

Maroussi, 24 February 2023

## **Fourth Quarter / Full Year 2022 financial results**

**Record high profitability on positive international refining environment, exports and new investments in RES - Successful completion of the first phase of the strategic transformation, energy crisis management and significant contribution to society**

HELLENiQ ENERGY Holdings S.A. ("Company") announced its 4Q/FY 22 consolidated financial results, with 4Q22 Adjusted EBITDA at €465m and Adjusted Net Income at €261m, while FY22 Adjusted EBITDA reached historical-highs, at €1,601m and Adjusted Net Income was shaped at €1,006m.

Highest ever results were driven by strong international environment, improved operation of our refineries, exports, but also as a result of the Group's transformation strategy across its businesses. Retail contribution in Greece and internationally was significant, while investments in RES are exhibiting positive contribution as a new business.

Sales volume amounted to 14.3m MT, with strong exports (49% of total sales) and the aviation and marine fuel market improving due to tourism recovery. Fuels marketing contributed €138m (+8%) to the FY22 profitability on the back of strong sales volume increase.

Reported Net Income in FY22 came in at €890m with the provision for the Solidarity Contribution of more than €300m and inventory gains of approximately €100m being the main reconciliation items to Adjusted Net Income.

The Board of Directors proposed to the General Meeting the distribution of a final dividend of €0.50/share, with the total dividend at €1.15/share, considering the distribution of €0.40/share out of DEPA Infrastructure proceeds and the interim dividend of €0.25/share, which have already been paid.

### **Strategy Implementation - Vision 2025**

In 2022, the first phase of the implementation of the Group's strategy was completed. In addition to redefining our strategic direction towards cleaner forms of energy, the corporate governance framework was upgraded, a more appropriate corporate structure was established and, finally, the new corporate identity was launched.

In particular, 2022 was a year with substantial positive developments, starting from 3 January 2022 with the establishment of a new corporate structure that allows for significant benefits, in terms of risk management, strategic flexibility, financing optionality, but also in increasing visibility of the Group's business units value.

On 20 September 2022, following the approval of the Extraordinary General Meeting, the new corporate identity was officially launched, including a new corporate name and logo, which were presented at special events across all the subsidiaries and the markets where the company operates.

As part of the refocus of the non-core portfolio, the sale of the Company's equity stake in DEPA Infrastructure to Italgas, jointly with HRADE, was completed. Proceeds from the transaction amounted to €266m, with approximately 50% of them distributed to our shareholders and the remainder directed towards the accelerated implementation of our strategic program.

In terms of our RES expansion, in 2022 the construction of the 204 MW photovoltaic park in Kozani, the largest single RES project to date in Greece was completed. At the same time, the acquisition of 55 MW operating wind parks in Mani was concluded, increasing the Group's total installed capacity in RES to 341 MW. In addition, a memorandum of cooperation was signed with RWE for the purpose of developing offshore wind farms. Our objective is to gradually grow the operational RES portfolio to 1 GW by 2025 and over 2 GW by 2030, with the portfolio under development exceeding 2.5 GW.

In E&P, 2D seismic surveys were recently completed in 2 offshore areas (West of Crete, Southwest of Crete) in collaboration with ExxonMobil, while 3D seismic surveys were carried out in another 3 offshore areas (Block 2, Block Ionio, Block 10).

Significant progress has been achieved in the implementation of our digital transformation program, with total scheduled investments of more than €40m and an estimated annualized benefit of €50m from 2025 onwards, while the cumulative benefits since the start of its implementation amount to €27m.

### **Unpredictable market developments, with high crude oil prices and strong USD, as well as robust international refining margins**

International crude oil and product prices rose significantly in 2022, with Brent prices averaging \$101/bbl, +43% y-o-y, and at particularly high levels during 1H22 (\$108/bbl on average), driven by Russia's invasion of Ukraine and higher demand as a result of the post-pandemic improvement of economic activity. During 2H22, prices fell slightly to \$94/bbl on average, while in 4Q22 averaged \$89/bbl.

The combination of the highest oil prices in recent years and the strengthening of the USD, led to particularly high crude oil prices in EUR terms, with Brent prices averaging €96/barrel in 2022, up 61% v-o-v, at the highest levels recorded.

Benchmark refining margins strengthened significantly in 2022 due to tight supply-demand balances, especially in middle distillate products, as a result of Russia's invasion of Ukraine and the sanctions imposed by Western countries. In particular, FCC and Hydrocracking benchmark margins averaged \$11.5/bbl and \$13.2/bbl respectively vs \$2.3/bbl in 2021.

#### **Increased demand in the domestic fuel market**

Total domestic market ground fuels demand in FY22 increased by 5.5% y-o-y to 6.1m MT. The auto-fuels consumption grew by 3.9% y-o-y, driven by diesel, as a result of increased economic activity and tourism. Heating gasoil consumption was 13% higher, as both the Greek State and the refining sector's companies in Greece proceeded with substantial measures to support the market and consumers, in an attempt to smooth out the impact of the energy crisis. Aviation fuels demand improved by 68%, on increased air traffic, mainly due to tourism, while bunkering fuels offtake was 6% higher y-o-y.

#### **Balance sheet and capital expenditure**

Despite the energy crisis and increased oil prices in 2022, which translate into incremental working capital needs, higher investments and increased distributions to shareholders, the improved operating cash flows and the income from the sale of DEPA Infrastructure contributed to a stronger balance sheet. As a result, Net Debt amounted to €1.9bn, with gearing (Net Debt over Capital Employed) improving to 42% from 48% in 2021.

In addition, the refinancing of €1.2bn of bank loans was concluded on favorable terms, improving maturity profile.

Capital expenditure amounted to €512m, higher y-o-y, mainly due to the maintenance works at the 3 refineries and the acquisition of the wind parks in Mani (55 MW).

#### **Andreas Shiamishis, Group CEO, commented on the results:**

*"During 2022 we faced multiple challenges on all fronts. The energy crisis was particularly severe, especially following Russia's invasion of Ukraine, with multiple effects across a number of sectors of the economy - in addition to the energy sector - and increased uncertainty. We started the year with an ambitious strategic transformation program which imposed its own priorities on the day-to-day business, especially given the ongoing operational requirements and complexity of our group.*

*2022 ended on a firm footing for the Group in all areas that we could influence. Firstly, the energy crisis was managed successfully, benefiting from our close relations with traditional crude oil suppliers, but also the refining flexibility due to advanced configuration. In a very short time we succeeded in replacing all controversial crude oil grades and oil products, without any impact on the Greek market. At the same time, all Group transformation initiatives proceeded swiftly and successfully, allowing us to improve our position in the new energy market. In terms of operations, the Company delivered the best results in its history, both due to the operating environment, but also of our initiatives and actions and, above all, the adaptability and efforts of all our employees. The achieved profitability allowed us to proceed with important actions to support the society, either with targeted initiatives such as fuels for hospitals and multi-member families, or through differentiation in our commercial policy for wider consumer groups.*

*Taking into consideration all of the above, the Board of Directors decided to propose €0.50/share as a final dividend to the Annual General Meeting, with the FY22 distribution at €1.15/share.*

*As a conclusion, I would like to express the Management's satisfaction in terms of the Company's progress and thank all our employees and partners again for their essential contribution to achieving these results."*

Key highlights and contribution for each of the main business units in 4Q/FY 22 were:

#### **REFINING, SUPPLY & TRADING**

- Refining, Supply & Trading 4Q22 Adjusted EBITDA came in at €441m, supported by international refining margins, strong US dollar and our refineries' over-performance, despite the impact from the scheduled turnaround at the Thessaloniki refinery.
- Production in 2022 reached 13m MT (-10% y-o-y), as the maintenance programs at the 3 refineries were successfully concluded.
- The discounts applied on heating gasoil sales to support the consumers amid the energy crisis reached €24m for the year.

#### **PETROCHEMICALS**

- 4Q22 Adjusted EBITDA came in at €16m, lower y-o-y on weak PP margins. FY22 profitability was respectively impacted by weak global petrochemical margins.

#### **MARKETING**

- In 4Q22, Domestic Marketing recorded increased sales volume (+13% y-o-y) on the back of higher demand, while profitability was affected by lower inventory valuation and higher transport costs, as well as by regulatory gross margin caps. In FY22, sales volume increased by 18% y-o-y, driven by tourism and improved economic activity, with Adjusted EBITDA at €61m, +5%.

- International Marketing recorded higher sales volume (+7% y-o-y) in 4Q22, with Adjusted EBITDA at €18m and significant contribution from Cyprus, Montenegro and Republic of North Macedonia. In FY22, sales volume improved by 18% and profitability by 11%, at €78m.

#### RENEWABLES

- Higher RES operating capacity (341 MW) led to increased electricity output, with Adjusted EBITDA increasing to €9m in 4Q22 and €29m in FY22.

#### ASSOCIATE COMPANIES

- DEPA companies' contribution to FY22 consolidated Net Income was €58m.
- Elpedison 4Q and FY22 EBITDA came in at €45m and €185m respectively, higher y-o-y, driven by operational flexibility and trading opportunities in the natural gas markets.

**HELLENiQ ENERGY Holdings S.A.**  
**Key consolidated financial indicators for 4Q/FY 22**  
(prepared in accordance with IFRS)

€ million	4Q21	4Q22	% Δ	FY21	FY22	% Δ
<b>P&amp;L figures</b>						
Refining Sales Volume ('000 MT)	3,884	3,685	-5%	15,184	14,284	-6%
Sales	2,823	3,542	25%	9,222	14,508	57%
EBITDA	126	149	18%	657	1,717	-
<b>Adjusted EBITDA <sup>1</sup></b>	<b>138</b>	<b>465</b>	<b>-</b>	<b>401</b>	<b>1,601</b>	<b>-</b>
Operating Profit	59	75	27%	400	1,413	-
Net Income	82	-232	-	337	890	-
<b>Adjusted Net Income <sup>1</sup></b>	<b>92</b>	<b>261</b>	<b>-</b>	<b>140</b>	<b>1,006</b>	<b>-</b>
<b>Balance Sheet Items</b>						
Capital Employed				4,067	4,669	15%
Net Debt				1,938	1,942	1%
Gearing (ND/ND+E)				48%	42%	-6 pps <sup>2,2</sup>

*Note 1: Adjusted for inventory effects and other non-operating/one-off items, the Solidarity Contribution, as well as the IFRS accounting treatment of the EUAs deficit.*

*Note 2: pps stands for percentage points*

#### Further information:

N. Katsenos, Head of IR

Tel.: +30 210-6302305

Email: [nkatsenos@helleniq.gr](mailto:nkatsenos@helleniq.gr)

### Group Consolidated statement of financial position

	Note	As at 31 December 2022	31 December 2021
<b>Assets</b>			
<b>Non-current assets</b>			
Property, plant and equipment	6	3.639.004	3.484.805
Right-of-use assets	7	233.141	228.375
Intangible assets	8	518.073	228.659
Investments in associates and joint ventures	9	402.101	313.723
Deferred income tax assets	10	61.204	75.702

Deferred income tax assets	20	71,207	13,102
Investment in equity instruments	3	490	504
Derivative financial instruments	24	958	-
Loans, advances and long term assets	10	64,596	73,910
		<b>4,949,567</b>	<b>4,405,678</b>
<b>Current assets</b>			
Inventories	11	1,826,242	1,379,135
Trade and other receivables	12	866,109	694,606
Income tax receivable	30	14,792	16,479
Derivative financial instruments	24	5,114	92,143
Cash and cash equivalents	13	900,176	1,052,618
		<b>3,612,433</b>	<b>3,234,981</b>
Assets held for sale	14	-	191,577
<b>Total assets</b>		<b>8,562,000</b>	<b>7,832,236</b>
<b>Equity</b>			
Share capital and share premium	15	1,020,081	1,020,081
Reserves	16	297,713	249,104
Retained Earnings		1,341,908	795,468
<b>Equity attributable to the owners of the parent</b>		<b>2,659,702</b>	<b>2,064,653</b>
<b>Non-controlling interests</b>		<b>67,699</b>	<b>64,402</b>
<b>Total equity</b>		<b>2,727,401</b>	<b>2,129,055</b>
<b>Liabilities</b>			
<b>Non-current liabilities</b>			
Interest bearing loans and borrowings	18	1,433,029	1,516,531
Lease liabilities	19	177,745	172,296
Deferred income tax liabilities	20	202,523	89,478
Retirement benefit obligations	21	175,500	210,736
Derivative financial instruments	24	-	860
Provisions	22	36,117	26,959
Other non-current liabilities	23	22,662	27,801
		<b>2,047,576</b>	<b>2,044,661</b>
<b>Current liabilities</b>			
Trade and other payables	17	1,835,957	2,146,559
Derivative financial instruments	24	1,761	2,214
Income tax payable	30	432,385	4,488
Interest bearing loans and borrowings	18	1,409,324	1,474,493
Lease liabilities	19	30,372	29,499
Dividends payable		77,224	1,267
		<b>3,787,023</b>	<b>3,658,520</b>
<b>Total liabilities</b>		<b>5,834,599</b>	<b>5,703,181</b>
<b>Total equity and liabilities</b>		<b>8,562,000</b>	<b>7,832,236</b>

## Group Consolidated statement of comprehensive income

		For the year ended	
	Note	31 December 2022	31 December 2021
<b>Revenue from contracts with customers</b>	<b>5</b>	<b>14,508,068</b>	<b>9,222,235</b>
Cost of sales	25	(12,557,681)	(8,346,317)
<b>Gross profit / (loss)</b>		<b>1,950,387</b>	<b>875,918</b>
Selling and distribution expenses	25	(393,350)	(326,588)
Administrative expenses	25	(194,765)	(151,798)
Exploration and development expenses	26	(26,548)	(3,636)
Other operating income and other gains	27	134,393	36,365
Other operating expense and other losses	27	(57,497)	(29,971)
<b>Operating profit / (loss)</b>		<b>1,412,620</b>	<b>400,290</b>
Finance income	28	3,315	5,356
Finance expense	28	(108,233)	(101,387)
Lease finance cost	19,28	(9,261)	(10,092)
Currency exchange gains / (losses)	29	2,499	16,246
Share of profit / (loss) of investments in associates and joint ventures	9	120,042	96,660
<b>Profit / (loss) before income tax</b>		<b>1,420,982</b>	<b>407,073</b>
Income tax	30	(526,004)	(65,916)
<b>Profit / (loss) for the year</b>		<b>894,978</b>	<b>341,157</b>
<b>Profit / (loss) attributable to:</b>			
Owners of the parent		889,501	337,444
Non-controlling interests		5,477	3,713
		<b>894,978</b>	<b>341,157</b>
<b>Other comprehensive income / (loss):</b>			
<b>Other comprehensive income / (loss) that will not be reclassified to profit or loss (net of tax):</b>			
Actuarial gains / (losses) on defined benefit pension plans	21	29,709	(15,254)
Changes in the fair value of equity instruments	16	14	(349)
Share of other comprehensive income / (loss) of associates	16	-	(3,930)
		29,723	(19,533)

**Other comprehensive income / (loss) that may be reclassified subsequently to profit or loss (net of tax):**

Share of other comprehensive income / (loss) of associates	16	658	-
Fair value gains / (losses) on cash flow hedges	16	5,733	24,973
Recycling of (gains) / losses on hedges through comprehensive income	16	(4,941)	(31,794)
Currency translation differences and other movements		(278)	97
		1.172	(6,724)

<b>Other comprehensive income / (loss) for the year, net of tax</b>		<b>30,895</b>	<b>(26,257)</b>
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<b>Total comprehensive income / (loss) for the year</b>		<b>925,873</b>	<b>314,900</b>
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**Total comprehensive income / (loss) attributable to:**

Owners of the parent		920,330	311,165
Non-controlling interests		5,543	3,735
		<b>925,873</b>	<b>314,900</b>

<b>Earnings / (losses) per share (expressed in Euro per share)</b>	<b>31</b>	<b>2,91</b>	<b>1,10</b>
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## Group Consolidated statement of cash flows

		For the year ended	
	Note	31 December 2022	31 December 2021
<b>Cash flows from operating activities</b>			
Cash generated from operations	33	630,118	262,342
Income tax received / (paid)	30	(6,499)	8,032
<b>Net cash generated from/ (used in) operating activities</b>		<b>623,619</b>	<b>270,374</b>
<b>Cash flows from investing activities</b>			
Purchase of property, plant and equipment & intangible assets	6, 8	(512,175)	(400,441)
Proceeds from disposal of property, plant and equipment & intangible assets		14,167	6,370
Acquisition of share of associates and joint ventures	37	(0)	(2,400)
Purchase of subsidiary, net of cash acquired	37	3,053	6,296
Share capital issue expenses		-	(132)
Grants received		0	70
Interest received	28	3,315	5,356
Prepayments for right-of-use assets		(748)	(280)
Dividends received	9	-	6,525
Proceeds from disposal of assets held for sale		265,516	2,649
<b>Net cash generated from/ (used in) investing activities</b>		<b>(226,872)</b>	<b>(375,987)</b>
<b>Cash flows from financing activities</b>			
Interest paid on borrowings		(101,565)	(94,420)
Dividends paid to shareholders of the Company	32	(244,983)	(30,320)
Dividends paid to non-controlling interests		(2,240)	(1,635)
Participation of minority shareholders in share capital increase of subsidiary		-	-
Proceeds from borrowings	18	1,102,636	586,620
Repayments of borrowings	18	(1,259,597)	(479,426)
Payment of lease liabilities - principal	19	(36,522)	(32,074)
Payment of lease liabilities - interest	19	(9,261)	(10,092)
<b>Net cash generated from/ (used in) financing activities</b>		<b>(551,532)</b>	<b>(61,347)</b>
<b>Net increase/ (decrease) in cash and cash equivalents</b>		<b>(154,785)</b>	<b>(166,960)</b>
<b>Cash and cash equivalents at the beginning of the year</b>	<b>13</b>	<b>1,052,618</b>	<b>1,202,900</b>
Exchange (losses) / gains on cash and cash equivalents		2,343	16,678
Net increase / (decrease) in cash and cash equivalents		(154,785)	(166,960)
<b>Cash and cash equivalents at end of the year</b>	<b>13</b>	<b>900,176</b>	<b>1,052,618</b>

## Parent Company Statement of Financial Position

		As at	
	Note	31 December 2022	31 December 2021
<b>Assets</b>			
<b>Non-current assets</b>			
Property, plant and equipment		671	2,707,520
Right-of-use assets	7	10,817	26,547
Intangible assets		138	53,863
Investments in subsidiaries, associates and joint ventures	9	1,654,517	933,596
Deferred income tax assets		11,020	-
Investment in equity instruments		38	37
Loans, advances and long term assets	10	230,243	143,172
		<b>1,907,444</b>	<b>3,864,735</b>
<b>Current assets</b>			
Inventories		-	1,240,774
Trade and other receivables		86,159	569,077
Income tax receivables		-	13,898
Derivative financial instruments		-	92,143
Cash and cash equivalents		209,054	843,493

Cash and cash equivalents		2022	2021
Assets held for sale		295.213	2.759.385
		-	122.301
<b>Total assets</b>		<b>2.202.657</b>	<b>6.746.421</b>
<b>Equity</b>			
Share capital and share premium	15	1.020.081	1.020.081
Reserves	16	281.104	260.642
Retained Earnings		765.156	714.744
<b>Total equity</b>		<b>2.066.341</b>	<b>1.995.467</b>
<b>Liabilities</b>			
<b>Non-current liabilities</b>			
Interest bearing loans & borrowings		-	1.149.696
Lease liabilities		9.611	16.532
Deferred income tax liabilities		-	60.807
Retirement benefit obligations		7.977	174.211
Provisions		-	22.248
Other non-current liabilities		174	11.956
		<b>17.762</b>	<b>1.435.450</b>
<b>Current liabilities</b>			
Trade and other payables		36.491	1.954.091
Derivative financial instruments		-	2.214
Income tax payable	30	3.582	416
Interest bearing loans & borrowings		-	1.349.300
Lease liabilities		1.257	8.216
Dividends payable	32	77.224	1.267
		<b>118.554</b>	<b>3.315.504</b>
<b>Total liabilities</b>		<b>136.316</b>	<b>4.750.954</b>
<b>Total equity and liabilities</b>		<b>2.202.657</b>	<b>6.746.421</b>

### Parent Company Statement of Comprehensive Income

		For the year ended	
	Note	31 December 2022	31 December 2021
<b>Continuing Operations</b>			
<b>Revenue from contracts with customers</b>		<b>38.167</b>	<b>3.729</b>
Cost of sales		(34.697)	(3.390)
<b>Gross profit / (loss)</b>		<b>3.470</b>	<b>339</b>
Selling and distribution expenses		-	-
Administrative expenses		(7.628)	(2.567)
Exploration and development expenses		-	-
Other operating income and other gains	27	180.131	3.680
Other operating expense and other losses	27	(21.373)	(3.261)
<b>Operating profit / (loss)</b>		<b>154.600</b>	<b>(1.809)</b>
Finance income		6.761	3.400
Finance expense		(513)	-
Lease finance cost		(461)	(616)
Currency exchange gain / (loss)		-	-
Dividend income	32	234.069	14.525
<b>Profit / (loss) before income tax from continuing operations</b>		<b>394.456</b>	<b>15.500</b>
Income tax credit / (expense)		(3.558)	(3.410)
<b>Profit / (loss) for the period from continuing operations</b>		<b>390.898</b>	<b>12.090</b>
<b>Other comprehensive income / (loss):</b>			
<b>Other comprehensive income / (loss) that will not be reclassified to profit or loss (net of tax):</b>			
Actuarial gains / (losses) on defined benefit pension plans		917	-
<b>Other comprehensive income / (loss) for the year, net of tax</b>		<b>917</b>	<b>-</b>
<b>Total comprehensive income / (loss) for the year from continuing operations</b>		<b>391.815</b>	<b>12.090</b>
<b>Discontinued operations</b>			
Total comprehensive income after tax for the period from discontinued operations	9	-	197.984
<b>Total comprehensive income / (loss) for the period</b>		<b>391.815</b>	<b>210.074</b>

### Parent Company Statement of Cash flows

Note	For the year ended	
	31 December 2022	31 December 2021
<b>Cash flows from operating activities</b>		
Cash generated from / (used in) continuing operations	<a href="#">33</a> 8.122	1.870
Cash generated from / (used in) discontinued operations	<a href="#">33</a> -	96.162
Income tax received / (paid)	-	13.145
<b>Net cash generated from / (used in) operating activities</b>	<b>8.122</b>	<b>111.177</b>
<b>Cash flows from investing activities</b>		
Purchase of property, plant and equipment & intangible assets	(112)	-
Proceeds from disposal of property, plant and equipment & intangible assets	10.960	-
Participation in share capital increase of subsidiaries, associates and joint ventures	(41.142)	(1.138)
Loans and advances to Group Companies	(128.197)	(22.252)
Interest received	3.713	3.400
Dividends received	208.354	46.525
Proceeds from disposal of assets held for sale	265.516	-
Net cash generated from / (used in) investing activities from discontinued operations	-	(107.943)
<b>Net cash generated from / (used in) investing activities</b>	<b>319.092</b>	<b>(81.408)</b>
<b>Cash flows from financing activities</b>		
Interest paid	(513)	-
Dividends paid to shareholders of the Company	(244.984)	(30.320)
Payment of lease liabilities - principal, net	(2.202)	(3.275)
Payment of lease liabilities - interest	(461)	(616)
Net cash generated from / (used in) financing activities from discontinued operations	-	(160.820)
<b>Net cash generated from / (used in) financing activities</b>	<b>(248.160)</b>	<b>(195.031)</b>
<b>Net increase / (decrease) in cash and cash equivalents</b>	<b>79.054</b>	<b>(165.262)</b>
<b>Cash and cash equivalents at the beginning of the period</b>	<b>843.493</b>	<b>992.748</b>
Exchange gain / (loss) on cash and cash equivalents from discontinued operations	-	16.007
Net increase / (decrease) in cash and cash equivalents	79.054	(165.262)
<b>Cash and cash equivalents at end of the period</b>	<b>209.054</b>	<b>843.493</b>

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