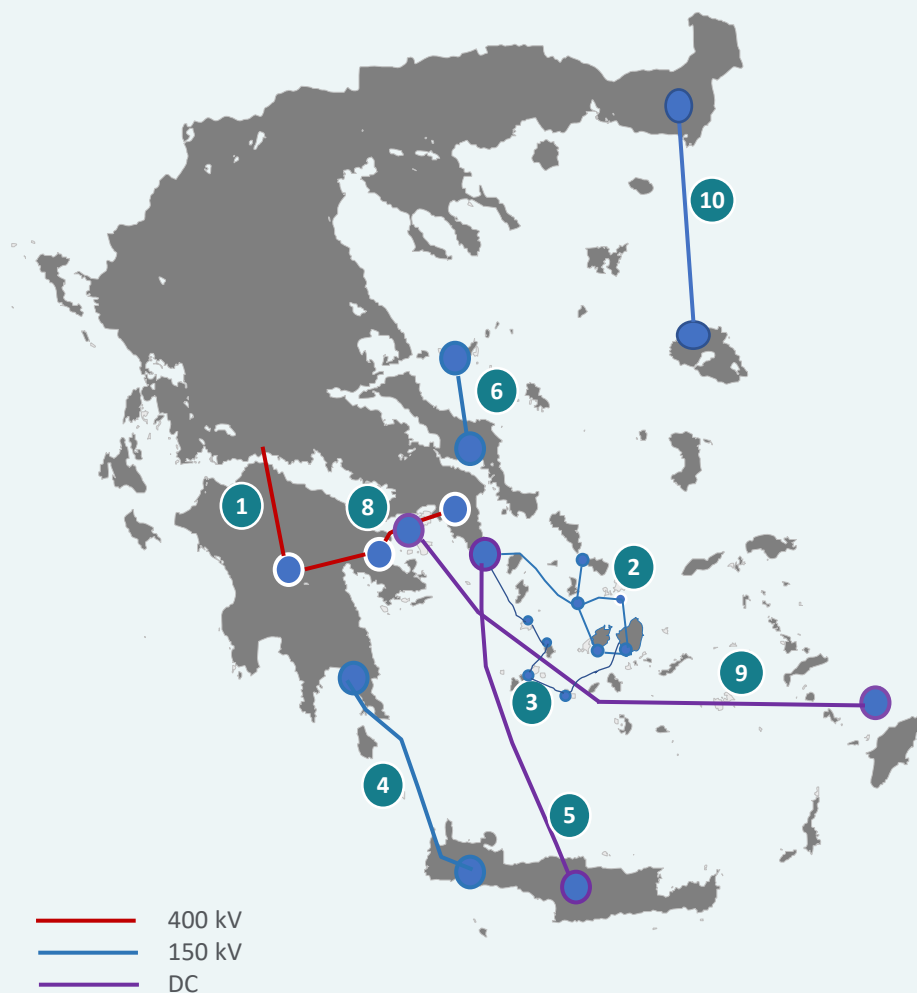
## Regulatory Framework

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# Network Development Plan 2022-2031

€ m

Major Project Locations



ID	Project description	Expected commissioning	Total project cost M€
1	Corridor A' 400 kV to Peloponnese (OHL Megalopoli – Patras – Acheloos)	2021	117
2	Cycladic Islands Interconnection (Phases B and C)	completed	192
3	Cycladic Islands Interconnection Phase D	2024	383
4	Crete Interconnection (Phase A)	completed	376
5	Crete Interconnection (Phase B) Ariadne Interconnection	2024	1.040
6	Skiathos Island Interconnection	2022	56
7	High Voltage Substations & related projects (Koumoundourou, Patra, Rouf)	2024-2028	224
8	Corridor B' 400 kV to Peloponnese (OHL Megalopoli – Korinthos – Koumoundouros)	2024	99
9	Dodecanese Interconnection	2028	1.451
10	North Aegean Interconnection*	2029	863
Total Capex			4.801

\*The expansion to the North Aegean Islands has been proposed in the updated TYNDP 2020-29 for RAE's approval



# Required Revenue calculation

<b>Regulatory Period</b>	<b>Four years</b>
<b>Regulatory Asset Base (RAB)</b>	Undepreciated invested capital + maintenance/development CapEx/ WiP + working capital - disposals - subsidies
<b>Allowed Revenue (AR)</b>	Operator's Allowed Revenue
In real terms for each year O Dep R = RAB x WACC Incentive	AR = O + Dep + R annual operating costs annual depreciation of fixed assets return on employed capital 100-250 bp for critical projects
<b>Required Revenue (RR)</b>	<b>Amount recovered through System usage charges</b>  $RR = AR \pm K \pm \Pi_1 \pm \Pi_2 - \Pi_3 \pm \Pi_4 - \Pi_5$
$\pm K$ $\pm \Pi_1$ $\pm \Pi_2$ $-\Pi_3$ $\pm \Pi_4$ $-\Pi_5$	cost of investments financed by 3rd parties settlement due to under-/over-recovery of RR settlement due to deviations from AR amount from auction of Interconnection Capacity Rights amount from Inter-TSO Compensation Mechanism amount from TSO income from non-regulated activities



# Contact

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