

# Corporate Presentation

# Agenda

1. Companies' Overview & Regulation

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2. Investment Program Summary

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3. International Interconnection Plans

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4. Financial Highlights

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5. GRID Telecom

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6. Appendix

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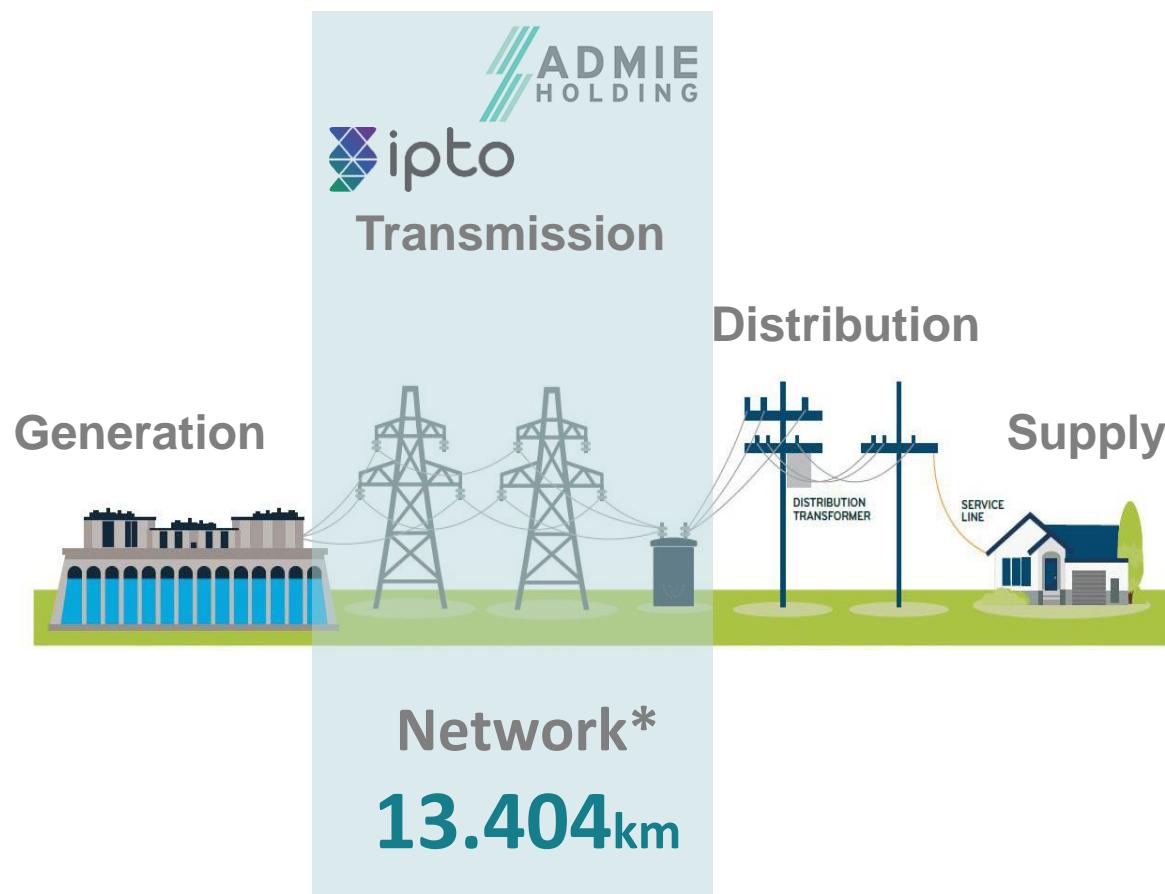
# Disclaimer

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<sup>st</sup> December 2022.

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).

# ADMIE at a glance



\*11,850 km is the distance between Paris, France and Christmas Island, Australia

- Sole Transmission System Operator (TSO) in Greece



Employees<sup>1</sup>  
**1.600**



Transported Energy  
**50.7 TWh**



Net Profit<sup>1</sup>  
**€58.2m**

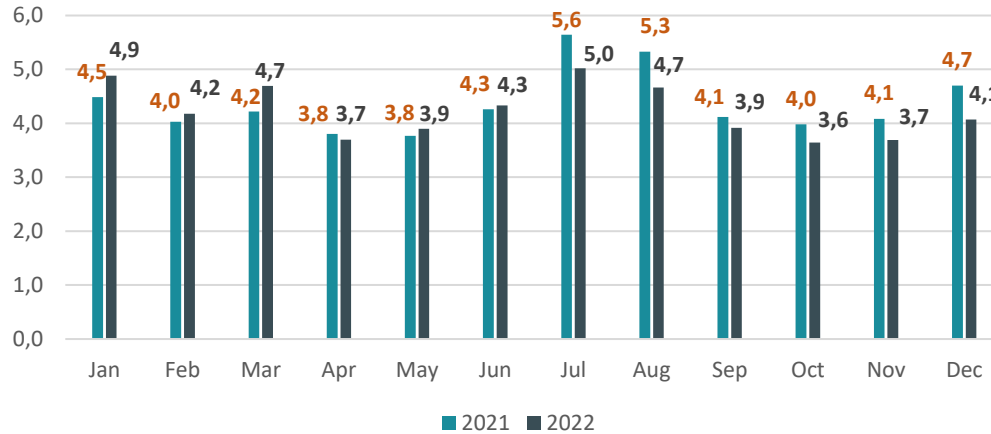
RAB  
**€2.0bn**

# Electricity Demand & Supply for FY 2022

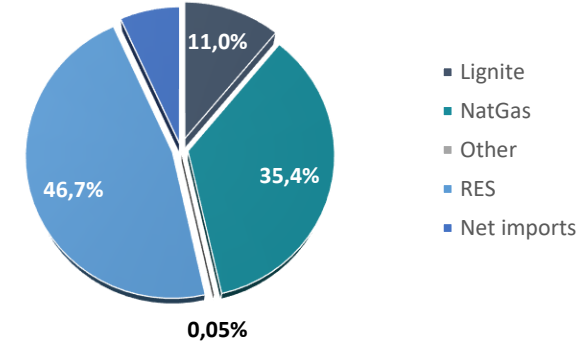
## Key figures

- FY'22 Total Market Demand reached 50.7 TWh (-3.2% y-o-y)
- RES contribution reached 46.7% in Dec'22
- Net imports at 7.8 TWh; net exports shaped at 4.3 TWh
- Hourly market Demand peaked close to 9.5GW in July

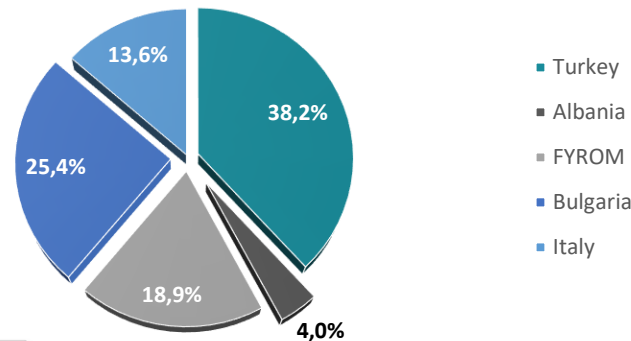
### Market demand (TWh)



### Production & Interconnection Mix

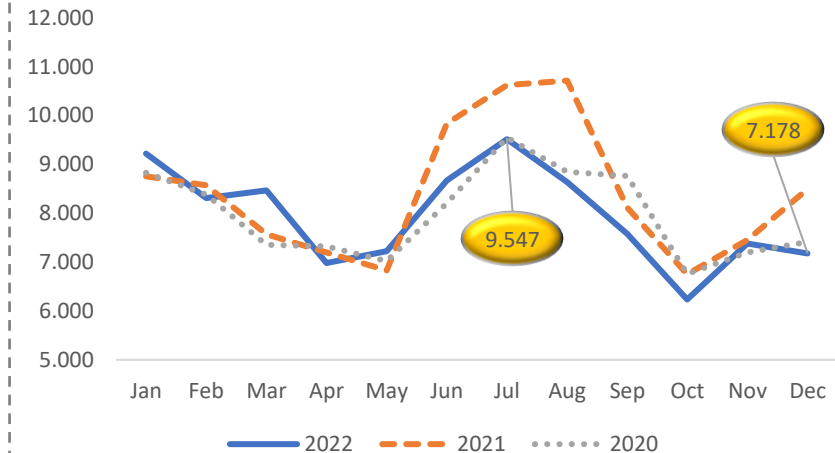


### Import Mix



**Net Imports  
7,8 TWh**

### Max Hourly Demand (MW)



# Investment Proposition

## Boosting dividend returns

Reduced borrowing costs and established minimum 50% earnings payout

## Rational regulatory environment

Independent authority prioritizing asset growth

## Natural monopoly in Greece

13,404 km of HV transmission lines

## Investments

c. €5b of cumulative investments from 2022 to 2030

## Leading TSO as Strategic Investor

State Grid International Development, of China, holder of 24% IPTO stake with execution input

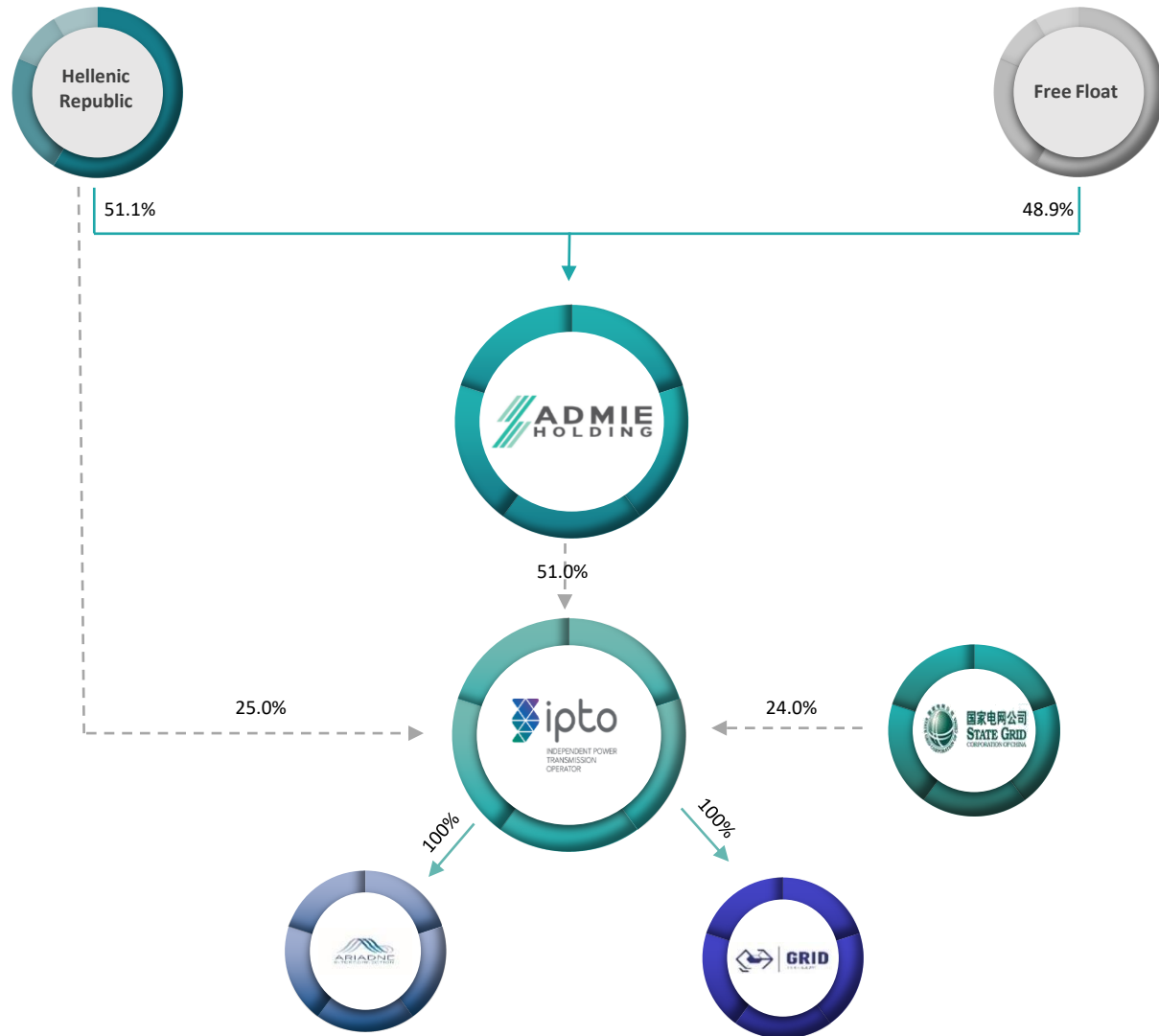


# 1.

## ADMIE HOLDING & IPTO S.A. Overview



# Shareholder Structure



24.02.2023

## Athens Stock Exchange

**ATHEX:** ADMIE

**Bloomberg:** ADMIE GA

**Reuters:** ADMr.AT

232,000,000 common shares



# Regulatory Framework

## Stable regulatory framework

- 4 year regulatory period during which the respective parameters remain stable
- Stability is the guiding pillar of the regulator
- Approves Ten Year Network Development Plan

## No consumer credit risk

- Revenues are not depended on state payments
- Transmission operators do not have consumer credit risk

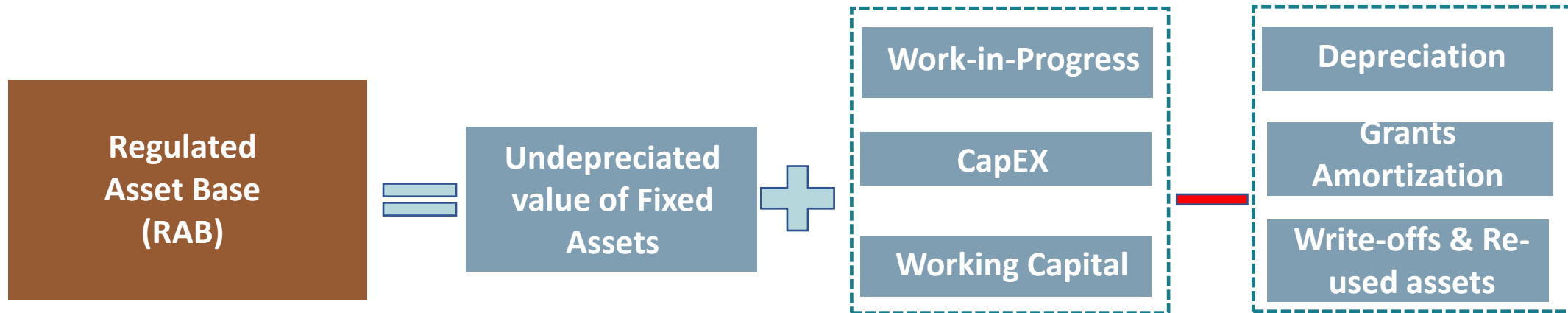
## Allowed Revenue

- Allowed revenues assure remuneration of cost of capital and cost of debt
- Remuneration is collected through System Users (suppliers) and passed over to final electricity consumers (ie companies and households)

# New Regulatory Framework

Regulatory Period

Four years period (2022-2025)



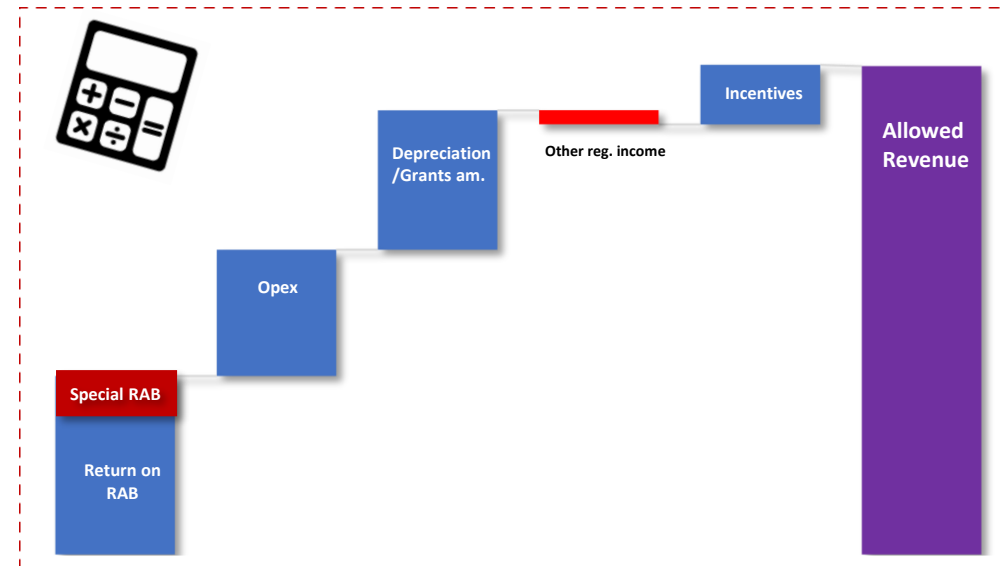
Allowed Revenue (AR)

Operator's Allowed Revenue

In **nominal** terms for each year  $AR = O + U + D + R + X - Y$

- O : annual Controllable Operating costs
- U : annual non-controllable Operating costs
- D : annual depreciation of fixed assets
- R = RAB x WACC<sub>(nominal, pre-tax)</sub> : return on employed capital
- X = SAB x WACC : return on Special Asset base for PMI projects
- Y : amount from TSO income from non-regulated activities

Incentive : 0 - 200 bps for PMI projects for 4-7 yrs



# Update Regulatory Framework

## RAE's Decision 587/2022 on Regulatory Period 2022-25

Allowed Revenue  
(by 2025)

**€ 413.0 million**

RAB  
(by 2025)

**€ 2,473.2 million**

Special RAB  
(for PMI - by 2025)

**€ 711.1 million**  
with 1% premium

WACC

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

**6.1%**

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

## Consultation for WACC & AR

End May '21

Beginning July

Beginning  
October

end November-  
early December  
2021

September '22

RAE Consultation for New Methodology

RAE Decision for New Methodology

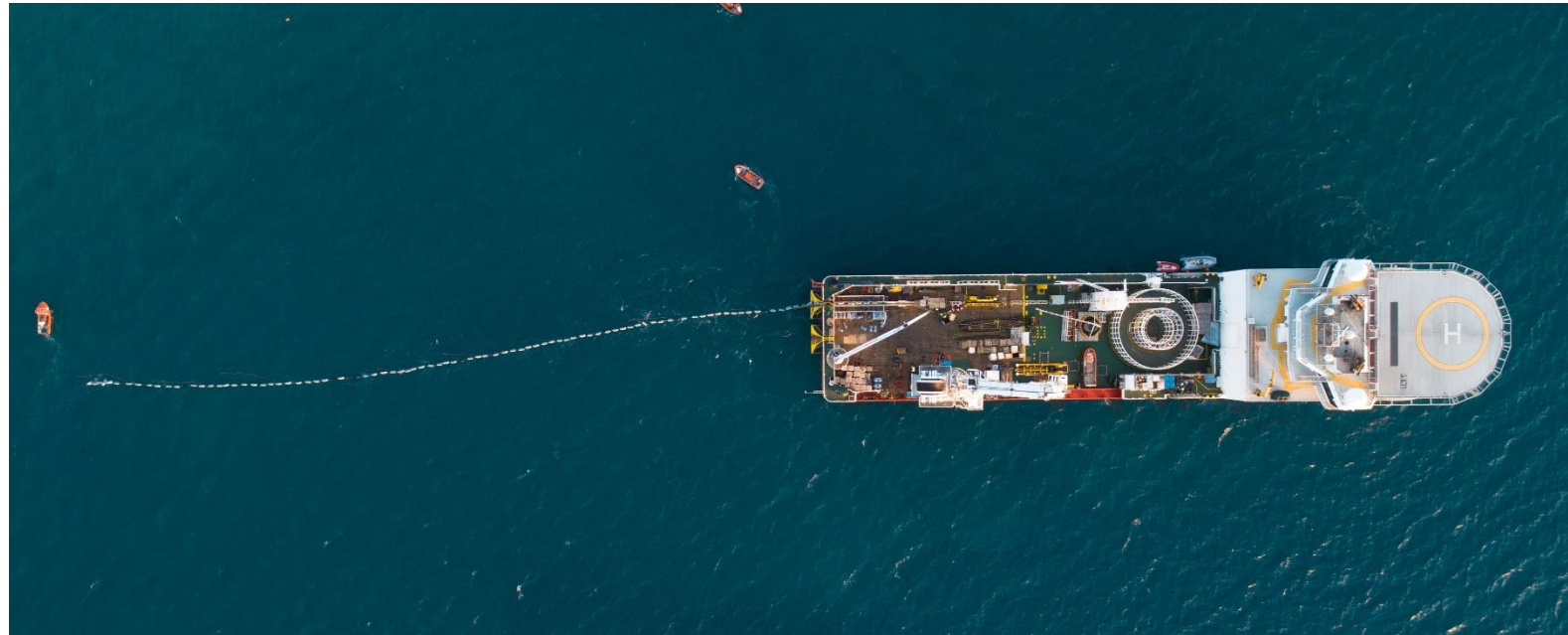
IPTO's Proposal for RP 2022-25

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

Regulator's Final Resolution

# 2.

## Investment Program Summary



# Key milestones in 2022



- The production of all cable sections (submarine and underground) has been completed.
- The laying of the two poles (Eastern and Western, 2 x 336 km) has been completed according to the schedule, as well as the laying of the optical fibers. Submarine cable protection is expected to be completed in the Q2 2023.



- Phase IV is co-funded by the Recovery and Resilience Fund «Greece 2.0».
- The first section of interconnection (Santorini - Naxos) has entered in construction phase, with a horizon of completion in 2023.

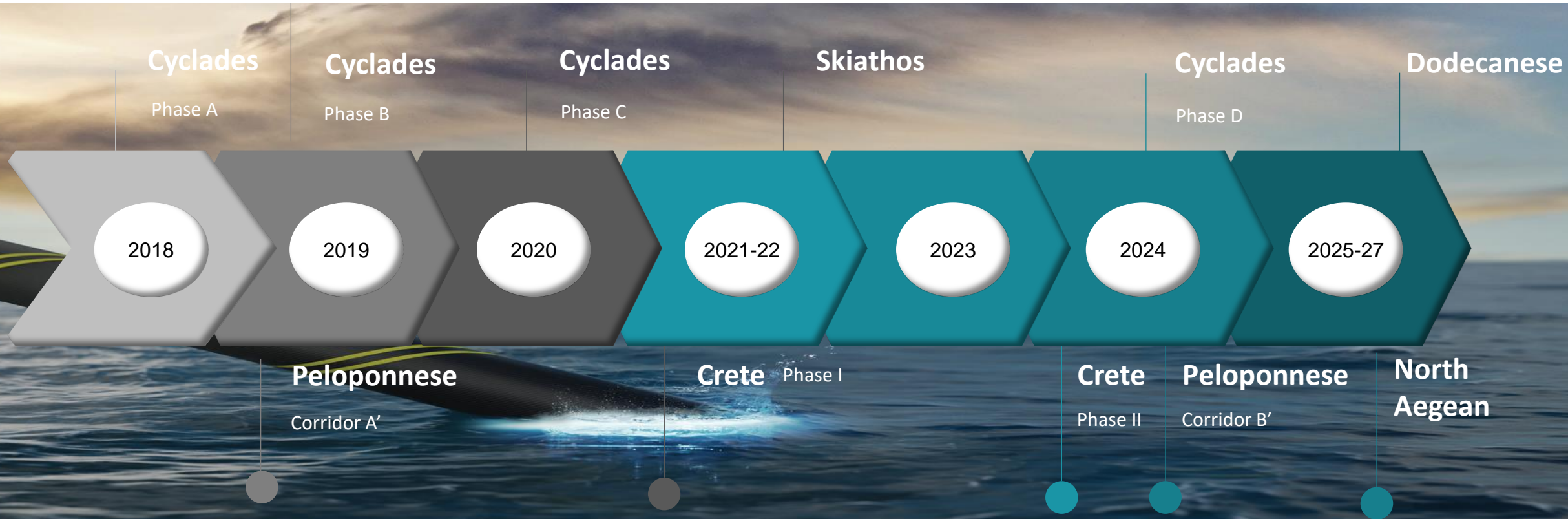


- In July 2022, Skiathos-Evia Interconnection was completed, enhancing the energy security of the northern Sporades as a whole (Skiathos, Skopelos, Alonissos).
- This complex technical project, was completed on schedule despite the fact that it was signed and constructed during the pandemic.



- IPTO announced the intention to participate with a 25% stake in capital share of the Euroasia Interconnector linking Crete to Cyprus and Israel.
- Signed a memorandum of Cooperation for the construction of electricity interconnection between Greece and Egypt.

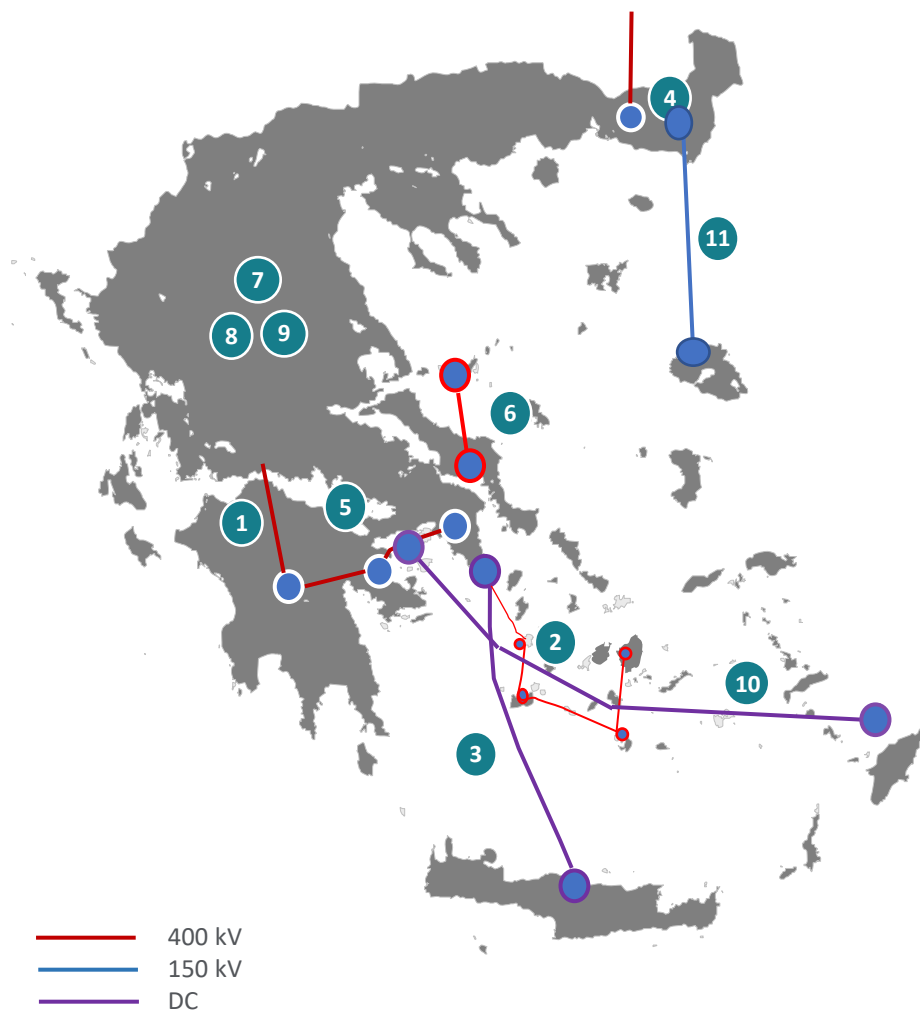
# Major Projects 2023-2032



# Network Development Plan 2023-2032

€ m

Major Project Locations



ID	Project description	Expected commissioning	Total project cost M€
1	First 400 kV branch to Peloponnese (Megalopoli - Patras - Acheloos - Distomo)	2023	119
2	Cycladic Islands Interconnection (Phase D)	2024	383
3	Crete Interconnection (Phase II) Ariadne Interconnection	2024	1040
4	New 400 kV interconnector to Bulgaria N. Santa (GR) - Maritsa (BG)	2022	9.5
5	Second 400 kV branch to Peloponnese (Megalopoli - Korinthos - Koumoundouros)	2024	101
6	Skiathos Island Interconnection	2022	56
7	Equipment Renovation	2026	150
8	Fiber Optics	2024	39
9	System stability & control / BESS	2024	47
10	Dodecanese Interconnection	2028	1451
11	North Aegean Interconnection	2029	863
12	Other projects	2023-2032	741.5
<b>Total Capex</b>			<b>5,000</b>

# Crete – Attica Interconnection



- ✓ The project is considered **Project of Major Importance (PMI)**, so a Premium rate of return can be approved by the regulator (RAE), on top of the normal rate of return. The percentage of the **premium return** can be from **1%-2.5%** and is provided from the electrification of the project up until the 12th year from the scheduled year of electrification
- ✓ The **main benefits** of the project are the elimination of Public Service Obligation (**PSOs**) of more than **€ 400mn/year**, the reduction of the energy cost and environmental benefits

The company Ariadne Interconnection SPSA, a currently 100% subsidiary of IPTO, has been established as a SPV (Special Purpose Vehicle – SPV) in order to finance and construct the project of Crete – Attica Interconnection

The **Attica-Crete interconnection** is a 2X500MW capacity DC link consisting of two 340km submarine cables, additional underground and overhead lines

The **purpose** of the project is to improve the **security of supply** of Crete's electricity system

**Commissioning:** 2024

**Estimated budget:** c. €1b

## Tender process: 20%

Expression of Interest:

- Consortium of Macquarie Super Core Infrastructure Fund SCSp and Phaethon Holdings Single Member S/A
- Gek Terna S.A.
- Terna SpA
- StateGrid International Development Belgium Limited



# 3.

## International Interconnection Plans



# International Interconnection Plans (1/2)



## 2<sup>nd</sup> interconnection with Bulgaria



**Scope:** 2nd 400kV interconnection between Greece and Bulgaria

**Estimated completion:** 2023

**Budget:** c. €11.3m (works in Greek territory)



## 2<sup>nd</sup> interconnection with Turkey



**Scope:** 2nd 400kV interconnection between Greece and Turkey

**Estimated completion:** 2029 (It is planned, not yet in permitting stage)

**Budget:** c. €24.2m (works in Greek territory)



## 2<sup>nd</sup> interconnection with Albania



**Scope:** possibility to develop a new 400kV interconnection line between Greece and Albania, with total capacity 1,300 MVA and with total length 300km

**Estimated completion:** studies are in progress



## Interconnection with North Macedonia



**Scope:** possibility to upgrade one of the two existing 400kV interconnection lines between Greece and North Macedonia

**Estimated completion:**

- studies are in progress
- the project has been included in ENTSO-E TYNDP as project under consideration

Source: ADMIE (IPTO)

# International Interconnection Plans (2/2)



## 2<sup>nd</sup> interconnection with Italy



**Scope:** 2<sup>nd</sup> submarine interconnection between Greece and Italy, with total capacity 500-1,000 MW  
**Estimated completion:** studies are in progress



## Interconnection with Egypt



**Scope:** submarine interconnection between Greece and Egypt  
➤ Discussions between the technical teams of the two TSOs are in progress  
➤ Potential participation of IPTO in the share capital of the interconnection



## GREECE

ATTICA

## GREECE

HERAKLION

## CYPRUS

KOFINOU

## ISRAEL



## EuroAsia Interconnector

- Contribution to the Security of Supply
- EuroAsia Interconnector allows for Bi-directional flows
- Israel can import electricity from other countries directly from Cyprus and Greece and the European Electricity Grid
- Project is the joint decision between the two Regulatory Authorities of Greece and Cyprus. The CBCA (Cross-Border-Cost-Allocation), which was updated on 23.04.2021, refers to the implementation schedule, interconnectivity and interoperability, WACC and allocates the capex expected to be incurred of the between CY and GR at 63% and 37% respectively

**Expected benefits: International interconnections will contribute to the increase and safe integration of RES in Greece as well as enhance RES share in EU energy mix**

# 4.

## Financial Overview



# IPTO GROUP FY22 Highlights

## TOTAL REVENUES

€292.3 m

FY'21 €285.0m (+2.5%)

- ✓ Revenue from Transmission System Rent increased to 272.0€m from €270.4m (+0.6%), as a result of the increase in TUoS charges.
- ✓ Revenue from other operations decreased by 42.8% from €14.7m to €8.4m.
- ✓ Revenue from Balancing Market amounted to €11.9m (new revenue stream in 2022).

## EBITDA

€195.2 m

FY'21 €189.8 m (+2.9%)

- ✓ The EBITDA margin stood at 64.9%, decreased by 3.0 percentage points from last period.
- ✓ Significant increase in revenue and other income by €10.9m and a slight increase in expenses by €1.8m led to increased EBITDA compared to the PY.

## Net PROFIT

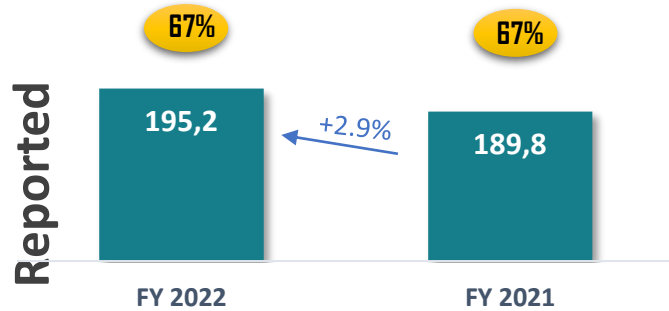
€58.2m

FY'21 €69.4m (-16.1%)

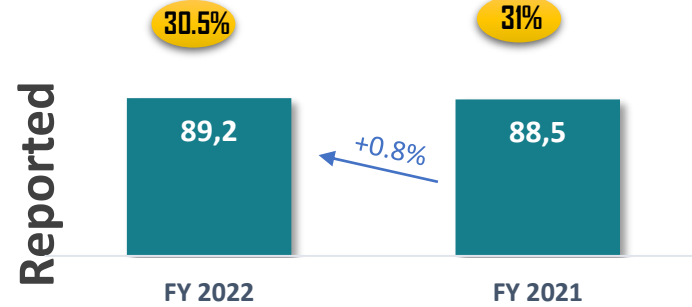
- ✓ Higher depreciation expense (+4.7m) reduced the available growth in EBIT and Net Profit.
- ✓ Financial income decreased by 48.1% from €6.1m to €3.2m.

# Profitability

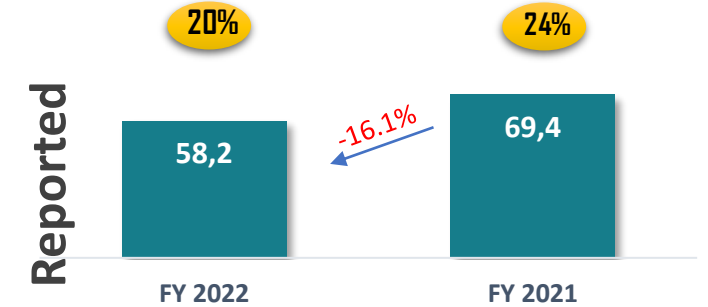
## EBITDA



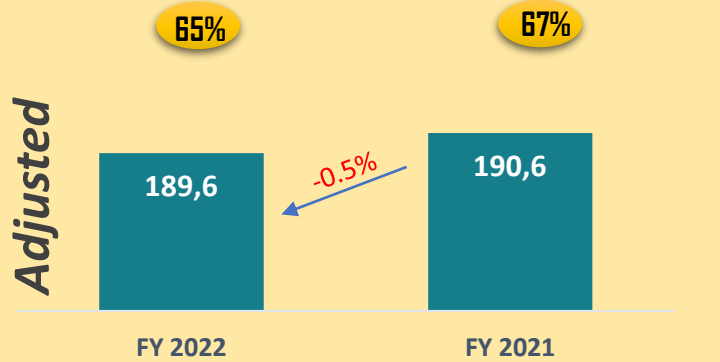
## EBIT



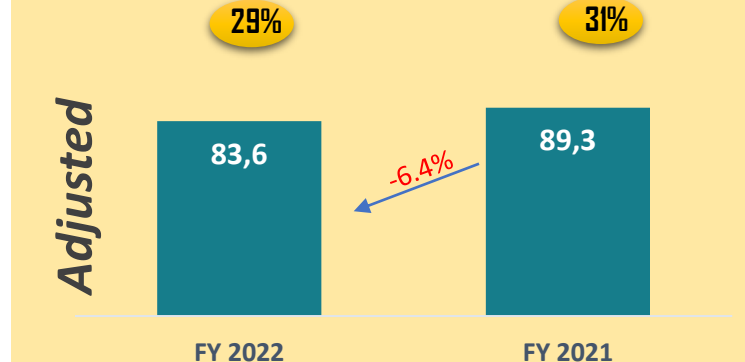
## Net Income



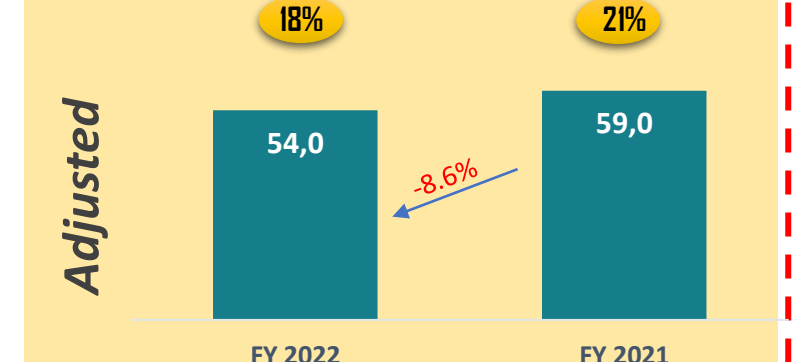
## Adjusted



## Adjusted



## Adjusted



Adjusted figures include these one-off items:

- provision for the reduction of reduced electricity given to employees and retirees of the Company and provisions for compensation of staff totaling EUR 2.6 million, against the release of a provision of EUR 1.4 million in 2021,
- impact due to a retroactive charge of EUR 2 million attributed to special allowances to technical staff from the implementation of the new Collective Labour Agreement 2021-2024 in 2<sup>nd</sup> semester of 2021
- release of provision for risks and expenses of EUR 8.2 million against a release of provision of EUR 2.6 million in 2021.

Adjusted EBIT amounted to EUR 83.6 million lower by 6.4% versus EUR 89.3 million in 2022 excluding one-off items.

Positive effect in tax expense of the reduction in income tax rate to 22% in the 2022

# FY22 Adjusted EBT evolution

## Key figures

- Revenue**

Combined effect due to decrease of Revenues from transmission system rent (net) and Revenue from other operations by €4.7m and an increase of revenue from Balancing Market (new revenue stream in 2022) by €11.9m.

- Personnel Expenses**

Positive effect mainly due to decrease of Payroll Cost by €1.2m as a result of the voluntary redundancy program.

- Third Party fees**

Negative effect, mainly due to the increase in the number of new employees with project contracts (€5.3m), in order to cover the extended operational needs.

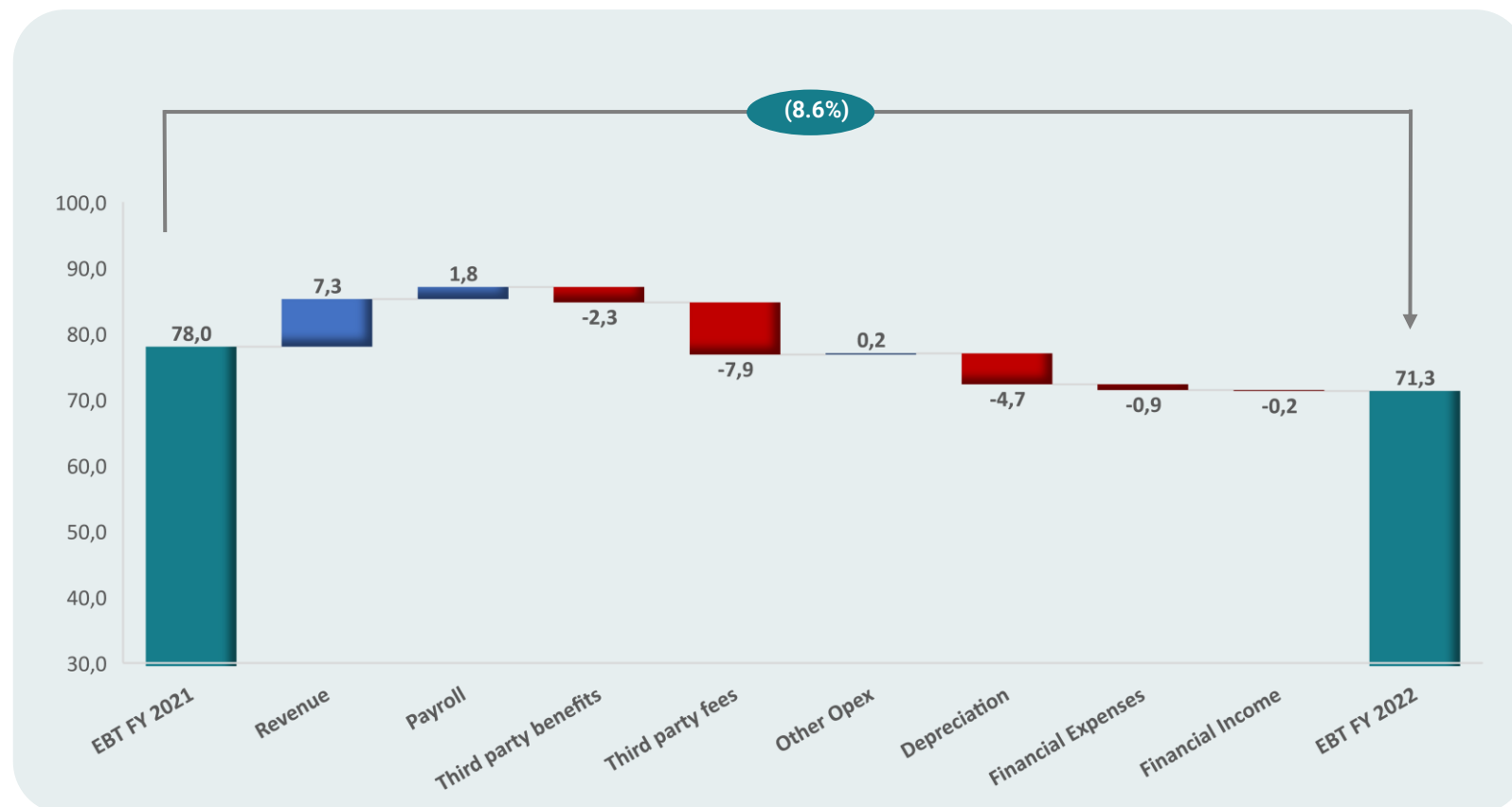
- Other OPEX**

Marked an increase of €4.5m mainly due to extraordinary reserve costs amounting to €3.6 m, which concern the coverage of emergency needs in Zakynthos.

- Depreciation**

Negative effect as a result of capex implementation and the expansion of IPTO's RAB during 2021 and 2022.

## Adjusted EBT (€m)



### Under recovery of Revenue by €31m

In 2022 the significant delay of the new adjusted TUoS charges which were applied the last 4 months of 2022, combined with the reduced energy demand, led to a historically high under-recovery in Revenue by €31m (actual VS RR). For the above under recovery, IPTO will be compensated in 2024 through P1 parameter.

# Cash Flow & Net Debt

## Key figures

Net Debt

€ 775.4 million

Leverage

4.1x Net Debt/adj.  
EBITDA\*

Coverage ratio

~6x Interest coverage  
ratio\*\*

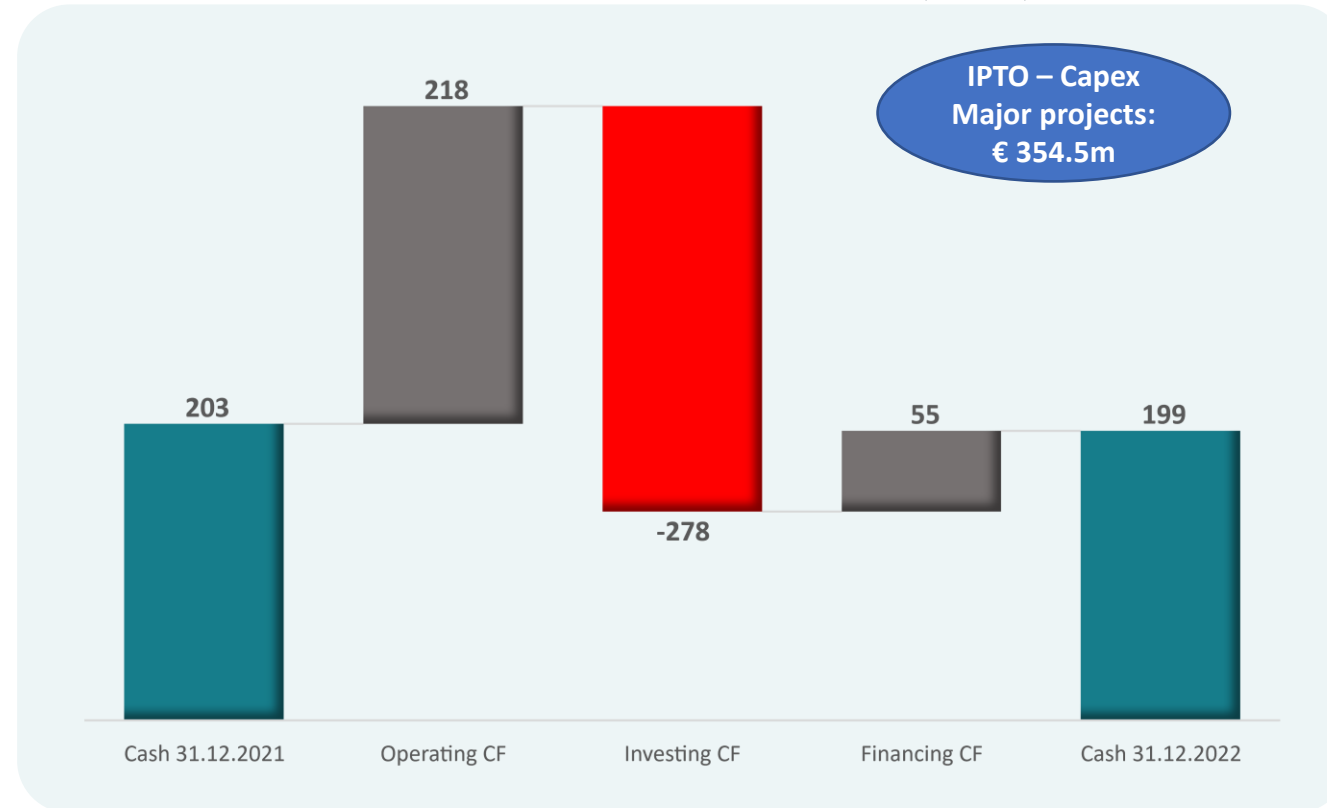
Leverage

0.54x Net Debt/Equity

\*adj. EBITDA FY 2022

\*\*EBIT/Interest Expense

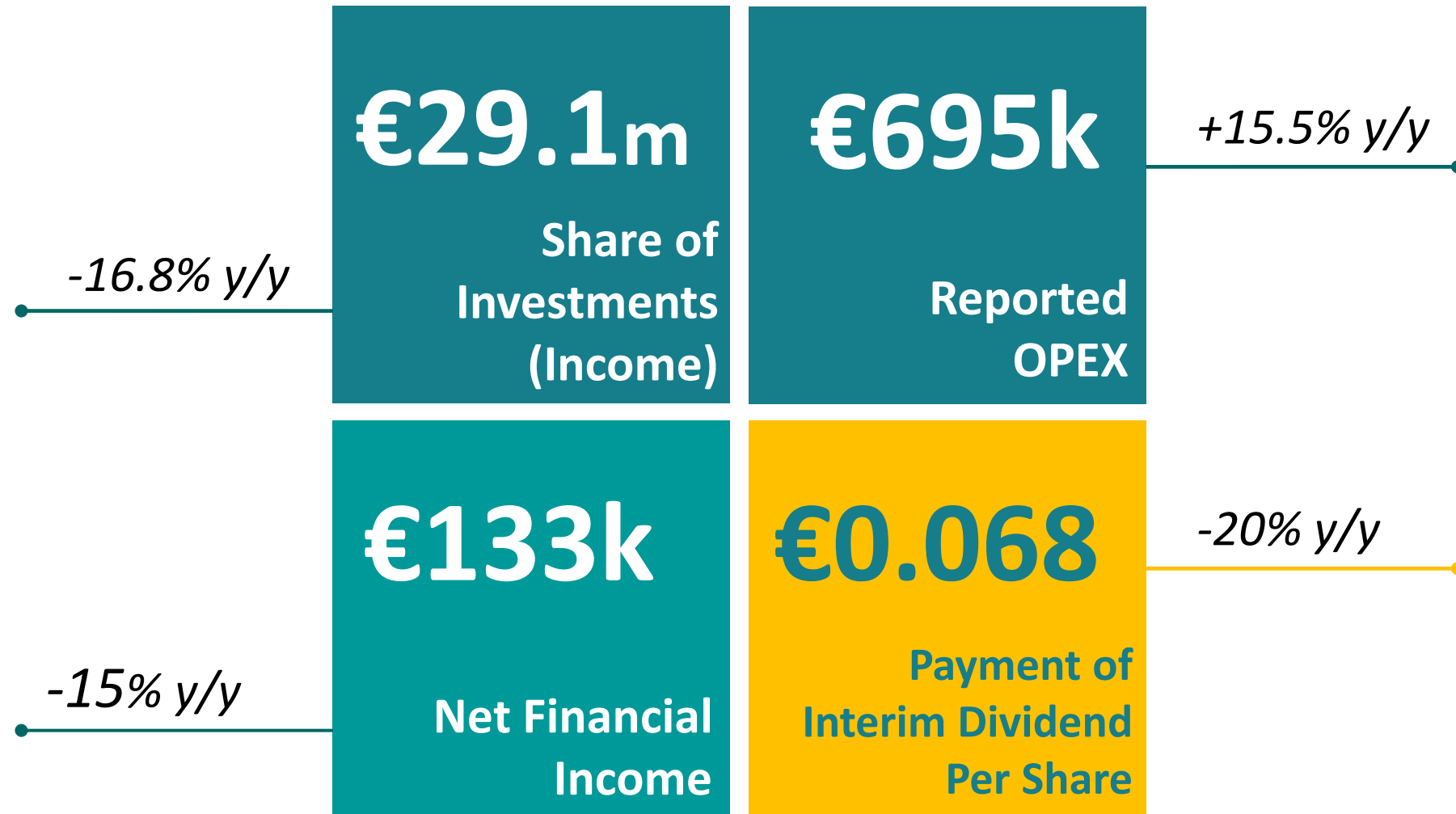
## Cash Flow evolution (€m)



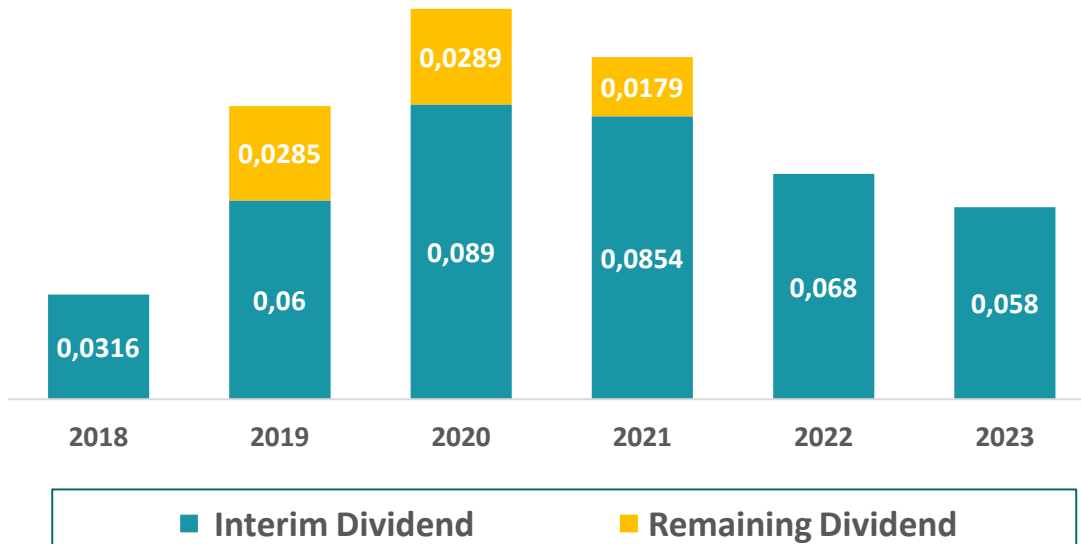
| Solid balance sheet in strong position to support investment program



# ADMIE HOLDING FY22 Highlights



# Dividend Policy



	2019	2020	2021	2022	2023
Dividend per share	0,09	0,12	0,103	0,068	0,058
Dividend Yield (%) *	4%	5%	3,9%	4%	3,3%

\*Calculations based on year – end stock prices. For 2023 based on 31.03.2023 closing price

- ✓ 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



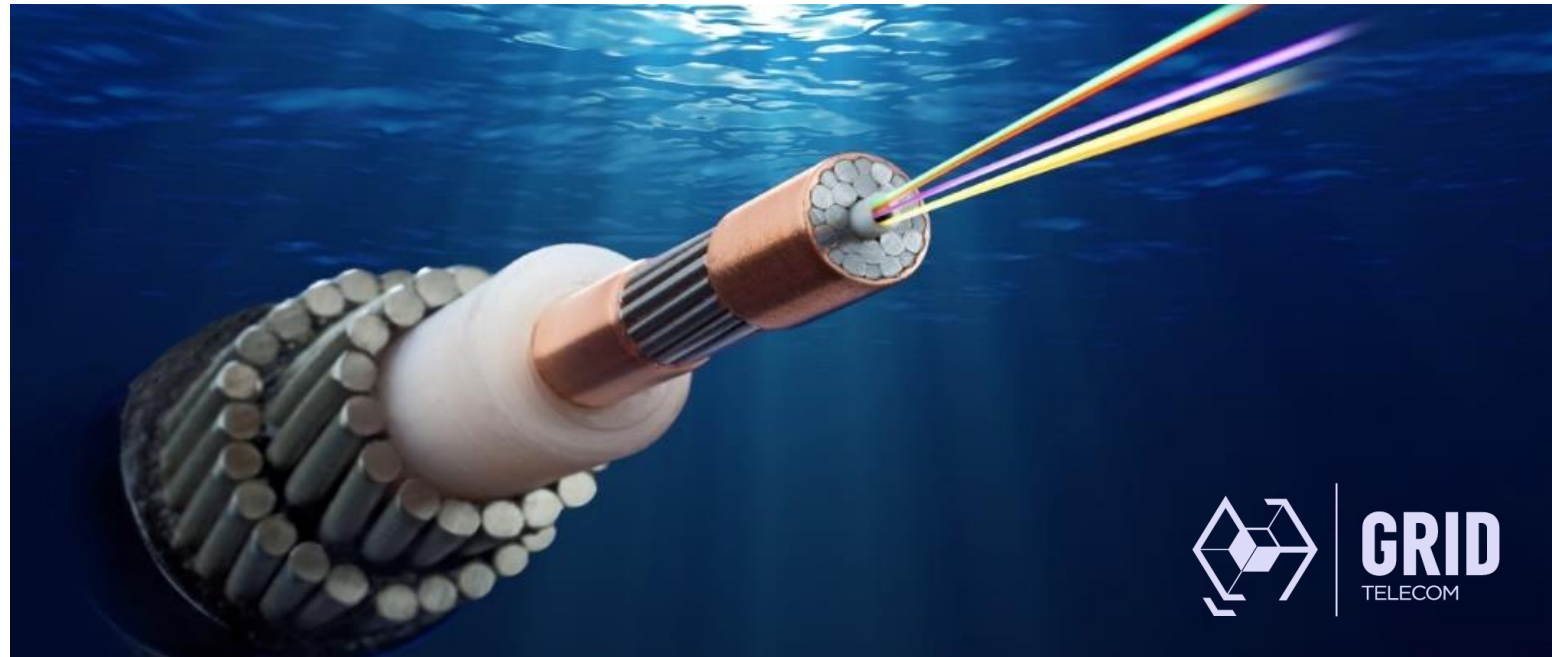
# IPTO 2021-2025 outlook

EUR	2021	Guidance	Comments
Regulated Asset Base (RAB)*	€2B	~€3.2B (2024-25)	Increase 60%
Investments (System & Users)	€413M	~ €1.8B (2025)	Ariadne Interconnection included
EBITDA*	€191.1M	~ €300M (2025)	Consolidated with Ariadne Interconnection

\* Figures from "Grid Telecom" are not included ; source: ADMIE (IPTO)

5.

**GRID  
Telecom**



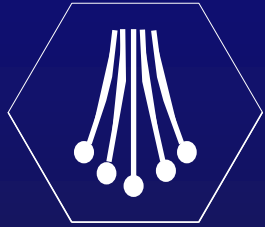
# Map of Fiber Optic Infrastructure

- ✓ IPTO's vehicle for providing telecom services to national and international operators
- ✓ Lean team of experts with significant experience in the Telecom market
- ✓ Fiber optic network (terrestrial and submarine) exceeds **4.000km** throughout Greece
- ✓ Reaching already all neighborhood countries
- ✓ The expansion of the fiber optic network will exceed 6.000Km throughout Greece in the next years
- ✓ Grid Telecom's own network is planned to expand in the Balkans

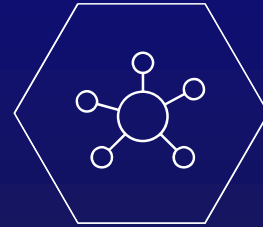


# Services

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Provision of Dark Fiber through IPTO's terrestrial and submarine network infrastructure combining Grid-Telecom's terrestrial network part



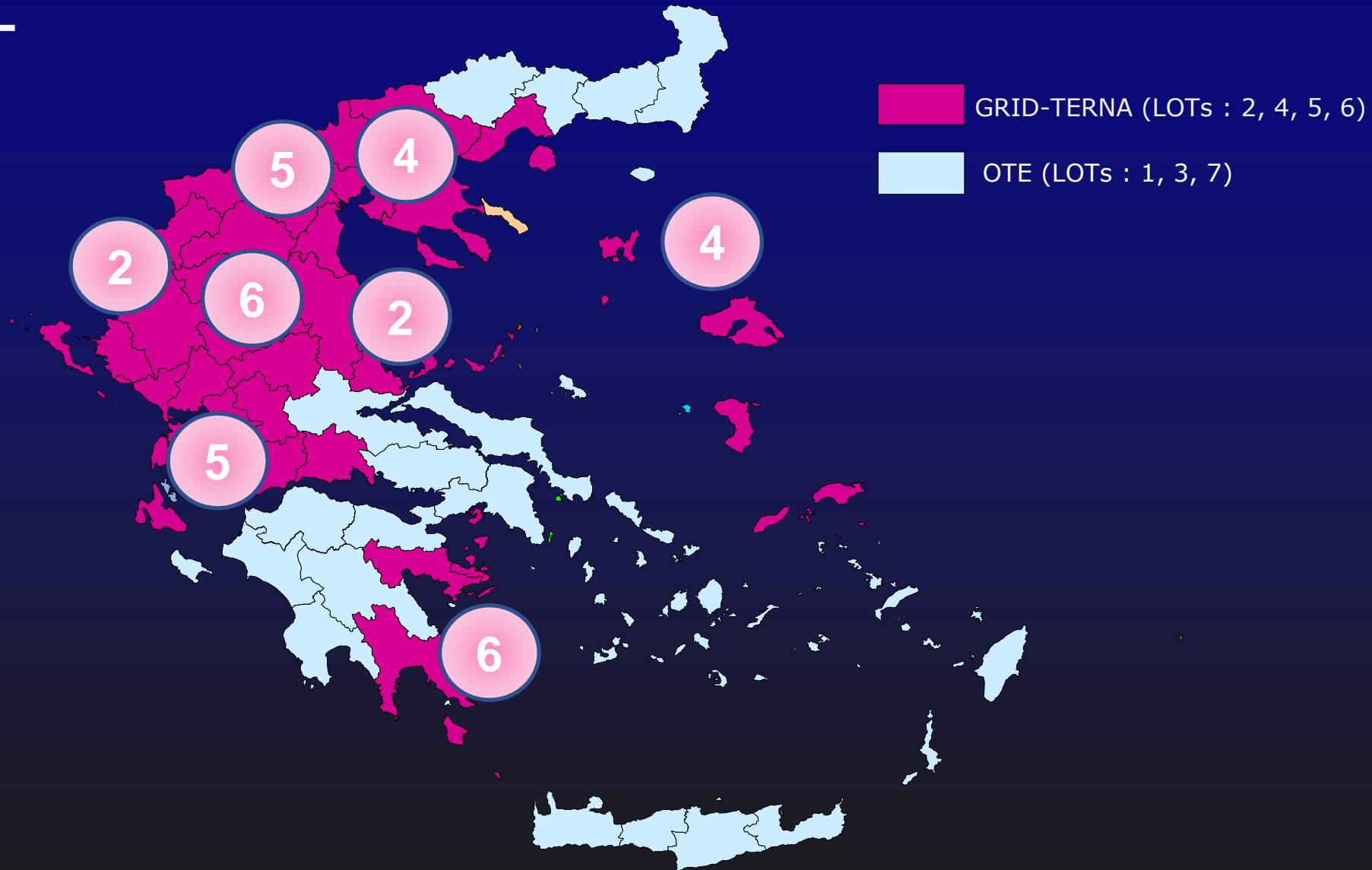
High-speed capacity services (nx10G and nx100G) via a state-of-the-art DWDM network accompanied by High Availability Service Level Agreements



Collocation services in IPTO's High Voltage Centers, Substations and on the Transmission Towers throughout Greece.

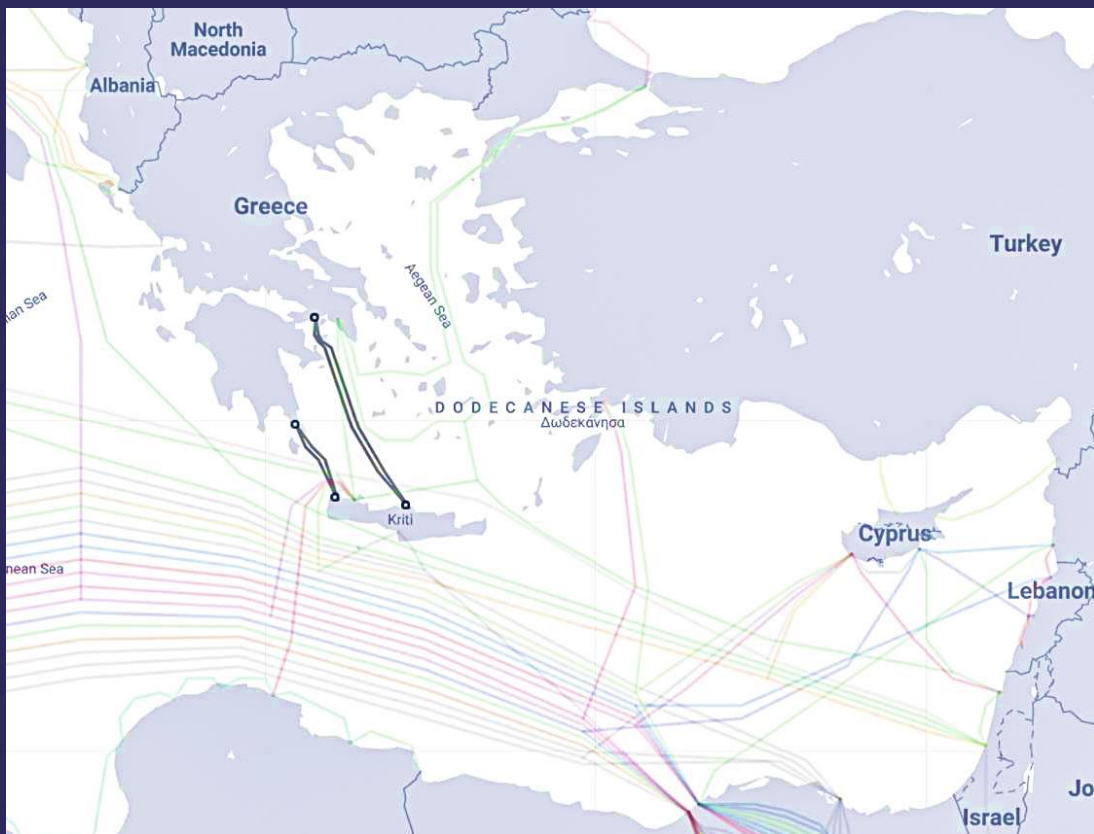


# UFBB / JV Grid Telecom - Terna





# Grid Telecom establishes Crete as a strategic hub in the Med



Telegeography Submarine Cable Map

## Minoas East and West

Minoas East and West are fiber optic cables attached to power cables.

Minoas East was RFS in December, 2021.  
Minoas West was RFS in May, 2021.

Each leg is 135 km in length, for a total of 270 km of fiber optic cable.

**Landing Points:**  
Neapoli, Greece  
Nopigeia, Greece

## Apollo East and West

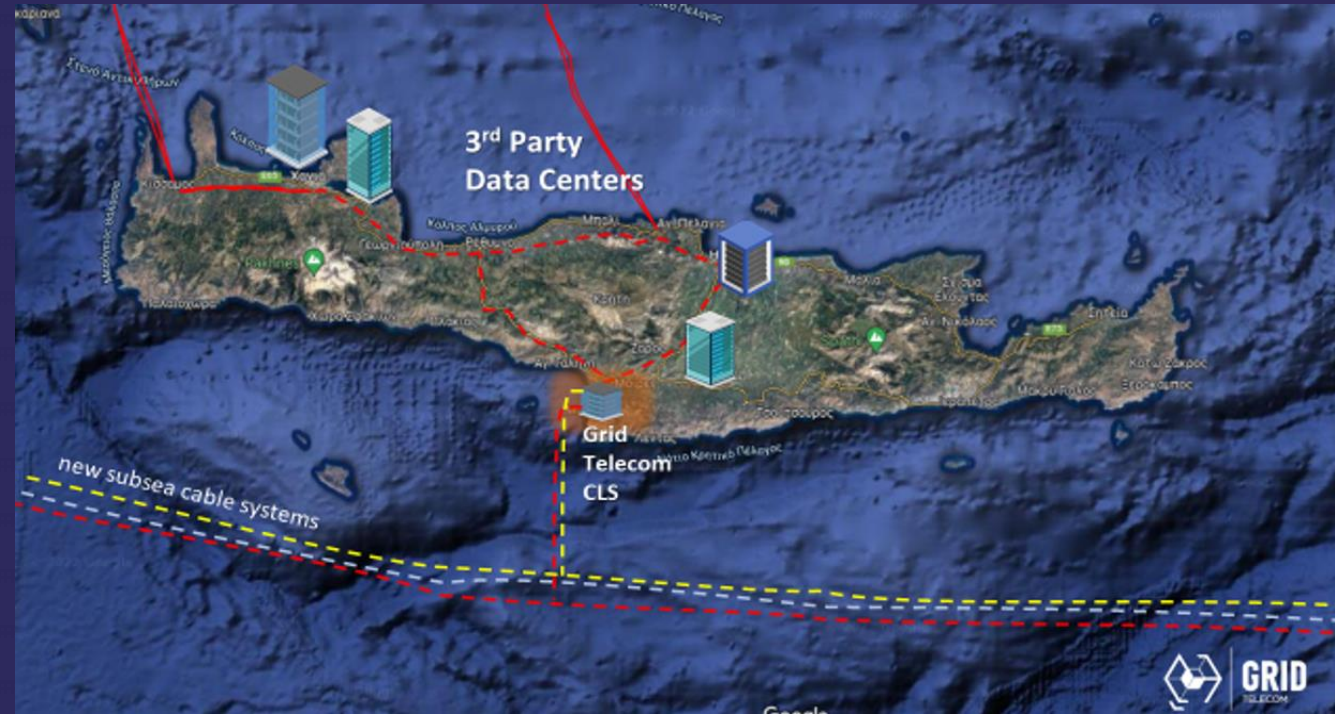
Apollo East and West are fiber optic cables in parallel (but not attached) to power cables.

Each leg is 335 km in length, for a total of 670 km of fiber optic cable.

**Landing Points:**  
Korakia, Greece  
Pachi, Greece

# Cable Landing Stations and Data Centers

- ✓ The Island of Crete is fast developing into an important telecommunications hub and a data access point for the **BalkanMed** region.
- ✓ Telecom Italia Sparkle and OTEGlobe already operate cable landing stations
- ✓ New additional Tier-III data centers have been announced by GRNET (Knossos-II), Interxion's and Landcom (Balkan Gate Crete) to take advantage of the emerging BalkanMed telecommunications corridor.
- ✓ Major subsea cable systems crossing the Med (TEAS, BLUE, MEDUSA, IEX) have already chosen to land on the island of Crete and others are seriously examining the possibility.



# Expansion of Connectivity

## The Ionian System



**Grid Telecom** and **Islalink** have signed a 25-year agreement on the expansion of the terrestrial backbone network of the **IOANIAN** subsea cable that connects Italy and Greece.

## Greece – Egypt Connectivity



Grid Telecom and Telecom Egypt have signed “Heads-of-Agreement” to connect Greece and Egypt by extending a branch to the island of Crete from major subsea cable systems, laid across the Med Sea.

## TEAS Trans Europe Asia System



**Cinturion** has signed a “Heads-of-Agreement” with Grid Telecom to be its **Landing Party** partner in Greece, providing **open-access** interconnection and international reach.

## EuroAsia Interconnector



**Quantum** subsea optical fiber cable system will be added to interconnect the national grids of Israel, Cyprus, and Greece, and creating a reliable energy and data bridge between Europe and Asia

| Greece is taking the initiative to fast becoming a critical energy and telecommunication hub in the broader BalkanMed Region

A black and white photograph of a stack of books. The books are bound in dark leather with visible stitching. A metal clasp is visible on the left side of the stack. The text is overlaid on the books.

# Thank you

For additional information please contact  
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Tel: +30 210 3636 936

E-mail: [ir@admieholding.gr](mailto:ir@admieholding.gr)

or visit: [www.admieholding.gr](http://www.admieholding.gr)



**6. Appendix**  
IPTO key financial items/  
Regulatory Framework

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# INTERCONNECTION OF THE ISLANDS

## Main Objectives

- 1 Security of Supply - Adequacy
- 2 Reliable and Stable operation of islands power system, leading to important benefits on tourism sector and the general economic activity
- 3 Reduced environmental impact on islands due to phasing out of the thermal power plan
- 4 Reduced cost of electricity production, more efficient power supply
- 5 Reduced charges of services of general interest for all the consumers
- 6 Exploitation of wind, solar and other RES potential of islands
- 7 Reduction of greenhouse gas emissions and associated environmental costs
- 8 Reduce of the country's dependence on oil

# IPTO selected items

Balance sheet	Group	
	31.12.2022	31.12.2021
Non-current assets	3,019.4	2,799.8
Current assets	526.2	513.9
<i>Of which: Cash &amp; equiv.</i>	<i>198.6</i>	<i>203.4</i>
<b>Total Assets</b>	<b>3,545.6</b>	<b>3,313.64</b>
Equity	<b>1,429.5</b>	<b>1,404.7</b>
Interest-bearing liabilities	775.4	664.0
Non-current liabilities	1,679.2	1,549.3
Current liabilities	436.9	359.7
<b>Equity &amp; Liabilities</b>	<b>3,545.6</b>	<b>3,313.6</b>

Profit & Loss Statement	Group		
	31.12.2022	31.12.2021	<i>Chg % yoy</i>
System rent	272.0	270.4	0.6%
<b>Total revenues</b>	<b>286.0</b>	<b>285.0</b>	<b>2.5%</b>
Reversals/(Provisions & Impairments)	-8.2	-2.6	216.9%
<b>EBITDA</b>	<b>195.2</b>	<b>190.0</b>	<b>2.9%</b>
<b>EBITDA margin</b>	<b>64.9%</b>	<b>66.9%</b>	
Operating Income	89.2	88.5	0.8%
<i>Financial Income</i>	3.2	6.08	-48.1%
<i>Financial Expenses</i>	-15.83	-14.98	5.7%
Net Financial Expenses	-12.7	-8.9	
<b>Net profit/(loss)</b>	<b>58.2</b>	<b>69.4</b>	<b>-16.1%</b>
Cash flows	31.12.2022	31.12.2021	<i>Chg % yoy</i>
CF from Operations before WC	188.8	188.9	-0.04%
CF from Operations after WC*	218.0	176.8	23.2%
CF from Investments	-278.0	-277.2	0.3%
CF from Financing	55.3	55.3	-0.1%
<b>Change in cash</b>	<b>-4.8</b>	<b>-45.1</b>	

# ADMIE Holding selected items

Balance sheet	31.12.2022	31.12.2021
Non-current assets	755.4	742.7
Current assets	5.0	4.2
<i>of which: Cash &amp; equiv.</i>	4.7	4.0
<b>Total Assets</b>	<b>760.4</b>	<b>747.0</b>
Equity	760.2	746.9
Current liabilities	0.2	0.1
<b>Total Equity &amp; Liabilities</b>	<b>760.4</b>	<b>747.0</b>

P&L	31.12.2022	31.12.2021
Income from Affiliate	29.7	35.4
EBITDA	29.0	34.8
Operating Income	29.0	34.8
Net profit	29.1	35.0
Cash flows	31.12.2022	31.12.2021
CF from Operations	-0.6	-0.5
CF from Investing	17.3	21.5
CF from Financing	-16.0	-23.9
<b>Change in cash</b>	<b>-0.6</b>	<b>-3.0</b>

source: ADMIE (IPTO)



# New Regulatory Framework

Regulatory Period

Four years period (2022-2025)

Regulatory Asset Base  
(RAB)

Undepreciated invested capital + maintenance/  
development CapEx/ WiP + working capital  
- disposals - subsidies

Allowed Revenue (AR)

Operator's Allowed Revenue

In nominal terms for each year **AR = O + U + D + R + X - Y**

- O : annual Controllable Operating costs
- U : annual non-controllable Operating costs
- D : annual depreciation of fixed assets
- R = RAB x WACC<sub>(nominal, pre-tax)</sub> : return on employed capital
- X = SAB x WACC : return on Special Asset base for PMI projects
- Y : amount from TSO income from non-regulated activities
- Incentive : 0 - 200 bps for PMI projects for 4-7 yrs

# New Regulatory Framework

## Required Revenue (RR) Amount recovered through System usage charges

$$RR = AR \pm K \pm P1 \pm P2 - P3 \pm P4 \pm P5 \pm P6 \pm P7 \pm INF \pm EFF - LD - UP \pm INC$$

- $\pm K$  : cost of investments financed by 3rd parties
- $\pm P1$  : settlement due to under-/over-recovery of RR
- $\pm P2$  : settlement due to deviations from AR
- $- P3$  : amount from auction of Interconnection Capacity Rights
- $\pm P4$  : amount from Inter-TSO Compensation Mechanism
- $\pm P5$  : settlement due to deviations from non-controlling operating costs
- $\pm P6$  : settlement due to deviations from non-regulated activities
- $\pm P7$  : settlement due to deviations from tax revision in regulatory period
- $\pm INF$  : settlement due to inflation deviations
- $\pm EFF$  : amount from incentive mechanism
- $- LD$  : amount from disincentive on non - timely project commissioning
- $- UP$  : amount from net profits on non- regulated activities
- $\pm INC$  : amount from incentive mechanism on efficient System operations

# Regulatory overview

€ m

Year	2022	2023	2024	2025
Average RAB	2,041.9	2,248.6	2,408.1	2,473.1
x				
WACC (real, pre-tax)	6.1%	6.1%	6.1%	6.1%
=				
Allowed remuneration	124.5	137,2	146.9	150.8
+				
Authorized OPEX	87.9	86.2	112.6	144.1
+				
Regulatory Depreciation	87.5	94.8	107.1	118.1
=				
Allowed revenue	299.9	318.2	366.6	413.0

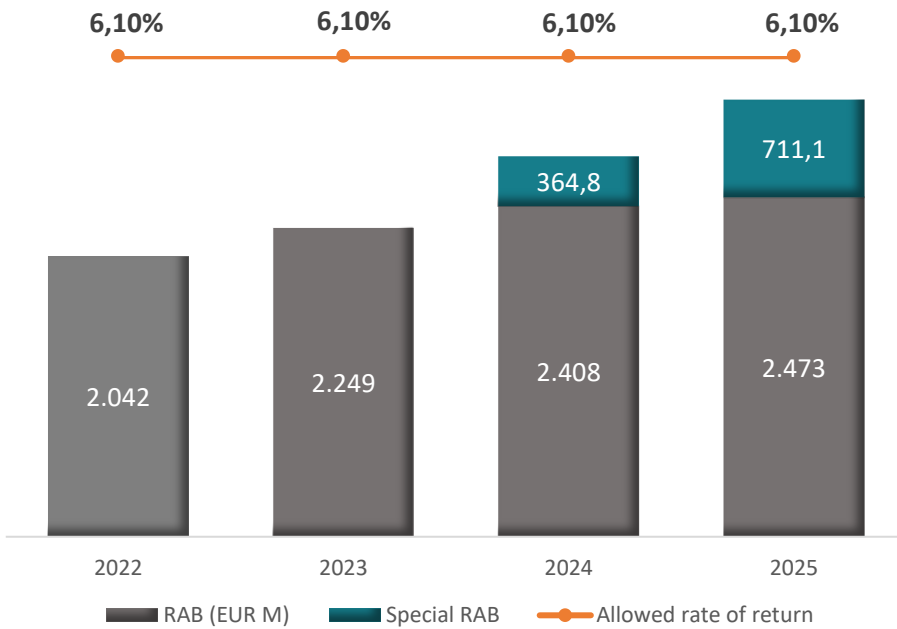
\* It is expected that RAE will incorporate inflation in the next years

Source: RAE (587/2022)

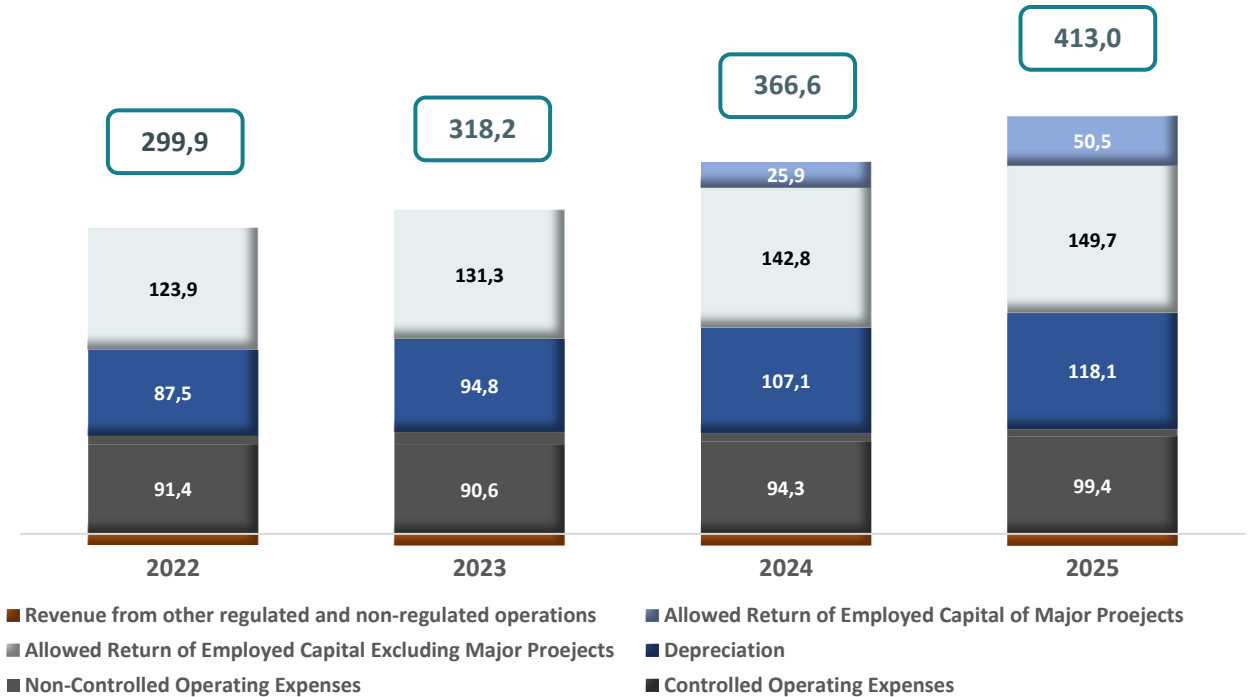
# Regulatory period 2022 – 2025

€ m

## Regulated Asset & Rate of Return



## Allowed Revenue build out



Allowed Revenue per year detailed across regulatory period; Required Revenue mandated annually

Source: RAE

# WACC calculation

On 22.11.2022 in the context of the implementation of RAE Decision 495/2021, regarding the methodology for calculating the Required Revenue, IPTO S.A. submitted a Request to RAE for a Revision of the Return (WACC) on the Regulated Asset Base of the Regulatory Period 2022-2025 at 8.51%

WACC components	2022 - 2025
Risk-free	0.5%
Market risk	5.5%
Equity beta	0.80
Country risk	1.5%
<b>Cost of equity post-tax</b>	<b>6.4%</b>
Tax rate	22.0%
<b>Cost of equity pre-tax</b>	<b>8.21%</b>
<b>Cost of debt pre-tax</b>	<b>2.8%</b>
Gearing	39.0%
<b>WACC nominal pre-tax</b>	<b>6.10%</b>

# Islands Interconnection

## Main Objectives

### Cost Reduction

- Drastic reduction of electricity generation cost in the islands
- Substitution of oil units with RES plants and imports from the mainland

### Environmental benefits

- Most of the local old oil-fired units are located near residential and tourist areas
- They will be set in “cold reserve” status after the interconnection

### System stability

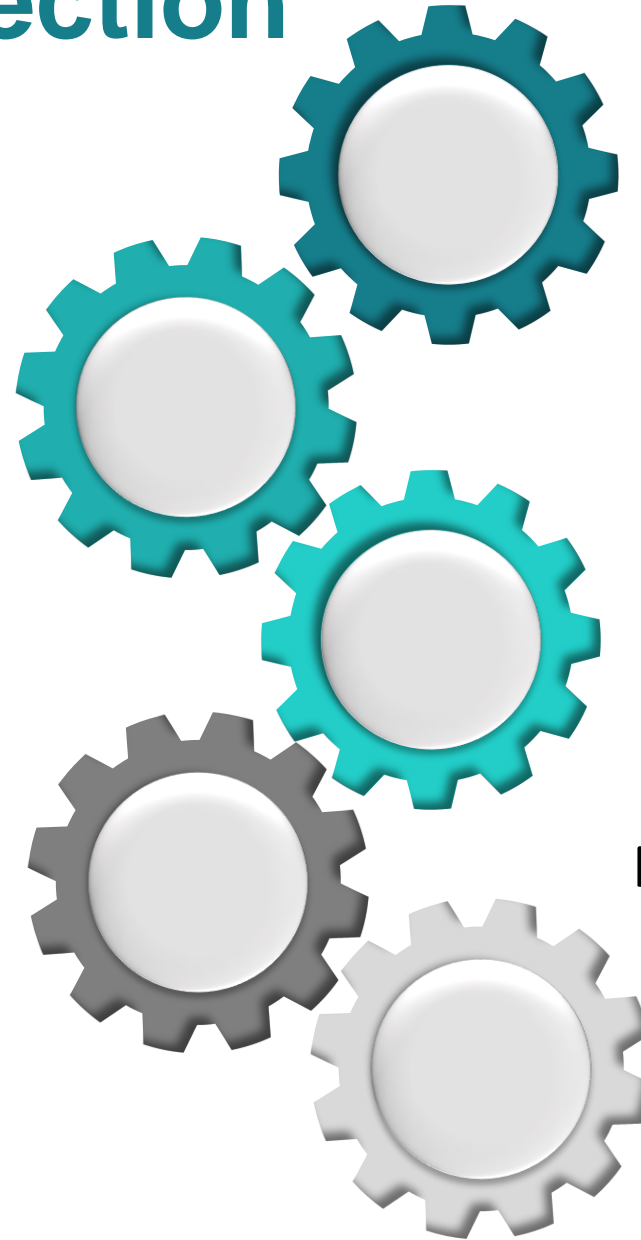
Ensuring a safe supply of energy for the islands electricity system

### PSOs elimination

More than €300m/year due to the electricity supply of Crete and €50m/year for the Cycladic islands, from high cost oil-fired unit

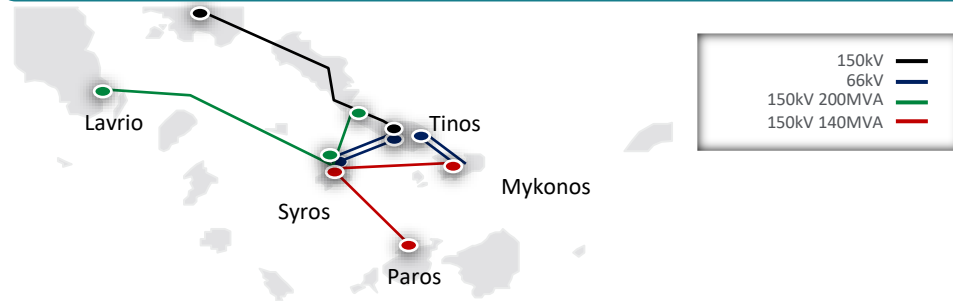
### RES Enhancement

- The majority of the energy needs will be met by RES, while the rest will be imported from the mainland
- Reduction of energy dependence on imported fuels
- The achievement of the major 2020 energy goals of the country, in terms of enhancing RES penetration and reducing CO<sub>2</sub> emissions



# Cycladic Interconnection

## Phase A

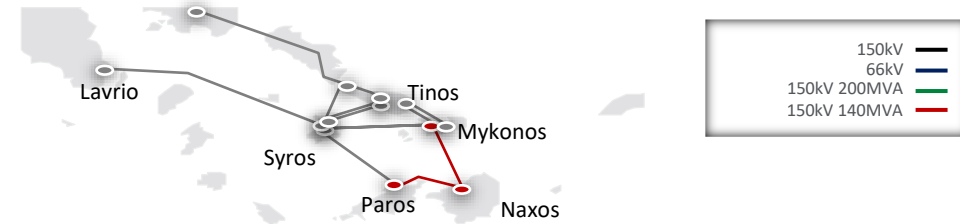


Radial Interconnection of Syros island with the mainland (Lavrio), Paros, Mykonos and Tinos islands. 13 islands in total connected to the mainland.

**Completed:** May 2018 (Interconnection of Syros and Paros March 2018; Mykonos May 2018)

**Budget:** c. €250m

## Phase B



Interconnection of Naxos island with Paros and Mykonos islands (close loop between Syros-Mykonos-Naxos-Paros)

Reinforcement of the existing interconnections Andros – Evia and Andros - Tinos

**Expected completion :** 2019

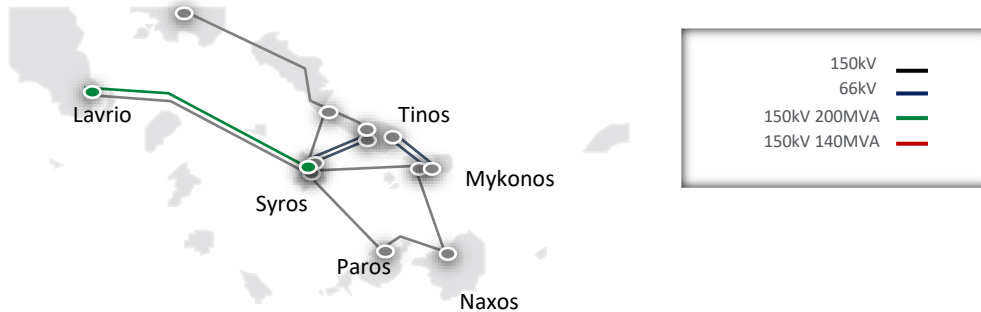
**Estimated budget:** c. €72m

The **Hellenic Cables SA - Fulgor SA consortium** has undertaken the construction of the submarine cables connecting Naxos with Paros and Mykonos, while the **Consortium of Nari Group Corporation – Elektromek S.A.** was selected as the contractor for the construction of the 150 KV Substation in Naxos.

The tender for the installation of new increased capacity lines (200 MVA) at the Interconnections of Evia - Andros and Andros - Tinos, has also been completed and IPTO has signed a contract with the contractor **Prysmian**

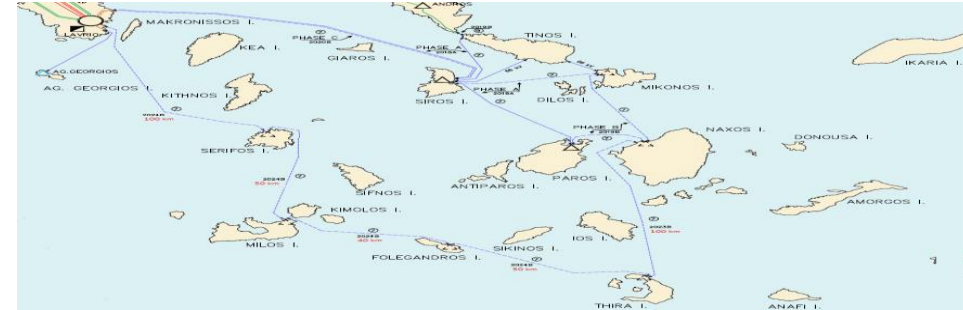
# Cycladic Interconnection

## Phase C



Construction of second submarine cable between Lavrio and Syros  
**Nexans** was the successful bidder  
**Expected completion:** Project completed  
**Estimated budget:** c. €122m

## Phase D



Expansion to the West and Southern Cycladic Islands

Interconnection of Lavrio - Serifos – Milos – Folegandros - Thira – Naxos.

**Estimated budget for Phase D:** c. €383m

**Expected completion:** 2024

It creates an additional strong connecting route to all the Cycladic Islands, ensuring their reliable supply for many years and also permits wider development of local RES.

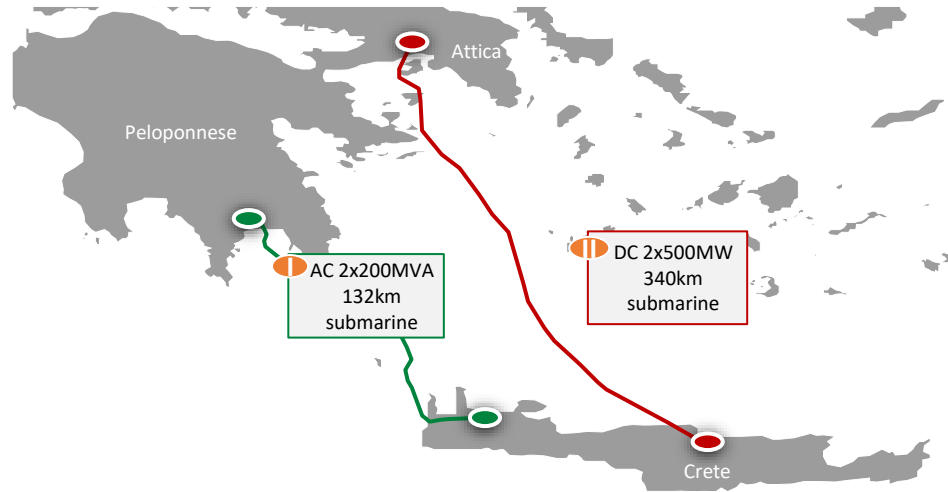


# Crete- Peloponnese Interconnection (Phase A)

Interconnection of Crete with the mainland through two distinct links

The project is implemented in two phases (A, B)

## Phase A' : Connection Peloponnese - Crete



**Commissioning:** H1 2021

**Estimated budget:** c. €292m

**Contractualisation:** 11.2018

- **Fulgor:** western submarine interconnections and the underground connections in the Peloponnese
- **Prysmian Powerlink:** eastern submarine interconnection
- **Hellenic Cables:** underground interconnections in Crete within the Peloponnese-Crete interconnection
- **Terna:** construction of the new Substation in the South East Peloponnese, the upgrading and extension of the existing substation in the Chania area in Crete

### Technical Characteristics

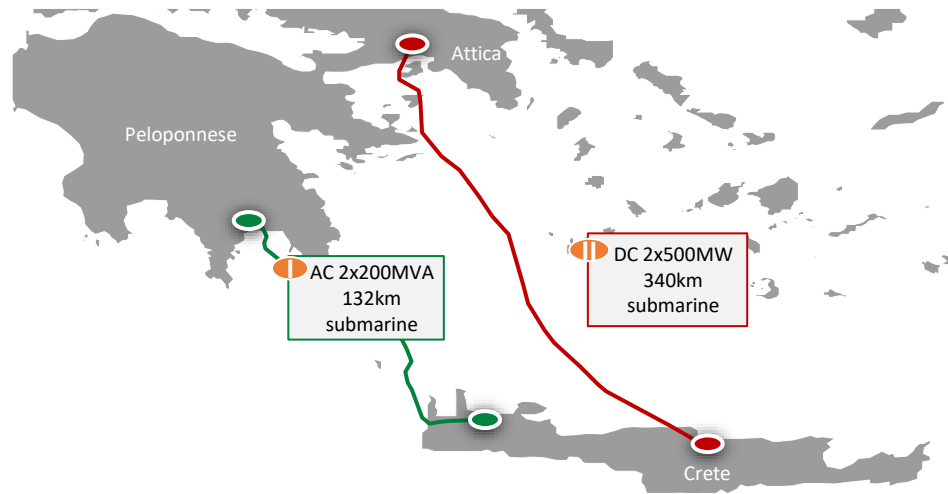
- Voltage: 150 kV AC
- 2 GIS Substations
- Capacity: 2 x 200 MVA
- Cable technology: XLPE
- Maximum depth: ~980 m
- Cable length: 2 x 132 km

# Crete- Attica Interconnection (Phase B)



The company Ariadne Interconnection SPSA, a currently 100% subsidiary of IPTO, has been established as a Special Purpose Vehicle – SPV) in order to finance and construct the project of Crete – Attica Interconnection

## Phase 'B : Connection Crete - Attica



**Commissioning:** 2023

**Estimated budget:** c. €1b

**Implementation:** Ariadne Interconnection

### Technical Characteristics

- VSC MMC Converters
- Voltage: ~500kV
- Bipolar Configuration
- Link Capacity: 2 x 500 MW
- Cable technology: MIND/XLPE
- Maximum depth: ~1250m
- Cable length: 2 x 340 km submarine and additional underground (at both sides) and overhead lines (in Crete)

### Similar projects in Europe:

**SAPEI:** Sardinia-Italy, 1000 MW, 500 kV, LCC, depth 1650 m, 420 km long

**MONITA:** Italy-Montenegro, 1000 MW, 500 kV, LCC, depth 1200 m, 415 km long

**SKAGERRAK IV:** Denmark-Norway, 700 MW, 500 kV, VSC, depth 550 m, 137 km long

**NORD.LINK:** Germany-Norway, 1400 MW, 525 kV, VSC, depth 230 m, 623 km long

**NSL:** UK-Norway, 1400 MW, 525 kV, VSC, depth 600 m, 730 km long