Investor
Relations
Department

Public
Power
Corporation

Athens, March 23, 2023

PPC Group 2022 financial results

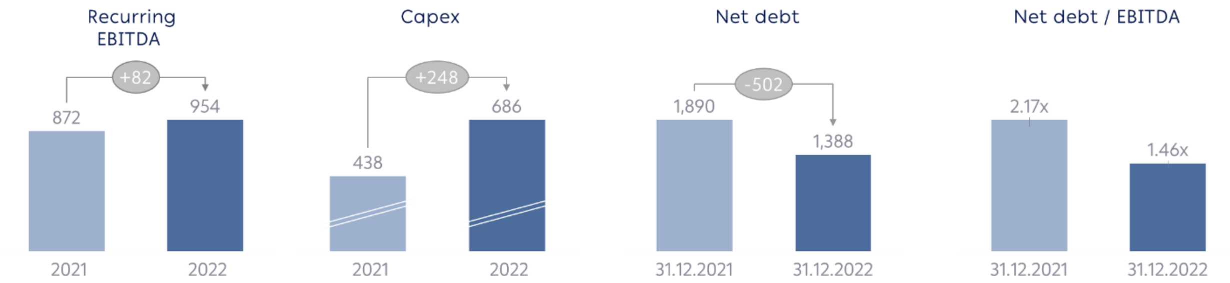
- Recurring EBITDA at €953.7 m in 2022 from €871.7 m in 2021 - Resilient profitability in the last three years
- Significant reduction of net debt by €502 m compared to 2021
- Contribution during the energy crisis with a total amount of €1.8 bn in 2022 (versus €800 m in 2021) through:
    - the support of the Energy Transition Fund [which provided tariff subsidies for the whole country] through price caps in electricity generation activity
    - the support of our customers through tariffs,
    - the extraordinary contribution in electricity generation activity
- Capex increase by €248 m compared to 2021 due to further acceleration of Distribution and RES capex
- More than 600MW RES operating/completed projects - Secured implementation licensing wise for RES projects of over 4 GW capacity

Key Group Financial Results

(in € m)		2022	2021	Δ (%)	Q4 2022	Q4 2021	Δ (%)
Turnover	(1)	11,253.1	5,706.4	*97.2%*	2,690.4	2,008.8	*33.9%*
Operating expenses	(2)	10,299.4	4,834.7	*113.0%*	2,380.9	1,763.6	*35.0%*
EBITDA recurring	(3)=(1)-(2)	**953.7**	**871.7**	***9.4%***	**309.4**	**245.3**	***26.2%***
EBITDA margin recurring	(4)=(3)/(1)	**8.5%**	**15.3%**		**11.5%**	**12.2%**	
One-offs	*(5)*	*302.4*	*50.6*		*26.3*	*1.1*	
EBITDA	(6)=(3)-(5)	**651.3**	**821.1**	*-20.7%*	**283.1**	**244.2**	*15.9%*
EBITDA margin	(7)=(6)/(1)	**5.8%**	**14.4%**		**10.5%**	**12.2%**	
Depreciation, total net financial expenses and share of profits/(losses) in associated companies and JVs	(8)	875.0	863.3	*1.4%*	213.6	233.3	*-8.4%*
Impairment loss	(9)	*-197.7*	*107.6*	*-283.8%*	*-55.6*	*75.8*	*-173.4%*
Pre-tax profits/(Losses)	(10)=(6)-(8)-(9)	**-26.0**	**-149.8**	*-82.6%*	**125.1**	**-64.8**	*-292.9%*
Net income / (Loss)	(11)	-8.9	-18.4	*-51.5%*	160.9	23.8	*575.1%*

For further information regarding definitions of ratios included in abovementioned figures, please refer to the Financial Report 2022 Appendix: Definitions and reconciliations of Alternative Performance Measures - "APMs".

Evolution of key Group figures (€ m)



Profitability evolution

Increased operational profitability in 2022, despite the large increase in operating expenses, mainly in the expenses for energy purchases and for natural gas. Specifically, EBITDA on a recurring basis amounted to € 953.7 m increased by €82 m (9.4%) compared to 2021.
As far as Q4 2022 is concerned, EBITDA on a recurring basis amounted to € 309.4 m compared to € 245.3 m in Q4 2021.

It is noted that 2022 EBITDA has been impacted by the extraordinary contribution imposed on electricity generators for the period October 2021 – June 2022 and which for PPC was calculated at € 245.3 m following the final settlement, by the provision for personnel's severance payment of € 50.5 m, as well as by the retroactive charge of €6.6 m for special allowances from the implementation of the Collective Labor Agreement for the period 2021 -2024.

Pre-tax losses amounted to € 26 m compared to pre-tax losses of €149.8 m in 2021.

Pre-tax results for 2022 include a positive impact of €177.5m due to a reversal of the impairment of the investment in the new Ptolemaida V lignite unit. The reversal is due to the fact that lignite generation is no longer loss making due to the energy crisis and the associated high prices in the wholesale market.

Net losses of €8.9 m were recorded in 2022 compared to net losses of €18.4 m in 2021.

Commenting on the financial results, Mr. Georgios Stassis, Chairman and Chief Executive Officer of Public Power Corporation S.A. said:

"In 2022 PPC has managed to cope with the unprecedented conditions of volatility and uncertainty that prevailed in the markets throughout the year, implementing at the same time its business plan. In addition, PPC contributed a total amount of €1.8 bn with respect to the energy crisis through the Energy Transition Fund, the support provided to its customers and the extraordinary contribution paid for the electricity generation activity.

These results showcase the resilience of our operating profitability during the last 3 years with recurring EBITDA being in the €0.9bn area despite extraordinary conditions such as covid-19 and the energy crisis.

At the same time, we were able to reverse net debt increase we experienced in the first quarter of the year still maintaining high liquidity levels, but also increasing capex in Renewables and Distribution network projects.

We proceeded to selective acquisitions in Greece and we also agreed with Enel to acquire its integrated platform in Romania, which we see as a unique opportunity and as a perfect fit to our strategy in terms of geography and business, at an attractive valuation too!

In parallel, we move forward with our Renewables capex plan in Greece having approximately 600MW of projects either in operation or already constructed aiming to reach approximately 1GW by the end of 2023.

We remain focused on PPC transformation and the implementation of our Business Plan, honoring our commitment for dividend distribution in 2024 based on 2023 profits.

With respect to the agreement for the acquisition in Romania, we are focusing on finalizing the transaction by the third quarter of 2023 and right after we will present our updated overall Strategic Plan in a Capital Markets Day."

Analysis of Revenues & Operating Expenses of PPC Group

Revenues

Turnover for 2022, increased by €5,546.7 m or 97.2% due to the increase of the average revenue, as a result of the high increase of wholesale prices. Specifically, in Q4 2022 turnover amounted to € 2,690.4 m marking an increase of 33.9% compared to the respective period of 2021.

Operating Expenses

Operating expenses before depreciation, excluding the extraordinary contribution of €245.3m, the provision for personnel's severance payment of € 50.5 m and the retroactive charge for special allowances from the implementation of the Collective Labor Agreement for the period 2021 -2024 of € 6.6 m, increased in 2022 by €5,464.7 m (or by 113%) to €10,299.4m compared to €4,834.7 m in 2021, mainly as a result of the particularly high expenses for fuel cost, energy purchases and CO_2 emission allowances while there was also a negative effect from the provisions for expected credit losses. Operating expenses before depreciation for 2021 do not include the one-off impact from the retroactive charge for special allowances from the implementation of the Collective Labour Agreement for the period 2021-2024 and the provision for personnel's severance payment.

<u>Operating figures (generation – imports- exports)</u>

In terms of domestic demand (excluding exports) a reduction of 3% was recorded for the 2022 (to 55,389 GWh compared to 57,074 GWh) while for Q4 2022 the reduction was 8.3%, as a result of the decrease in demand by consumers due to the energy crisis and the incentives provided by the State for energy saving as well as the fact that the weather conditions in Q4 2022 were more favourable than those in the corresponding period of 2021. Total electricity demand (including exports) marked a decrease by 1.6% in 2022 and a decrease by 9.2% in Q4 2022.

PPC's average retail market share in the country, declined to 62.4% in 2022, compared to 64.3% in 2021. Specifically, the average retail market share in the Interconnected System decreased to 63.3% in December 2022 (from 64.2% in December 2021), while PPC's average market share, per voltage, was 88.3% in High Voltage, 44.2% in Medium Voltage and 63.7% in Low Voltage compared to 87.8%, 44.0% and 65.0% in 2021, respectively.

PPC's electricity generation and imports covered 37.2% of total demand in 2022 (33.2% in the Interconnected System), while the corresponding percentage in 2021 was 43.7% (40.3% in the Interconnected System).

Specifically, generation from large hydro power plants decreased by 1,289 GWh and amounted to 4,005 GWh, which is close to the average of the last five years. Nonetheless, large hydro power plants generation is lower by 24.3% compared to 2021 when hydrological conditions were excellent.

Generation from PPC's natural gas fired units decreased by 2,364 GWh, while lignite fired generation increased by 119 GWh.

At country level, there was an increase in RES electricity generation (including large hydro power plants) by 6.2% or 1,382 GWh. In addition, electricity imports increased by 7.3% or 618 GWh.

Energy mix expenditure

Expenditure for liquid fuel, natural gas, CO_2, lignite and energy purchases increased by €4,911 m (141.4%) compared to 2021.

In detail:

- Liquid fuel expense in 2022 increased by 58.9% compared to 2021 to €853.2 m, mainly due to the increase in the prices of fuel oil (by 48.4%) and diesel (by 65.8%).

- Natural gas expense increased significantly by 93.2% to €1,758.2 m from €910.1 m due to the large increase of natural gas price by 146.9% despite the lower natural gas fired generation by 21.4%.

- Energy purchases expense increased by €3,433.3 m (266.8%) due to the increase of the Market Clearing Price (MCP) (from €116.4/MWh in 2021 to €280/MWh in 2022) and the increased volume of energy purchases.

- Expenditure for CO_2 emission rights increased to €1,037.5 m in 2022 from €699.2 m in 2021, due to the increase of the CO_2 emission rights average price to €72.7/tn from €44.9/tn despite the decrease in CO_2 quantities by 6.3% to 14.8 m tn [1].

Payroll cost

Total payroll cost excluding the impact of one-off items, increased by € 31.8 m in 2022 to €711.5 m from € 679.7 m in 2021 due to the abolition of the ceiling on the payroll of the Group's personnel as well as the reinstatement of Christmas and Easter bonuses.
The Group's personnel decreased by 154 employees (from 12,909 at the end of 2021 to 12,755 at the end of 2022).

Provisions

In 2022, bad debt provisions increased by € 207.5 m compared to a reversal of bad debt provisions of € 59.7 m in 2021.

[1] CO_2 emissions for 2022 are based on temporary data and do not include the CO_2 emissions of the thermal units of 0.05 m tn that do not participate to the Emissions Trading System

One off items impacting EBITDA

EBITDA in 2022 has been negatively affected by

1. the extraordinary contribution imposed on electricity generators for the period October 2021 – June 2022 and which for PPC was originally calculated at € 276 m and following the final settlement decreased to €245.3 m.
2. the provision for personnel's severance payment of €50.5 m which was recorded in Q4 2022, as well as
3. the retroactive charge of €6.6 m for special allowances from the implementation of the Collective Labor Agreement for the period 2021 -2024.

Respectively, EBITDA in 2021, was negatively impacted by

1. the €34.6 m expense for the retroactive charge for special allowances from the implementation of the Collective Labour Agreement for the period 2021-2024 and
2. the provision for personnel's severance payment of €16.1 m.

Capex

Capital expenditure amounted to €686.2 m in 2022 compared to €437.9 m in 2021. As shown in the table below, most of the increase is attributed to higher investments in RES projects as well as in the Distribution network.

The composition of main capex is as follows:

(in € m)	**2022**	**2021**	***Δ***	***Δ (%)***
Conventional Generation (*)	176.5	166.4	*10.1*	*6.1%*
RES projects (**)	174.7	36.4	*138.2*	*379.5%*
Distribution network	312.3	221.5	*90.8*	*41.0%*
Other	22.8	13.5	*9.3*	*68.7%*
Total	**686.2**	**437.9**	*248.4*	*56.7%*

(*) Including Mines capex

(**) Including capex for hydro power plants

Net Debt

Net debt stood at €1,388.1 m on 31.12.2022, decreased by €501.7 m compared to 31.12.2021 (€1,889.8 m) as the negative working capital impact seen in the beginning of 2022 due to the high volatility in global commodity prices was fully reversed by the end of year. In addition, net debt calculation takes into account the €1,323.3 m[2] paid by Macquarie Asset Management in Q1 2022 for the acquisition of 49% of the share capital of HEDNO.

[2] On 28.02.2022, acquisition date of PPC's 49% stake in HEDNO by Macquarie Asset Management, PPC received € 1,320.4 million The offer price has been adjusted to reflect the estimated change in the Net Asset Value of HEDNO until 28.2.2022, in accordance with the terms of the Share Purchase Agreement, while it became final in June 2022 based on the Actual Net Assets of HEDNO with reference date 28.02.2022, in which it received an additional consideration of €2.8 mil.

Net Debt evolution is shown below:

(in € m)	31.12.2022	31.12.2021
Gross Debt (1)	4,598.7	4,775.8
Cash and cash equivalents / Restricted cash*/ Other financial assets (2)	3,210.6	2,886.0
Net Debt (3) = (1) - (2)	1,388.1	1,889.8

(*) For the calculation of net debt, restricted cash related to debt has been deducted

Recent developments

18.01.2023: EIB financing to PPC Renewables for a PV portfolio of 230MW

Agreement with EIB for the financing of €28.5 million for the construction of the three PV parks in Kozani in the Western Macedonia of a total capacity of 230 MW. The EIB financing will reach a maximum amount of €35 million over the coming months. The EIB loan is backed by an EU budget guarantee under the InvestEU programme.

The EIB financing of €28.5 million is part of a €102.4 million Project Finance debt package comprising of €95.1 million long term facilities and €7.3 million medium term construction VAT financing. EIB worked together with Eurobank S.A. and National Bank of Greece S.A., which committed in equal shares 70% of the long-term facilities and 100% of the medium-term VAT financing.

26.01.2023: RWE and PPC to build 5 solar projects with more than 200 MW in Western Macedonia, Greece

Final investing decision for for five photovoltaic projects through the joint venture Meton Energy S.A., in which RWE Renewables and PPC Renewables participate with 51% and 49%, respectively.

The solar farms with a total capacity of around 210 MW are located in the Western Macedonia region in the north of Greece, within the boundaries of the former Amynteo open pit lignite mine. Construction work is scheduled to start in the spring of the current year. All five projects should be fully operational by the end of Q1 2024.

Meton Energy S.A. has signed bilateral power purchase agreements (PPAs) of durations ranging between 10 and 15 years with third parties, which will purchase the green electricity produced by the solar farms.

For the total €180 million investment in the five solar projects, €90 million of European Union – NextGenerationEU funds have been secured via the Recovery and Resilience Facility (RRF) plan "Greece 2.0" as well as commercial debt financing (co-financing) of €54 million from Eurobank S.A. and Alpha Bank S.A., plus €36 million of shareholders equity. The financing is subject to financial close.

Through their joint venture, RWE Renewables and PPC Renewables are developing large-scale solar projects with a total capacity of up to 2,000 MW in Greece. PPC Renewables has contributed nine solar projects with a combined total of up to 940 MW to the joint venture. RWE Renewables has contributed a photovoltaic project pipeline of similar size.

15.02.2023: Conclusion of the acquisition of wind parks of 44MW total capacity and of PV plants of 2MW capacity

Conclusion of the purchase of the acquisition of wind parks of 44MW total capacity in Lakonia prefecture and of PV plants of 2MW capacity in Thessaly prefecture in Greece by PPC Renewables within the framework of the signed Share Purchase Agreement (SPA) with Piraeus Equity Partners.

09.03.2023: Signing of agreement for the acquisition of Enel's Romanian Operations

Signing of a binding agreement with Enel S.p.A. ("Enel") for the acquisition of all of the equity interests held by Enel and its subsidiaries in Romania for a total consideration of approximately €1,260 million (based on a total enterprise value of approximately €1,900 million). The total consideration is subject to customary adjustments based on a future value uplift for the retail business in Romania.

The closing of the acquisition is expected to occur by the third quarter of 2023 and will be subject to certain conditions precedent (customary for this kind of transaction), including, among others, clearance from the relevant antitrust authorities.

PPC intends to finance the acquisition with a combination of debt and cash on balance sheet, with €800 million of committed debt financing in the form of a €485 million 5-year term loan facility through Greek banks and a €315 million bridge facility through international banks.

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This press release may be accessed on the website of Public Power Corporation S.A. www.dei.gr at the "Investor Relations" section.

About Public Power Corporation S.A.

PPC is a leading generator and supplier of electricity in Greece with a total capacity of 11.1 GW, providing electricity to approximately 5.6 million customers. It holds 51% interest in the Hellenic Electricity Distribution Network Operator S.A. which is the sole owner and operator of the electricity distribution network of the country. For more than 70 years, PPC has been at the forefront of Greece's power industry and an integral part of the country's process of electrification. PPC is publicly listed and its shares are traded on the Main Market of the Athens Exchange.

Disclaimer

Certain information contained in this announcement, including future EBITDA, earnings, expenditures and other financial measures for future periods, constitutes "forward-looking statements," which are based on current expectations and assumptions about future events. Financial metrics for future periods are based on present reasonable and good-faith assumptions and we provide no assurance that such financial metrics will be achieved.

These forward-looking statements are subject, among other things, to (i) business, economic and competitive risks, (ii) macroeconomic conditions, (iii) fluctuation of the Euro against the U.S. Dollar exchange rate, (iv) oil, natural gas and electricity prices and the price of CO_2 emission rights, (v) changes in the market, legal, regulatory and fiscal landscape, (vi) evolution of bad debt and (vii) other uncertainties and contingencies, which relate to factors that are beyond PPC's ability to control or estimate precisely, and that could cause actual events or results to differ materially from those expressed therein. Accordingly, undue reliance should not be placed on these forward-looking statements, which speak only as of the date of this announcement.

PPC does not undertake any obligation to publicly release any revisions to these forward-looking statements to reflect events or circumstances after the date of this announcement.

APPENDIX - KEY FINANCIAL RESULTS

Consolidated Statement of Financial Position (Condensed)

(in million of Euro)	GROUP 31.12.2022	GROUP 31.12.2021
ASSETS		
Non – Current Assets:		
Property, plant and equipment, net	10,550.8	10,265.7
Intangible assets, net	613.9	360.0
Deferred tax asset	426.4	382.5
Other non- current assets	275.6	177.6
Total non-current assets	**11,866.7**	**11,185.9**
Current Assets:		
Materials, spare parts and supplies, net	840.2	609.9
Trade receivables	1,365.6	1,100.6
Cash and cash equivalents and Restricted Cash	3,227.3	2,898.2
Other current assets	2,206.8	1,984.6
Total assets from discontinued operations	20.6	0.0
Total Current Assets	**7,660.5**	**6,593.3**
Total Assets	**19,527.2**	**17,779.2**
EQUITY AND LIABILITIES		
EQUITY:		
Total Equity attributable to owners of the Parent	4,073.9	5,078.7
Non-Controlling interests	606.0	0.3
Total Equity	**4,679.9**	**5,079.0**
Non-Current Liabilities :		
Long - term borrowings	3,822.9	4,062.6
Provisions	804.0	835.3
Financial liability from NCI Put option	1,420.0	0.0
Other non-current liabilities	3,233.5	3,080.5
Total Non-Current Liabilities	**9,280.4**	**7,978.4**
Current Liabilities:		
Trade and other payables	1,146.7	970.1
Short – term borrowings and current portion of long - term borrowings	700.2	625.0
Other current liabilities	3,720.0	3,126.7
Total Current Liabilities	**5,566.9**	**4,721.8**
Total Liabilities and Equity	**19,527.2**	**17,779.2**

Consolidated Income Statement (Condensed)

(in million of Euro - except share and per share data)	GROUP 01.01.2022-31.12.2022	01.01.2021-31.12.2021	Δ	Δ%
REVENUES:				
Revenue from energy sales	10,712.7	5,015.7	5,697.1	113.6%
Revenue from natural gas sales	4.9	1.2	3.8	323.8%
Other sales	535.5	689.6	(154.1)	-22.3%
Total	11,253.1	5,706.4	5,546.7	97.2%
EXPENSES:				
Payroll cost	768.6	730.4	38.2	5.2%
Liquid Fuels	853.2	537.0	316.2	58.9%
Natural Gas	1,758.2	910.1	848.1	93.2%
Depreciation and amortization	640.4	666.2	(25.9)	-3.9%
Energy purchases	4,720.2	1,286.7	3,433.5	266.8%
Emission allowances	1,037.5	699.2	338.4	48.4%
Provisions for expected credit losses	207.5	(59.7)	267.3	-447.4%
Financial (income)/expense, net	289.0	200.2	88.7	44.3%
Impairment loss	(197.7)	107.6	(305.3)	-283.8%
Electricity generators' extraordinary contribution	245.3	-	245.3	
(Gains)/losses from associates and joint ventures	(61.7)	(4.4)	(57.3)	1317.9%
Other (income) / expenses, net	1,018.5	782.9	235.6	30.1%
Total	11,279.1	5,856.2	5,422.9	92.6%
PROFIT/(LOSS) BEFORE TAX	(26.0)	(149.8)	123.8	-82.6%
Income tax	17.1	131.5	(114.4)	-87.0%
NET PROFIT / (LOSS)	(8.9)	(18.4)	9.5	-51.5%
Attributable to:				
Owners of the Parent	(19.0)	(18.4)		
Non – controlling interests	10.1	0.0		
Earnings / (Losses) per share, basic and dilluted	(0.02)	(0.05)		
Weighted average number of shares	380,104,130	382,000,000		

Consolidated Cash Flow Statement (Condensed)

(in million of Euro)	GROUP 01.01.2022-31.12.2022	01.01.2021-31.12.2021*
Cash Flows from Operating activities		
Profit / (Loss) before tax	**(26.0)**	**(149.8)**
Adjustments:		
Depreciation and amortization	619.9	662.3
Unbilled revenue	(154.9)	(347.9)
Other adjustments	37.7	139.8
Operating profit/(loss) before working capital changes	**476.7**	**304.3**
(Increase)/decrease in:		
Trade receivables	(487.4)	(234.0)
Inventories	(205.1)	(5.3)
Increase/(decrease) in:		
Trade payables	33.7	(319.8)
Proceeds from long-term contract liabilities	134.2	179.1
Other receivables/payables	199.0	707.4
Net Cash from Operating Activities	**151.0**	**631.8**
Investing Activities		
Interest and dividends received	43.9	59.3
Capital expenditure for property, plant and equipment and intangible assets	(686.2)	(437.9)
Proceeds from subsidies	58.3	-
Investments in subsidiaries and associates	-	(4.8)
Acquisition of subsidiaries	(57.2)	-
Sales of property, plant and equipment	18.0	40.6
Net Cash used in Investing Activities	**(623.3)**	**(342.7)**
Cash Flows from Financing Activities		
Net change in short-term borrowings	(163.0)	229.2
Proceeds from long-term borrowing	392.3	1,896.9
Principal payments of long-term borrowing	(471.4)	(1,497.5)
Principal lease payments of right-of-use assets	(39.1)	(22.7)
Interest paid and loans' issuance fees	(160.4)	(162.3)
Dividends paid	(41.7)	(0.0)
Treasury shares	(40.7)	-
Share capital increase including expenses	-	1,284.1
Proceeds from the sale of subsidiary	1,323.3	-
Net Cash used in Financing Activities	**799.3**	**1,727.6**
Net increase / (decrease) in cash and cash equivalents	**327.1**	**2,016.7**
Cash and cash equivalents at the beginning of the year	**2,832.4**	**815.6**
Cash and cash equivalents at the end of the year	**3,159.5**	**2,832.4**

*Certain figures of the Group have been revised in relation to those published on 31.12.2021 for better presentation purposes.