PRESS RELEASE | Brussels, 3 march 2023, 8:00 am – Elia Group (Euronext: ELI)

Full-year results: Elia Group accelerates decarbonisation and electrification, in line with Europe's pressing needs

Regulated information

Highlights

- Acceleration of capex up by 25% compared to 2021, grid investments totalling €449.5 million in Belgium and €1,085.5 million in Germany
- Strong grid reliability of 99.99% and 99.79% in Belgium and Germany respectively, while ensuring operational excellence, quality and efficiency
- Powering Industry towards Net Zero, Elia Group's vision paper on anchoring European industry through electrification and low-carbon electrons
- Net profit Elia Group share of €341.7 million[1] leading to a return on equity (adj.) of 7.52%
- A dividend of €1.91 per share will be proposed at General Meeting on 16 May 2023

> *"Despite operating in a complex environment, Elia Group in 2022 realised a large capital increase and took further steps to fast-forward the energy transition. Major infrastructure works were completed on land and at sea and the development of the world's first energy islands kicked off. Simultaneously, we are digitalising our company to improve the efficiency of our grid and to better manage growing system complexity. With the spread of electrification across the mobility, heating and industrial sectors, more interfaces and opportunities are emerging in terms of flexible consumption. The energy crisis made it clear that electrification combined with the accelerated expansion of low-carbon electrons will contribute both to meeting climate objectives and anchoring industry in Europe. More cooperation will therefore be needed, including with regulators and public authorities."*
>
> ***Chris Peeters, CEO Elia Group***

[1] Net profit Elia Group share refers to the net profit attributable to owners of ordinary shares.

elia group
Elia | 50Hertz | EGI

FAST-FORWARDING THE GREEN TRANSITION

MEGATRENDS AFFECTING THE ELECRITICY SECTOR

Accelerated decarbonisation and electrification

The Russian invasion of Ukraine in February 2022 returned a sense of urgency to the European energy debate. The geopolitical crisis and record-breaking energy prices have prompted the European Union to take stronger ownership of its energy production and more rapidly fulfil its commitments to renewable energy, decarbonisation and electrification.

In April, the German government passed its so-called ‘Easter package’, which included a number of legislative changes and the introduction of new frameworks related to renewable energy and power grids and markets. Alongside eliminating the EEG levy for consumers (the costs for promoting renewable energy development is now financed through the Energy and Climate Fund and 50Hertz will keep acting as a trustee for other mechanisms), the country is now aiming for 80% of its gross electricity consumption to be covered by renewables by 2030. Additional targets included in the package are reaching 160 GW of onshore wind energy by 2040 and reaching at least 30 GW, 40 GW and 70 GW of offshore wind energy by 2030, 2035 and 2045 respectively. The package also saw renewable energy being defined as an overriding matter of public interest and security, which should speed up the permitting processes associated with new renewable projects and reduce delays associated with legal appeals.

In May 2022, the European Commission published its REPowerEU Plan, which builds on the European Green Deal (2019) and Fit for 55 legislative package (2021). The plan aims to reduce Europe’s dependence on Russian fossil fuels. It focuses on the diversification of Europe’s energy supplies, energy saving measures and increasing clean power.

The building of ‘leading’ grid infrastructure is critical for matching society’s ambition to accelerate the transition. Since areas with high amounts of renewable energy sources (RES) are often remote, the need for long-distance electricity transmission is rising. Moreover, areas with complementary production patterns need to be connected as the availability of RES is not equally distributed across Europe.

Flexible electricity consumption to integrate more renewables and lower costs

Industrial electrification, the rise of electric vehicles, heat pumps and batteries are fundamentally changing the way consumers are interacting with the electricity system. The flexibility that is embedded in their electrical appliances is increasing sector convergence and is an important accelerator for an efficient energy transition.

These new flexible appliances will allow households to consume more electricity when there is lots of wind and sunshine available and reduce or even shift their consumption in time when renewable generation is limited. Elia Group's 'Consumer-Centric Market Design' (2021) aims to facilitate this. Once rolled out, existing and new energy service suppliers will be able to provide their customers with better products and incentives, allowing them to monetise their flexibility and lower electricity costs.

Moreover, industry will become a key provider of flexibility as it decarbonises its processes. Today, the business case is mostly focused on industry providing ancillary services to the power system. However, much broader opportunities are available, allowing industry to better align its consumption with renewable generation patterns and optimise it against dynamic electricity prices. See Elia Group's study on industrial electrification '**Powering Industry towards Net Zero**'.

Digitalisation to deliver system efficiency

The rise of new technologies that are used for monitoring and maintenance purposes is contributing to system efficiency. The internet of things and artificial intelligence are leading to the establishment of smart grids (which can be monitored on a continuous basis), automatic decision-making and enhanced risk prediction and incident analysis. Blockchain systems are enabling the trading of energy between different parties and the tracking of green energy from source to consumer.

Access to the right data will be necessary for managing this increasingly complex electricity system. In turn, this will lead to data security and consent management becoming key areas of responsibility and concern.

Increasing international cooperation to harness Europe's full RES potential

To make optimal use of the continent's renewable energy sources, Europe needs to set up frameworks for partnerships between countries with different levels of RES. The rise of hybrid interconnectors and energy islands will allow electricity to be exchanged between countries whilst also connecting them to offshore wind farms.

These interconnectors and energy islands are forming the first building blocks of a European meshed offshore grid. See Elia Group's white paper on promoting hybrid interconnectors - '**Harvesting Europe's full offshore wind potential**' - published in 2022.

2022 IN A NUTSHELL

GOOD PROGRESS MADE ON MAJOR INFRASTRUCTURE WORKS

In line with society's desire to accelerate the integration of renewable energy into energy systems, Elia Group is making good progress on key projects in Belgium and Germany. These are aimed at strengthening their respective grid backbones and subsea connections, so facilitating the decarbonisation of society.

BELGIUM | Further reinforcement of the grid backbone

In April, work began on the Mercator-Bruegel project, which involves the reinforcement of the high-voltage overhead line between the Mercator substation in Kruibeke and Bruegel substation in Dilbeek. The line forms an important part of the backbone of the Belgian high-voltage grid. Its reinforcement will mean that it will be able to transport increased electricity flows (up to 6 GW), so helping to secure the country's electricity supply in future.

As part of the second phase of the Boucle de l'Est project, the existing Bévercé-Bronromme-Trois-Ponts 70 kV overhead line is being replaced by a new double 110 kV line which will run along a distance of 25 km. After two years of construction work, the line was commissioned at the end of 2022. The Boucle de l'Est project, which is being carried out in several phases, will ensure the reliability of Belgium's electricity network and help the grid accommodate increasing amounts of renewable energy.

In December, Elia Transmission Belgium (ETB) and RTE officially unveiled the reinforcement of the Avelgem-Avelin interconnector that links Belgium to France. The Avelgem-Avelin connection is now equipped with high-temperature low-sag conductors, state-of-the-art technology which enables twice the amount of power to be carried across it (from 3 to 6 GW). This will contribute to ensuring security of supply in both countries and will strengthen the integration of the European electricity market.

GERMANY | Expansion of both the on- and offshore grid

Two further sections of the 380 kV overhead line Nordring Berlin were completed in March 2022 following construction work that lasted for 17 months. 75 additional pylons were erected during this period, which means that the largest part of the replacement work for this line has been completed. The remaining sections are due to be completed before the end of 2023. The overhead line is key for transporting growing volumes of renewable energy from the northeast of Germany to consumption centres and for securely supplying the Berlin metropolitan area with an increasing share of renewable energy in the long term.

Along with DSO MITNETZ STROM, 50Hertz opened the new substation of Altdöbern in Lusatia in June to facilitate the integration of renewable energy into the grid. The substation is helping to ensure that the region will be provided with a secure and reliable electricity supply and is facilitating the transport of electricity from surrounding wind and solar farms via the 50Hertz transmission grid to consumption centres.

In June, construction work was started on the largest ground-mounted photovoltaic system in Europe. Located near Leipzig, the site of the ‘Energiepark Witznitz’ covers 500 hectares. Once completed, the solar farm will have a total capacity of 650 MW and will be connected to the 380 kV 50Hertz grid. The farm is due to be commissioned in March 2023.

In July, the German Federal Administrative Court reached a final decision regarding the Uckermark Line, which is due to be 115 kilometres long. The 380 kV line will supply Berlin with electricity generated by biomass and wind power stations in Brandenburg. The planning of the Uckermark line dates back to 2005. In 2022, the Court finally gave its approval for the line to be built - a decision that took 17 years. If we want to take climate protection seriously, we can no longer afford such long procedures. In October 2022, the 40 kilometre southern section of the Uckermark Line (GE) was put into operation following almost two years of construction work. The 380 kV line begins to the north of the substation in Neuenhagen, near Berlin and join an existing line in the vicinity of Golzow, near Britz.

Moreover in July, the Arcadis Ost 1 wind farm was connected to 50Hertz’s grid. This followed the installation of the electrical equipment on the Arcadis Ost offshore substation in Aalborg, Denmark, and the installation of the transformer platform onto its monopole foundation in the Baltic Sea.

Half of the underground work relating to the replacement of the land-based section of the KONTEK cable was completed by July. The cable, which runs across a distance of 150 kilometres and can carry up to 600 MW of electricity, has allowed Germany and Denmark to exchange power with each other since it was constructed in 1995. The subsea section of the cable was replaced by Energinet in 2010. 50Hertz, which is responsible for the land-based section of the cable in Germany, was granted permission to replace the latter in 2022.

In October, tunneling work was officially started as part of the Berlin diagonal power link. The tunnelling work will take up to two years to complete and is being carried out with an underground drilling machine that can be used at depths of up to thirty metres. The line itself, which is due to be commissioned in 2028, will be an important link in the high-voltage grid in and around the German capital.

PERMITS AND CONTRACTS

50Hertz granted permission for major grid reinforcement project between Saxony and Thuringia

In September, the Federal Network Agency granted 50Hertz the permission to finalise the replacement of the eastern section of the high-voltage line that lies between Saxony and Thuringia. 50Hertz had already begun preparing the construction of the western section of the line before this. The replacement line, which will cover a distance of approximately 100 kilometres, is due to be commissioned in 2025 and will be able to transport up to 40% more electricity.

SuedOstLink and SuedOstLink+ project

Both the SuedOstLink and its extension, the SuedOstLink+, form part of 50Hertz's efforts to transport wind energy generated in the north of Germany to consumption centres in the south.
In August, TenneT and 50Hertz got a head start on the SuedOstLink project by awarding the contracts to two companies for the link's second cabling system.

By June, the 50Hertz project team had shared its draft plan for the SuedOstLink+ project to public authorities and members of the public during information events held throughout the first half of the year. The feedback 50Hertz received on its draft plan was being evaluated at the end of 2022 before a formal application for the work was submitted to the German Federal Network Agency in early 2023.

Contracts awarded as part of largest wind farm in Baltic Sea

50Hertz and wind farm operator Skyborn Renewables are working on the implementation of the Ost-6-1 project, or Gennaker offshore wind farm, which is due to be the largest wind farm in the German Baltic Sea. In December, an important step was reached as part of the project: a Dutch-Belgian consortium was awarded the contracts for the construction of the project's two substations. Gennaker will have a capacity of 927 MW and will be located about 15 kilometres off the German coast.

BUILDING THE GRID OF THE FUTURE

BELGIUM

ETB launches consultation for its Federal Development Plan 2024-2034

On 2 October, as part of its legal responsibilities, ETB launched a public consultation exercise regarding its 2024-2034 Federal Development Plan. A new Federal Development Plan is prepared every four years; each covers all the investments that need to be made in the electricity transmission grid (380-110 kV) over a ten-year period in order to make the energy transition a success. As outlined in the plan, ETB is aiming to make the country's energy system more independent, resilient and sustainable.

The plan outlines the necessary changes that the country's electricity system needs to undergo and outlines the hypotheses and methods chosen to calculate associated investments. The plan covers the reinforcement and expansion of the internal backbone of the 380 kV grid, the development and integration of the offshore grid and onshore interconnections, the development of hosting capacity, and an investment programme pertaining to the 220 kV, 150 kV and 110 kV transmission grids. The plan must be approved by the Federal Minister of Energy by May 2023 at the latest.

ETB's energy island recognised as spearhead project for EU funding

In December 2022, ETB signed an agreement with the Belgian Government relating to financial support offered up as part of the European Commission's Recovery and Resilience Facility. The €99.7 million grant will be used to construct the Princess Elisabeth Island, which will become a major European energy hub. Located about 45 km off the Belgian coast, the island will bring renewable energy produced by wind farms in the second offshore wind zone to shore. In time, it will also serve as a hub for additional interconnectors with Great Britain (Nautilus) and Denmark (TritonLink).

GERMANY

Connecting 30 GW of offshore wind to Germany's onshore grid by 2030

The Federal Ministry of Economics and Climate Protection, the cities of Bremen and Hamburg, and the German states of Mecklenburg-Western Pomerania, North Rhine-Westphalia, Lower Saxony and Schleswig-Holstein signed an agreement with three of Germany's TSOs (50Hertz, TenneT and Amprion) in November covering the connection of 30 GW of offshore wind energy to the mainland grid by 2030. The three TSOs will work closely together to achieve this goal, which was also the focus of the first offshore agreement signed in 2020.

Ostwind 3 planning documents submitted

In December, 50Hertz submitted the planning documents related to the subsea cable sections of the Ostwind 3 project to the Ministry of Economics, Infrastructure, Tourism and Labour of Mecklenburg-Western Pomerania. The Ostwind 3 project comprises the construction of the grid connection for the 300 MW Windanker wind farm, which Iberdrola is building in the Baltic Sea.

MARKET FACILITATION

Capacity Remuneration Mechanism (CRM) auctions held in Belgium

In April, ETB published the results of the rerun of the first CRM auction, which was triggered following the ministerial order of 25 March 2022. The rerun of the first auction related to securing back-up capacity for the delivery year 2025-2026, when 5 of the 7 Belgian nuclear reactors will have been shut down. The rerun was necessary because one of the successful bidders was not granted the permit it required to operate. In September 2022, Doel 3 was the first Belgian nuclear reactor that phased out.

In October, ETB published the results of the second CRM auction (Y-4 for 2026-2027). The auction took into account the extension of two nuclear reactors and the previous successful auction. In the end, no capacity was contracted. Producers that hold existing production capacity (amounting to a total of 6,682 MW) postponed their offers until the Y-1 auction. The volume of capacity relating to this so-called "Opt-Out IN" decision was deducted from the volume that was being auctioned off (demand curve of 6,417 MW). As a result, this year's Y-4 auction for 2026-2027 was fully covered.

The CRM forms part of a raft of measures introduced by the Belgian Federal Government which are designed to guarantee the country's security of supply as the share of renewable energy in its energy mix increases.

Extension of market coupling mechanism

On 8 June 2022, the flow-based market coupling mechanism was extended to cover a larger region across Europe. The mechanism is intended to ensure that electricity flows more efficiently from one country to another by taking into account congestions across the whole of the regional grid. This is crucial for the efficient sharing of excess renewable energy across borders. The extended market coupling mechanism now covers the day-ahead market in all 13 countries of the so-called Core capacity calculation region (CCR), which includes Belgium and Germany.

PARTNERSHIPS SHAPING THE FUTURE ENERGY MARKET

Elia Group expands its international offshore activities

In February, Elia Group's Board of Directors approved the formation of a new subsidiary: WindGrid. The creation of WindGrid is a logical step in the international expansion of Elia Group as substantial investments in the offshore grid are due to be undertaken over the next few years in Europe and elsewhere. Through WindGrid, Elia Group is ready to meet these needs.

WindGrid will build on Elia Group's unique experience in both the North and the Baltic seas. The Group is at the forefront of innovative approaches in offshore grid design and so is well placed for playing a leading role in the shaping of future offshore grid projects.

In October 2022, the US utility company PPL Corporation and WindGrid signed a cooperation agreement covering the connection of future offshore wind farms in New England to the onshore grid. PPL and Elia Group participated in a **Request for Information**, which was launched by five states in New England: Massachusetts, Connecticut, Rhode Island, Maine and New Hampshire.

In Europe, WindGrid has continued to identify and progress near term development opportunities, while in parallel originate medium term opportunities.

EGI and National Grid SA work together

In March, EGI was contracted by National Grid SA to analyse three key areas of system development in light of Saudi Arabia's energy system: production planning, grid development and grid stability. EGI is supporting the country to meet its goal of integrating at least 60 GW of RES into its grid by 2030. This will require a fundamental transformation of the country's electricity system and raises complex challenges in terms of its security of supply.

Hexicon and EGI bundle their expertise to optimise floating wind transmission connections

In May, EGI and Hexicon joined forces to develop projects that aim to connect the wind energy produced by large-scale floating offshore wind farms to onshore grids across the globe. Their five-year cooperation involves two phases which will include the sharing of expertise during both the pre-development and development phases of projects.

Elia Group and re.alto begin working with Elli

In September, Elia Group and re.alto signed a memorandum of understanding with Elli, a subsidiary of Volkswagen Group, to accelerate the integration of electric vehicles into the electricity system. As increasing amounts of intermittent renewable energy are integrated into the grid, it is becoming increasingly difficult to ensure that the supply of electricity meets the demand for it. Electric vehicles will be able to provide a significant part of the flexibility that the electricity system will need in future.

THOUGHT LEADERSHIP AT SOCIETY'S SERVICE

Harvesting Europe's full offshore wind potential: a white paper

Despite the need to accelerate renewable energy projects across the European Union, offshore wind objectives are not being translated into action at a fast enough speed. In April, Elia Group therefore published a white paper on hybrid interconnectors, which outlines both the issues at hand and its proposals for addressing them: a combination of offshore wind farms and hybrid offshore interconnectors can maximise the renewable energy potential held in the North and Baltic seas. The white paper was launched during the WindEurope event in Bilbao.

First Elia Group Offshore Innovation Day

The European Commission is aiming to make offshore wind energy a cornerstone of Europe's future energy system by 2050. It is in this spirit that Elia Group held its first Offshore Innovation Day in June at the port of Ostend. The event brought together specialists from a variety of sectors to discuss the future of the offshore sector and the role of innovation in the exploration of fresh opportunities for accelerating the energy transition. →Watch the Offshore Innovation Day highlights **here**.

First Baltic Sea Conference held to harness offshore potential in Baltic Sea

50Hertz held its first Baltic Sea Conference in September, aiming to encourage European cooperation by bringing experts from the worlds of politics, economics and technology together. The conference involved experts discussing how best to harness the offshore wind energy potential held in the Baltic Sea. In addition to more partnerships, Europe needs to change the design of its electricity market; encourage the growth of strong industry that can stand its ground in the global competition for commodities, components and supply chains; and build more hybrid interconnectors. →Watch the Baltic Sea Conference highlights **here**.

Powering Industry towards Net Zero: Elia Group's annual vision paper

Launched in November, 'Powering Industry Towards Net Zero' demonstrates that the decarbonisation of industry is occurring at lightning speed. Electrification is playing a key role in this. By 2030, industrial electricity consumption is expected to grow by 40% and 50% in Germany and Belgium respectively. In all considered scenarios, access to affordable low-carbon electrons was found to be crucial for accelerating the electrification of industry, making it more resilient and sustainable. The rapid expansion of renewable energy therefore occupies a crucial position in industrial decision-making - and will encourage the anchoring of industry in Europe. → Watch the launch of our study **here**

REGULATORY

CREG approves tariff methodology for 2024-27

The Belgian Federal Commission for Electricity and Gas Regulation (the CREG) officially approved the electricity tariff methodology for the period covering 2024-27. The approval follows a public consultation on the methodology used (launched in April) and its approval by the Federal Government in early June. The new tariff methodology is similar to the methodology which is currently in force. The regulatory framework will remain as a cost-plus model, with cost coverage of all reasonable costs and remuneration. Based on the parameters described in the methodology, the average regulatory return on equity for the period should be around 5.7%, in accordance with the effective results on incentive regulation.

Ensuring security of supply while delivering net zero goals, can only be achieved with stable regulatory frameworks that incentivise the timely delivery of the investments required. Elia Group remains committed to working with governments and regulators to achieve this as we focus on stimulating investments to accelerate decarbonisation and electrification.

FINANCE

Successful capital increase of €590.1 million

As the Euronext Brussels bell rang on 28 June 2022, it marked Elia Group's successful completion of a €590.1 million capital increase. All new shares offered as part of the preferential subscription offer were subscribed (88.64% as part of the public offering and 11.36% as part of the private placement).

Second green bond of €750 million successfully issued

In early September, Eurogrid GmbH (the parent company of 50Hertz) secured liquidity for the grid expansion needed for the energy transition: it issued its second green bond of €750 million. This will allow 50Hertz to finance selected on- and offshore projects, significantly increasing the grid's integration and transportation of renewable energy.

AWARDS & RECOGNITONS

re.alto obtains ISO 27001 certificate

In June, Elia Group's digital market place re.alto obtained an ISO 27001 certificate, demonstrating its alignment with international standards for managing and applying information security and compliance. Obtaining the certificate has helped to reinforce the start-up's ambitions as a marketplace for the exchange of energy data.

ETB once again awarded 'Top Employer' label

For the fifth year in a row, ETB was named as one of the best employers in Belgium. The 'Top Employer' label rewards companies that offer their employees an excellent working environment. In 2022, 84 Belgian companies received the award.

In April, 50Hertz's received a 'Seal of Approval for Fair and Career Promoting Trainee Programmes' from the Trendence Institute, in recognition of its trainee programme. The programme lasts 24 months and aims to prepare graduates to manage the electricity grid of the future. The shortage of skilled workers is one of the greatest challenges facing the energy sector at present. Germany needs young talent to be trained in the areas of planning, implementation, construction and maintenance of electricity grid infrastructure.

CORPORATE GOVERNANCE

New board directors

On 1 January, Interfin SCRL/CVBA permanently represented by Thibaud Wyngaard, joined Elia Group and ETB/Elia Asset as new director. He replaced Luc Hujoel as a co-opted director. His appointment was confirmed during the general meeting which took place on 17 May 2022. During the same general meeting, Laurence de L'Escaille was appointed for a term of three years as Elia Group's new independent director, so replacing Jane Murphy. Pascale Van Damme was appointed for a term of three years as Elia Group's new independent director, replacing Saskia Van Uffelen. Michel Allé and Luc De Temmerman were re-appointed for a term of three years as Elia Group independent directors.

Elia Group´s compass for a sustainable future

Our ActNow programme embeds sustainability into our strategy and business activities through concrete and measurable targets for the Group to reach.

Climate Action	2019 (base year)	2021	2022	Target 2030
Carbon intensity of electricity production mix BE[2] (gCO2/kWh)	170[4]	117[3]	127[3]	n.a
Carbon intensity of electricity production mix DE (gCO2/kWh)	408[4]	420[4]	432[3]	n.a.
EU Taxonomy aligned CAPEX	n.a.	n.a.	99.87%	n.a.
Lines commissioned (Km)	453	255[5]	324	n.a
CO2 footprint of grid losses (ktCO2e)	1,022[4]	1,063[4]	1,173	-28% compared to 2019
Grid reliability Elia (based on AIT)	99.99%	99.99%	99.99%	n.a.
Grid reliability 50Hz (based on # of incidents)	99.86%	99.83%	99.79%	n.a.
Emissions from mobility (ktCO2e)[6]	7.3	5.5	6.3	-90% compared to 2019
SF6 leakage rate	0.15%	0.13%	0.13%	below 0.25%
Scope 3 data maturity	0%	0%	0%	60% by 2023

Environment & Circular Economy	2019	2021	2022	Target 2030
Forest corridors managed ecologically (ha)	75%	79%	81%	90% / 5,530
HV lines critical to birds equipped with bird markers (km)	52%	60%	62%	100% / 600

Health & Safety	2019	2021	2022	Target 2030
Group TRIR own staff	4.6	6.1	4.6	n.a.[10]
Health rate Group[7]	96.7%	97.0%	96.1%	Above 95%

Diversity, Equity & Inclusion[9]	2019	2021	2022	Target 2030
Women in leadership positions	17.2%	22.1%	22.9%	Currently being defined
Women in total workforce	21.1%	22.2%	22.9%	Currently being defined
# Nationalities[8]	27	38	53	n.a.

2.Using direct emissions only; 3 Own calculation; 4 Based on European Environment Agency (Belgium) and based on Umweltbundesambt (Germany). 5. Updated due to calculation error in last reporting 6 Including fleet, business travel, excluding commuting; 7 corresponds to Absentee Rate (1-x); 8 Non BE/DE nationalities; 9. Past values updated to cover the following entities included in consolidation: Elia Group SA/NV, Elia Transmission Belgium SA/NV, Elia Grid International, Eurogrid international, WindGrid SA/NV, 50Hertz Transmission and Eurogrid GmbH; 10. Target with subcontractors included is below 6.5

		2019	2021	2022	Target 2030
	% of foreign nationalities represented in workforce	2.6%	3.6%	4.6%	n.a.
	Governance, Ethics & Compliance	2019	2021	2022	Target 2030
	ESG Governance Index[11]	1/12	4/12	8/12	12/12 by 2024
	Compliance Index[11]	5/12	5/12	9/12	12/12 by 2024
	# Public info-dialogue sessions related to grid projects	75	68	117	n.a.

11. Composition of the indexes available on our website

DIMENSION 1:

Climate action

2022 was an exceptional year for the energy sector for many reasons. This was reflected in our CO_2 emission figures. Despite the fact that 2022's renewable energy production levels broke many records in both Belgium and Germany, the CO_2 intensity related to electricity production in both countries still increased. In Belgium, more gas was used in order to help our neighbouring countries as well as to compensate for the closure of the first nuclear power plant. In Germany, more coal was used to compensate for the Russian gas supply gap and increased export needs. This means the emissions from grid losses rose slightly in both the Elia and the 50Hertz control areas in 2022. In terms of the Group's business activities, we will install solar panels with a peak load of 7MW across our Belgian premises by 2030, so meeting part of our own consumption needs.

This year our SF_6 leakage rate was far below our target of 0.25%, demonstrating that our efforts over the last few years to reduce leakage rates have been successful.

Dimension 2:

Environment &circular economy

2022 was a very good year for our ecological aisle management programme: it covered a total of 82.9 ha in 2022 (63 ha more than in 2021), exceeding our targets in both countries.

Moreover, by the end of 2022, 75% of Elia Group's high-voltage lines identified as posing a critical danger to birds had bird markers installed along them. We remain confident that we will reach our target of 600 km of HV lines to be equipped with bird markers, as 2022 saw many innovations in this area, most notably the installation of bird markers using drones.

Dimension 3:

Health &safety

Our track record for safety in 2022 was overshadowed by a fatal accident involving a contractor that occurred during cable pulling works on 22 July 2022. An investigation into the accident was carried out and additional measures are being implemented to prevent such incidents from reoccurring. The event has reinforced the Group's resolve to make sure that all our employees and contractors return home safely every day. Looking at the Group's overall safety performance, the 2022 TRIR value shows a clear improvement compared with 2021: the 2022 value remained well below our target, reflecting our workforce's continued focus during their day-to-day activities and the positive impact of our health and safety initiatives.

.

Dimension 4:

Diversity, equity &inclusion (DEI)

We again made steady progress on all 4 KPIs compared with last year, particularly with respect to the number of nationalities employed by the Group (+15). This confirms that our work on becoming more inclusive and growing into a truly international Group are delivering results. To further our work in this area, Elia Group became a Member of the EU Platform for 'Equality in the Energy Sector' in 2022.

Dimension 5:

GOVERNANCE, ETHICS &COMPLIANCE

As can be seen from the dashboard, in 2022 we delivered on 8 additional areas in our Governance and Compliance indexes. Most notably, we set-up an anti-bribery and corruption policy for all Group entities and we published our Human Rights Policy. Along with the executive committees from both entities we also set up an annual meeting which will address the embedding of sustainability into decision-making processes such as budget planning, strategic planning, and operational processes. Both ETB and 50Hertz appointed compliance coordinators. Finally, we established a Remuneration Committee at Eurogrid. At the end of 2022, Elia Group's 2021 activity, sustainability and financial reports were given the 'Best Sustainability Report on Stakeholder Inclusiveness and Engagement' award by the Institut des Réviseurs d'Entreprises.

2. Key Figures

2.1 Consolidated results and financial position of Elia Group

Key results

Key figures (in € million)	2022	2021	Difference (%)
Revenue, other income and net income (expense) from settlement mechanism	4,113.3	2,859.7	43.8%
Equity accounted investees	39.5	49.4	(20.0%)
EBITDA	1,111.8	1,006.9	10.4%
EBIT	599.4	540.1	11.0%
Adjusted items	*0.0*	*0.0*	n.r.
Adjusted EBIT	*599.4*	*540.1*	*11.0%*
Net finance costs	(43.6)	(106.6)	(59.1%)
Adjusted net profit	**408.2**	**328.3**	**24.3%**
Net profit	**408.2**	**328.3**	**24.3%**
Non-controlling interests	*47.2*	*33.1*	42.6%
Net profit attributable to the group	**361.0**	**295.2**	**22.3%**
Hybrid securities	*19.2*	*19.2*	0.0%
Net profit attributable to owners of ordinary shares	***341.7***	***276.0***	***23.8%***
Key figures of the financial position (in € million)	2022	2021	Difference (%)
Total assets	20,594.3	18,144.3	13.5%
Equity attributable to owners of the company	5,319.6	4,552.0	16.9%
Net financial debt	4,431.6	4,886.3	(9.3%)
Net financial debt, excl. EEG position	7,367.6	6,996.3	5.3%
Key figures per share	2022	2021	Difference (%)
Reported earnings per share (in €) (Elia share)	4.80	4.02	19.5%
Return on equity (adj.) (%) (Elia share)	7.52	7.56	(0.5%)
Equity attributable to owners of the company per share (in €)	62.8	56.0	12.1%

See the glossary for definitions
See Section 4 for information on adjusted items

Pursuant to IFRS 8, the Group identified the following operating segments:

— **Elia Transmission (Belgium)**, which comprises regulated activities in Belgium (i.e. the regulated activities of Elia Transmission Belgium);
— **50Hertz Transmission (Germany)**, which comprises regulated activities in Germany;
— **Non-regulated segment and Nemo Link**, which comprises non-regulated activities within Elia Group, Nemo Link, Elia Grid International, Eurogrid International, re.alto, WindGrid and the financing cost linked to the acquisition of an additional 20% stake in Eurogrid GmbH in 2018.

Rounding – In general, all figures are rounded. Variances are calculated from the source data before rounding, meaning that some variances may not add up.

Financial

For 2022, **revenue** totalled €4,113.3 million, up 43.8% compared to the previous period. This increase was driven by higher revenues in Belgium (+€361.8 million) and Germany (+€875.7 million), which were partially offset by lower revenues from Elia Grid International (-€4.2 million).

EBIT increased compared to the previous period, totalling €599.4 million (+11.0%), driven by a higher EBIT in both Belgium (+€34.9 million) and Germany (+€41.2 million). For Belgium, this increase was the result of a higher regulated net profit, higher depreciations linked to the growing asset base and higher financial costs all passed through into revenue. In Germany, the higher EBIT was mainly a result of higher investment remuneration, lower operational expenditures as prior year costs were marked by a peak in the maintenance cycle and one-off regulatory settlements. Associates contributed to the Group's EBIT for €39.5 million (-€9.9 million). The decrease is entirely driven by a lower contribution of Nemo Link, which amounted to €37.1 million (-€9.9 million), as its revenues reached the cumulative cap under the cap & floor regulation in 2022.

Elia Group's (adjusted) net profit increased by 24.3%, reaching €408.2 million:

- **Elia Transmission (Belgium)** achieved strong results with an adjusted net profit of €156.9 million (+€25.9 million). The higher result is mainly due to a higher fair remuneration driven by the increase of equity, a higher performance on incentives, positive contribution from employee benefits, as well as the one-off tariff compensation for the financial cost linked to the capital increase.

- **50Hertz Transmission (Germany) (on a 100% basis)** recorded a higher adjusted net profit of €236.1 million (+€70.7 million). The result is mainly driven by higher investment remuneration from asset growth, higher financial result driven by lower long-term provisions and a reduction in operational costs. This is partially offset by higher depreciations and lower regulatory settlements.

- The **non-regulated segment and Nemo Link** posted a lower adjusted net profit of €15.2 million (-€16.7 million), which is driven by the strong performance of Nemo Link reaching the cumulative cap but offset by the higher holding and other costs for the further expansion of its international offshore activities.

The **net profit of Elia Group attributable to the owners of ordinary shares** (after deducting the €47.2 million in non-controlling interest and €19.2 million attributable to hybrid securities holders) was up by 23.8%, reaching €341.7 million. This increase was driven by the realisation of investments in Belgium and Germany, a higher remuneration in Belgium following the capital increase and the important contribution from Nemo Link. Additionally, the result benefitted from a higher financial result in Germany due to the discounting of long-term provisions.

In 2022, Elia Group invested €1,535.0 million. Focusing on strengthening the internal backbone in both the Belgian and German grids, the development of the necessary offshore infrastructures allowing the integration of increasing amounts of renewable energy into the grid and to further support the digitalization of our infrastructure. Elia Group carried a total **net financial debt of** €4,431.6 million (-€454.7 million) at the end of 2022. This decrease was primarily driven by the cash from the capital increase that took place at the end of June (€590.1 million) and partly offset an increase of the net debt at 50Hertz. The increase in net debt in Germany (+€240.4 million) was mainly attributable to the realisation of the investment programme and the high energy costs impacting negatively the operating cash flow, partly offset by a high EEG cash inflow (+€826.0 million) which resulted from the very high energy market prices. In Belgium, Elia's net debt dropped by €524.8 million mainly driven by the organic growth being financed entirely by cash flow from operating activities and proceeds from the capital increase allocated to the Belgian segment (€290.1 million).

Besides accessing the equity market, Elia Group also tapped into the debt market to strengthen and secure its liquidity position for the further expansion of the grid. As part of the Group's sustainable finance ambitions, Eurogrid GmbH issued its second green bond in September for €750 million at a fixed rate of 3.28%, securing part of the liquidity for its upcoming on-and offshore projects supporting the integration of renewable energy. After this transaction, Elia Group's average cost of debt increased slightly to 1.7% (+3 bps). Following the announcement of a €15.9 billion capex program for the period 2023-2027 as well as the revised financial policy targets, S&P Global affirmed Elia Group's BBB+ rating but revised the outlook to negative from stable at the end of December 2022.

Equity attributable to owners of the company rose by €767.6 million to €5,319.6 million (+16.9%). The increase was mainly due to (i) the net proceeds of the rights issue of €582.9 million, (ii) the €5.0 million capital increase reserved for staff, (iii) the profit attributable to the owners of the company (+€361.0 million), (iv) the revaluation of post-employment benefit obligations (+€8.9 million) and (v) the revaluation of a financial participation in EEX (+€26.2 million). This was offset by the 2021 dividend payment (-€120.3 million). In addition, the hedge reserve decreased by €77.9 million, mainly due the revaluation of future contracts for grid losses by 50Hertz (-€127.3 million) and an interest rate hedge by ETB (+€49.4 million).

2.1.A. Elia Transmission (Belgium)

Highlights

- Delivering on investments to maintain a sustainable and reliable electricity system for society, while increasing the RAB by 1.5% to €5.4 billion
- Higher fair remuneration driven by a higher equity and a growing asset base
- One-off tariff compensation for the financial costs linked to the capital increase
- Realising a return on equity of 5.4%

Key results

Elia Transmission key figures (in € million)	2022	2021	Difference (%)
Revenue, other income and net income (expense) from settlement mechanism	1,561.3	1,199.5	30.2%
Revenues	*1,420.4*	*1,009.8*	*40.7%*
Other income	*147.6*	*68.3*	*116.1%*
Net income (expense) from settlement mechanism	*(6.7)*	*121.4*	*(105.5%)*
Equity accounted investees	2.4	2.3	4.3%
EBITDA	476.4	432.2	10.2%
EBIT	262.0	227.1	15.4%
Adjusted items	*0.0*	*0.0*	*n.r.*
Adjusted EBIT	262.0	227.1	15.4%
Net finance costs	(62.4)	(63.1)	(1.1%)
Income tax expenses	(42.7)	(32.9)	29.8%
Net profit	**156.9**	**131.0**	**19.8%**
Adjusted items on net profit	*0.0*	*0.0*	n.r.
Adjusted net profit	**156.9**	**131.0**	**19.8%**
Key figures of the financial position (in € million)	2022	2021	Difference (%)
Total assets	7,848.6	7,153.5	9.7%
Total equity	2,907.1	2,445.5	18.9%
Net financial debt	2,916.2	3,441.0	(15.3%)
Free cash flow	254.1	(117.6)	(316.1%)

See the glossary for definitions

See Section 4 for information on adjusted items

Financial

Elia Transmission's revenue was up 30.2% compared with last year, increasing from €1,199.5 million to €1,561.3 million. Revenue was impacted by a higher regulated net profit, higher depreciations linked to the growing asset base, one-off tariff compensation for the financial cost linked to the capital increase (i.e. portion allocated to ETB) and higher costs for ancillary services. Higher ancillary services resulted from the high gas prices caused by the war in Ukraine and, to a lesser, extent the increase in imbalance volume caused by the increase in the share occupied by renewables in the energy mix.

The table below provides more details about revenue component changes:

(in € million)	2022	2021	Difference (%)
Grid revenue:	**1,415.8**	**1,006.0**	**40.7%**
Grid connection	44.8	45.1	(0.6%)
Management and development of grid infrastructure	475.3	480.6	(1.1%)
Management of the electrical system	149.8	149.0	0.6%
Compensation for imbalances	365.0	220.6	65.4%
Market integration	22.2	23.2	(4.0%)
International revenue	358.6	87.5	309.6%
Last mile connection	3.5	2.9	19.6%
Other revenue	1.1	0.8	27.3%
Subtotal revenue	1,420.4	1,009.8	40.7%
Other income	147.6	68.3	116.1%
Net income (expense) from settlement mechanism	(6.7)	121.4	(105.5%)
Total revenue and other income	**1,561.3**	**1,199.5**	**30.2%**

Revenues from the **management and development of grid infrastructure**, the **management of the electrical system**, **market integration** and **grid connection** remained stable compared to 2021.

Services rendered in the area of energy management and the individual balancing of balancing groups are paid under **revenues from compensation for imbalances**. These revenues, which increased from €220.6 million to €365.0 million (+65.4%), were largely due to the tariff for maintaining and restoring the residual balance of individual access responsible parties (+€147.8 million). The higher balance activation costs due to the increase in gas prices caused by the war in Ukraine and, to a lesser extent, the increase in imbalance volume caused by the increase in the share occupied by renewables (in particular offshore wind) - which are more heavily influenced by forecast differences in the generation mix - were the main drivers of the revenue increase.

International revenue increased to €358.6 million (+309.6%), mainly due to increasing congestion income on the border with France. Indeed, the prices in France are higher than in the rest of Europe due to nuclear outages, and Belgium, as direct neighbour of France, has a big share of the congestion revenues linked to price spread with France.

The **last mile connection (previously called transfer of asset from customers) increased** compared to the previous year, so driving the further electrification of the power sector, while **other revenues** also increased, mainly due to works delivered to third parties.

The **settlement mechanism** decreased from €121.4 million in 2021 to -€6.7 million in 2022 and encompassed both deviations in the current year from the budget approved by the regulator (-€132.4 million) and the settlement of net surpluses from the previous tariff period (€125.7 million). The operating surplus (-€132.4 million), with respect to budgeted costs and revenue authorised by the regulator, will be returned to consumers in a future tariff period. The surplus was primarily the result of higher costs for ancillary services (+€228.6 million), higher influenceable costs (+€212.7 million) and a higher net profit (+€28.7 million). This was more than offset by an increase in tariff sales (-€247.0 million), which was mainly driven by imbalance compensations, and higher international and other sales (-€396.7 million), including the within-period Cap & Floor adjustment for Nemo Link (€69.1 million), as the cap surplus needs to be returned to the tariffs.

EBITDA rose to €476.4 million (+10.2%) due to a higher regulated net profit, higher depreciations linked to the growing asset base and higher financial costs all passed through into revenue. The **EBIT** increase was more pronounced (+15.4%), mainly due the lower depreciations of assets not covered by tariffs, being the intangible assets expensed during the previous regulatory period and activated under IFRS and for leasing contracts. The contribution of equity-accounted investments remained flat at €2.4 million, linked to the contribution from HGRT.

Net finance cost slightly decreased (-1.1%) compared with the previous year. This was mainly driven by the higher activation of borrowing costs due to the growth of the asset base (€2.1 million) and partially offset by other financial costs. The financial costs linked to Elia Group's capital increase were allocated to the Belgian regulated activities on a pro-rata basis in accordance with the use of proceeds. Under IFRS, these costs (€3.6 million) are directly accounted through equity. During 2022, ETB did not tap into the debt market and had a well-balanced debt maturity profile. The average cost of debt remained at 1.9% at the end 2022 and all outstanding debt had a fixed coupon.

(Adjusted) net profit rose by 19.8% to €156.9 million, mainly due to the following:

1. A higher fair remuneration (+€12.1 million) due to asset growth and higher equity. The increase in equity was mainly driven by the proceeds allocated to the Belgian regulated activities (€290.1 million) following Elia Group's capital increase. Additionally, the fair remuneration benefitted from the capital grant received from the Federal Government in relation to the Princess Elisabeth Island (€73.1 million net of deferred tax) and recognised as part of the regulated equity.
2. Increase in incentives (+€1.4 million), reflecting a solid operational performance, primarily linked to a better performance on the incentive for innovation, customer satisfaction and influenceable costs and partially offset by lower incentive for interconnection capacity. Driven by the growth of the activities, the efficiency gain on controllable costs slightly decreased compared with the previous year, while the net contribution from incentives benefitted from a reduction in the average tax rate due to a higher innovation income deduction.
3. Employee and other provisions (+€7.9 million), mainly driven by higher contributions to plan assets.
4. Higher capitalised borrowing costs due to a higher level of assets under construction (+€1.7 million).
5. A one-off tariff compensation for the financial costs linked to the capital increase (+€3.6 million).
6. Regulatory settlements and the reversal of provision for the influenceable incentive following the Saldi 2021 review (+€2.2 million).
7. Other (-€3.0 million): this was primarily due to share-based payment expenses linked to the capital increase in favour of members of staff (-€1.7 million),deferred tax effects (-€2.4 million) and other restatements (-€0.6

million), partially offset by the lower depreciation of software and hardware (+€1.4 million) and less damage to electrical installations compared with the previous year (+€0.3 million).

Total assets increased by €695.1 million to €7,848.6 million due to the realisation of the investment programme and higher liquidity. **Net financial debt** dropped to €2,916.2 million (-15.3%), as ETB's CAPEX programme was fully financed by the proceeds from the capital increase and by cash flows from operating activities, which were positively impacted by higher cash inflows from levies and the cap surplus paid by Nemo Link (€69.1 million, which needs to be returned to the tariffs). The sustainability-linked RCF (€650 million) and the commercial paper (€300 million) were fully undrawn at the end of 2022. S&P Global confirmed ETB's rating at BBB+ with a stable outlook at the end of 2022.

Equity increased to €2,907.1 million (+€461.6 million) mainly due to: the partial reservation of the 2022 profit (+€95.8 million); the net proceed from the capital increase of €286.6 million (i.e. the portion allocated to Belgian regulated activities net of issuing cost); the capital increase reserved for staff, including share-based payment expenses (€6.7 million); the fair value of an interest rate hedge (+€48.9 million); and a lower allocation of equity towards Nemo Link (+€24.5 million). This was partially offset by the revaluation of post-employment benefit obligations (-€0.8 million).

Operational

The total load estimation decreased by 3.3 % from 84.4 TWh in 2021 to 81.7 TWh in 2022, mainly due to a decrease in the gross consumption of DSOs. The gross consumption of the grid users connected to ETB's grid was similar to 2021. The DSO gross consumption was impacted by higher temperatures than 2021, an increase in local production across the distribution grid (mainly solar) and high electricity prices, which impacted household consumption behaviour. The yearly gross consumption of grid users connected to ETB's grid remained stable compared with the previous year. However, a sharp decrease in industrial consumption was noted as of mid-August (-8.1% between August and December compared with 2021). This was the consequence of the war in Ukraine and the resulting energy crisis. This decrease was compensated for by the consumption increase from Sotel. Indeed, as of January 2022, Sotel decided to consume in Belgium instead of France due to higher prices in France following the country's nuclear outages.The total load in 2022 remained below the level observed before the pandemic, from 2014 (88.3 TWh) to 2019 (84.9 TWh).

The net offtake from ETB's network decreased by 5.1% from 63.1 TWh in 2021 to 59.9 TWh in 2022. Net injections across ETB's network decreased by 7.2% from 70.9 TWh in 2021 to 65.8 TWh in 2022, mainly due to lower levels of nuclear availability in 2022 compared with 2021. Indeed, Doel 3 was decommissioned in September 2022; moreover, both planned and unplanned unavailability occurred during the year.

In 2022, Belgium was still a net exporter of electricity due to a relatively highly available nuclear injection capacity. Net exports increased from 8.6 TWh in 2021 to 9.0 TWh in 2022 mainly due to an increase in the exports to France & Luxembourg, which were partly compensated for by higher imports from the UK. The total number of exports increased slightly from 21.3 TWh in 2021 to 21.5 TWh in 2022. The total number of imports decreased from 12.6 TWh in 2021 to 12.4 TWh in 2022. Overall electricity flows between Belgium and its neighbouring countries increased from 38.3 TWh (2021) to 38.8 TWh (2022).

Investments

ETB continued to deliver on its investment plan. In 2022, ETB invested €449.5[3] million in its activities, mainly focusing on the expansion and reliability of the 380 kV grid. This has lain the necessary foundations for the further expansion of the offshore grid.

In 2022, 159 replacement projects occurred across the Belgian grid, amounting to a total investment of €113.4 million. Around €60 million was invested in supporting the digitalisation of our infrastructure and the development of new tools. The reinforcement works between Avelgem and Avelin, which forms part of the 380 kV backbone between Mercator and France, had been successfully finalised by the end of the year. Construction works continued along the Massenhoven Van Eyck Corridor (€32.7 million) and the Mercator Bruegel Corridor (€33.9 million). These 380 kV lines are being upgraded: their lattice towers are being reinforced and new HTLS conductors are being installed along them. An important milestone was reached with the commissioning of a new 380 kV GIS substation, two 380 kV phase shifters and a 380 kV compensator in Zandvliet (€12.1 million); this was carried out to increase the physical interconnection capacity between Belgium and the Netherlands.

In Q3-2022, work began in Rimière on the construction of a new 380 kV substation and the extension of the existing 220 kV substation (€11.9 million); this project aims to create the required hosting capacity for the new CRM power plants in Les Awirs & Seraing by 2025. The preparation phase (studies, permit securing and procurement) for the installation of a second line along the 380 kV Gramme-Rimiere Corridor (~15km) were almost finished by the end of 2022; the construction work is due to start in 2023. As part of the second phase of the Boucle de l'Est investment programme (€9.7 million), the existing Bévercé-Bronromme-Trois-Ponts 70 kV overhead line is being replaced and upgraded by a new double 110 kV line across a distance of 25 km. The reconstruction works started in 2020 and, by the end of 2022, the final Bronromme - Trois-Ponts (8.5km) section had been reconstructed and commissioned. The installation of new transformers in Bevercé and Butgenbach was ongoing in December 2022; they are due to be commissioned in 2023.

The organic growth in Belgium increased the **Regulatory Asset Base** (RAB) by 1.5% to €5.4 billion. The capital grant received for the Princess Elisabeth Island is deducted from the RAB in accordance with the regulatory framework (€97.5 million).

[3] Including the capitalisation of software and IAS 23 (Borrowing costs), IFRS 15 (Revenue recognition – Transfer of assets from customers) and IFRS 16 (Leasing), the total is €449.0 million.

2.1.B. 50Hertz (Germany)

Highlights

- Successful execution of 2022 investment programme for both on- and offshore projects, increasing the RAB by +10.9% to €6.8 billion
- Net result benefitted from asset growth, a large downwards revision of long-term provisions and one-off regulatory settlement leading to a return on equity of 11.3%
- Net debt increased compared to the end of 2021, mainly driven by the realisation of the investment programme and the negative free cash flow due to higher energy costs

Key results

50Hertz Transmission key figures (in € million)	2022	2021	Difference (%)
Revenue, other income and net income (expense) from settlement mechanism	2,592.6	1,716.9	51.0%
Revenues	*2,222.4*	*1,569.9*	*41.6%*
Other income	*125.9*	*95.1*	*32.4%*
Net income (expense) from settlement mechanism	*244.4*	*51.9*	*370.9%*
Equity accounted investees	0.0	0.0	*n.r.*
EBITDA	611.5	534.0	14.5%
EBIT	314.1	272.9	15.1%
Adjusted items	*0.0*	*0.0*	*n.r.*
Adjusted EBIT	314.1	272.9	15.1%
Net finance costs	27.3	(34.7)	(178.7%)
Income tax expenses	(105.3)	(72.8)	44.6%
Net profit	**236.1**	**165.4**	**42.7%**
Of which attributable to the Elia group	***188.9***	***132.3***	**42.8%**
Adjusted items on net profit	*0.0*	*0.0*	*n.r.*
Adjusted net profit	**236.1**	**165.4**	**42.7%**
Key figures of the financial position (in € million)	2022	2021	Difference (%)
Total assets	11,638.1	9,941.3	17.1%
Total equity	2,180.6	1,928.7	13.1%
Net financial debt	1,255.3	1,014.9	23.7%
Net financial debt, excl. EEG position	4,191.3	3,124.8	34.1%
Free cash flow	(359.2)	2,889.4	(112.4%)

Income, expenses, assets and liabilities are reported in the table at 100%
See the glossary for definitions
See Section 4 for information on adjusted items

Financial

50Hertz Transmission's total revenue and other income increased compared with 2021 (+51.0%).

Total revenues are detailed in the table below.

(in € million)	2022	2021	Difference (%)
Grid revenue:	**2,213.1**	**1,561.3**	**41.7%**
Revenue from incentive regulation	862.7	911.8	(5.4%)
Revenue from offshore regulation	295.1	294.7	0.1%
Energy revenue	1,055.4	354.9	197.4%
Other revenue (incl. last mile connection)	9.2	8.6	7.1%
Subtotal revenue	2,222.4	1,569.9	41.6%
Other income	125.9	95.1	32.4%
Net income (expense) from settlement mechanism	244.4	51.9	370.9%
Total revenue and other income	**2,592.6**	**1,716.9**	**51.0%**

Revenues from incentive regulation consist of grid tariffs before the settlement mechanism; they are primarily driven by the regulatory remuneration for onshore activities (revenue cap).

Revenues from incentive regulation decreased by €49.1 million, coming from lower volume effects than last year and lower revenues from the revenue cap.

The infeed of renewable energy into the distribution grid was higher than expected, leading to lower volumes in the transmission grid. Consequently, the volume effect was lower than in previous years (-€99.2 million).
The revenue cap decrease (-€14.3 million) was mainly driven by higher paybacks for old regulatory balances via the regulatory account (-€67.3 million). Additionally, the pass-through energy costs for reserve power plants decreased compared to 2021 (-€14.7 million). These effects were partially compensated for by an increased allowance for onshore investments (+€21.7 million) as well as a higher cost allowance for ancillary services (+€48.5 million).

Furthermore, there was no pass-through payback related to the old regulatory offshore mechanism compared with last year (+€64.5 million).

Revenues from offshore surcharge include all revenues derived from the offshore grid surcharge. This includes regulatory remuneration for the connection of offshore wind farms, the reimbursement of offshore liability payments and offshore costs charged to 50Hertz by third parties, e.g. other TSOs.

The offshore surcharge revenues increased slightly compared with the previous year (+€0.4 million) as the remuneration of 50Hertz's own offshore grid connection costs increased (+€25.5 million), driven by ongoing offshore investments (Ostwind 2 and Ostwind 3). This effect was offset by the decrease in the pass-through costs charged to 50Hertz by third parties compared with 2021 (-€25.1 million).

Energy revenues include all revenues related to system operations and are mostly corresponding costs charged on to third parties, such as redispatch measures, costs for reserve power plants or control power costs. Revenues generated from auctioning off interconnector capacity are also included in this section.

Energy revenues strongly increased compared to the previous year (+€700.5 million), due to the continuing rise in energy prices. The control power costs charged to balancing groups increased significantly (+€386.0 million), as did the charges to other TSOs for redispatch measures (+€188.5 million). Furthermore, revenues from the auctioning of interconnector capacities benefitted from price developments (+€77.9 million), as well as revenues from the compensation of involuntary exchanges at the grid's borders (+€33.1 million).

Other revenues (including last-mile connection) increased (+€0.5 million), mainly due to higher revenues received from the Inter-Transmission System Operator Compensation (ITC) mechanism. The ITC mechanism is based on an EU regulation and compensates TSOs for the costs of hosting cross-border electricity flows on their networks. TSOs contribute/receive funds based on electricity flows onto/from their national transmission systems.

Other income rose (+€30.9 million), as a result of higher own work capitalised following the increase in staffing to execute and manage the investment programme (+€18.3 million). Furthermore, other operating revenues increased (+€9.1 million), including the capitalisation of dismantling provisions and higher charges for IT to third parties.

The **net regulatory income (expense) from settlement mechanism** neutralises regulatory time lags. It consists of two components: firstly, the neutralisation of differences between cost allowances in the tariffs and the actual costs incurred for the current year (+€125.2 million); secondly, the balancing of said differences from prior years (+€119.1 million).

EBITDA increased to €611.5 million (+14.5%). The growing asset base benefitted the investment remuneration (+€77.6 million). The opex costs decreased as 50Hertz ramped down from a peak in the maintenance cycle while focussing on operational efficiency and safety, while also benefitting from capitalised dismantling costs that were passed through under the offshore cost-plus regulation (+€11.8 million). Furthermore, the losses on asset disposal and trade debtors were reduced (+€5.6 million). In order to ensure the energy transition is a success and manage the increasing complexity of system operations in the future, 50Hertz continued to expand its talent pool, leading to additional staffing costs (-€16.3 million), which was compensated for by the higher own work capitalised (+€14.2 million). Furthermore, EBITDA benefited from one-off revenues from the regulatory settlement and related provisions amounting to €23.4 million (-€18.9 million). This settlement was mainly related to an agreement on the offshore lump sum for the year 2018, while in 2021 it originated from the refund of clawback amounts as part of the transition towards the Capital Cost Adjustment model in 2024.

There was a less pronounced increase in **EBIT** (+€41.2 million) which was driven by increasing depreciations (-€37.3 million) following the commissioning of projects like Ostwind 2 (first cable system and Arcadis Ost 1 platform).

Furthermore, operating provisions decreased slightly compared with 2021 (+€1.1 million). No adjusted items occurred in 2022.

The **net financial result** increased to €27.3 million (+€62.0 million), driven primarily by the revaluation of provision for congestion income from interconnectors to be returned to grid customers based on the strong upwards revision of the interest forward curve amounting to €67.5 million in 2022 (+€63.1 million compared to 2021).

(Adjusted) net profit increased to €236.1 million (+42.7%) as a result of:

1. Higher investment remuneration (+€54.4 million) following the growth of the asset base.
2. Higher financial results (+€43.4 million), driven primarily by the revaluation of long-term provisions.
3. Decreased OPEX and other costs (+€12.3 million).
   These effects were partially offset by:
4. Higher depreciations (-€26.1 million) due to the commissioning of projects.
5. Lower regulatory settlement prior years (-€13.2 million).

Total assets rose by €1,696.8 million compared with 2021, mainly due to a favorable development of the EEG business (+€826.0 million) and the execution of the investment programme (€1,085.5 million). The **free cash flow** totalled -€359.2 million and was heavily affected by the high investment programme as well as the time-lag in recovering the high energy costs. The cash flow on the EEG account only partially compensated for these effects (+€826.0 million). The parliament decided to reduce the EEG surcharge to zero as of 1 July 2022 in order to relieve households and companies given increased electricity costs. In future, the costs for promoting RES will be financed through the Energy and Climate Fund. 50Hertz will continue to act as a trustee.

The **net financial debt** increased by €240.4 million compared with end of 2021, as the realisation of the investment programme was partially financed by existing liquidity, while the operating cash flow was negatively impacted by high energy costs. The EEG cash inflow from higher energy prices only partially compensated for these effects. The EEG cash position as of December 2022 amounted to €2,936.0 million. 50Hertz issued a second green bond of €750 million at the beginning of September with a tenor of 9 years and a fixed rate of 3.28%, leading to an average cost of debt of 1.5% at the end of December 2022.

The **total equity** increased by €251.9 million to €2,180.6 million. This increase is primarily driven by the capital increase (€250 million). Since 2021, 50Hertz applies hedge accounting for the purpose of reducing the risk of fluctuations in the expected amount of grid losses. Due to the drop in energy prices in the last quarter of the year, the fair value of these contracts decreased to €129.6 million. Considering a deferred tax effect, a hedge reserve amounting to €90.8 million was recorded in other comprehensive income. As the costs for grid losses are almost fully passed through to the tariffs, the fair value of the future contracts has no relevance for the current and future profitability of the company.

Operational

In 2022, a net volume of 44.5 TWh was drawn off from the 50Hertz grid, 7.8% less than last year (48.2 TWh). As usual, 50Hertz was a net exporter of electricity with a net export of 43.8 TWh (35.5 TWh in 2021); this followed from 64.8 TWh in exports and 21.0 TWh in imports (59.1 TWh and 23.6 TWh in 2021, respectively). As of December, the peak load was 8.0 GW (compared to 8.6 GW last year).

Investments

50Hertz invested €1,085.5 million[4] in 2022, up 27.6% compared to last year. In total, €773.7 million was invested in onshore projects, while offshore investments amounted to €311.8 million.

The most significant onshore investment is the DC line SuedOstLink (€210.0 million). It plays an important role in connecting the growing (offshore) production in the north of Germany with the consumption centres in the South. In order to reinforce the existing grid, the upgrading of high-voltage pylons to boost operational safety was accelerated in 2022 (€54.7 million). Another important milestone was reached for the replacement of the old Uckermark line with the successful settlement of a lawsuit after 17 years. The investment for this reinforcement consists of the overhead line in the southern Uckermark region (€53.1 million) and the overhead line in the northern Uckermark region (€46.9 million). Other important onshore projects to strengthen our onshore grid are the restructuring of the substation Lauchstädt with STATCOM and MSCDN (€35.0 million) and the restructuring and reinforcement of the overhead line between Wolmirstedt and Güstrow (€34.6 million). Additionally, we invested €54.9 million in IT Capex projects to digitalise our business further.

Offshore investments mainly focused on the Ostwind 2 project (€186.3 million), with the next offshore wind farm connection (Ostwind 3) already advancing along the project pipeline (€82.5 million).

Driven by this organic growth in Germany, the Regulatory Asset Base (RAB) increased to €6.8 billion (100% 50Hertz), corresponding to a growth of 10.9%.

[4] Including the capitalisation of software and IAS 23 (Borrowing costs), IFRS 15 (Revenue recognition – Transfer of assets from customers) and IFRS 16 (Leasing), the total is €1,135.9 million.

2.1.C. Non-regulated activities and Nemo Link

Highlights

— Positive contribution of €15.2 million to the Group's result
— Nemo Link reached the cumulative cap driven by a very strong operational and financial performance
— Higher costs driven by the set-up of WindGrid and the screening of business development opportunities linked to the expansion of its international offshore activities

Key results

Non-regulated activities and Nemo Link Key figures (in € million)	2022	2021	Difference (%)
Total revenues and other income	44.7	36.8	21.5%
Equity accounted investees	37.1	47.1	(21.2%)
EBITDA	24.3	40.8	(40.4%)
EBIT	23.6	40.3	(41.4%)
Adjusted items	*0.0*	*0.0*	*n.r.*
Adjusted EBIT	23.6	40.3	(41.4%)
Net finance costs	(8.8)	(8.9)	(1.1%)
Income tax expenses	0.4	0.5	(20.0%)
Net profit	**15.2**	**31.9**	**(52.4%)**
Of which attributable to the Elia Group	***15.2***	***31.9***	***(52.4%)***
Adjusted items on net profit	*0.0*	*0.0*	*n.r.*
Adjusted net profit	***15.2***	***31.9***	***(52.4%)***
Key figures of the financial position (in € million)	2022	2021	Difference (%)
Total assets	1,946.5	1,654.0	17.7%
Total equity	1,445.4	1,142.9	26.5%
Net financial debt	260.1	430.4	(39.6%)

See the glossary for definitions
See Section 4 for information on adjusted items

Non-regulated revenue increased by 21.5% to €44.7 million compared to 2021. This is the result of higher intersegment transactions mainly between Elia Group SA, Elia Transmission Belgium and 50Hertz and partially offset by lower revenues generated by Elia Grid International ('EGI') (-€4.2 million), as prior year's revenues benefited from the commissioning of a turnkey project, while the international consulting business is slowly increasing as a result of the pandemic revival. The effect of these intersegment transactions is disclosed in 'Note 2.2. Segment reconciliation'.

Equity-accounted investments contributed €37.1 million to the Group's result, which is almost entirely attributable to **Nemo Link**. With an availability rate of 99.1%, Nemo Link remains one of the highest performing assets of its kind in the world.

In 2022, geopolitical tensions put pressure on electricity markets, especially across the European continent because of the region's dependence on Russian gas. This pressure was increased by the historically low level of nuclear availability in France. The spot NBP gas, which drives the UK electricity price, was traded from May to October with a significant discount compared to TTF gas, the reference gas price in Europe. This was because Great Brittan was better supplied by gas compared to the continent. As a result, Nemo Link was used very frequently for exports towards Belgium; it demonstrated its value to Belgian consumers by providing them with electricity at lower prices to help with the energy crisis. The Nemo Link interconnector highlights the importance of similar links in providing Belgium with access to energy that is produced outside of the country whilst contributing to the functioning of competitive international market operations.

This exceptional situation during 2022 led to revenues of Nemo Link amounting to €282.6 million, so exceeding (for the first time since it began operating) the cumulative revenue cap by €137.6 million. Its total net profit reached €74.2 million for 2022, with a contribution to Elia Group's net profit amounting to €37.1 million.

(Adjusted) EBIT dropped to €23.6 million (-€16.7million). This decrease was primarily due to the lower contribution from Nemo Link (-€9.9 million) and the higher operating costs for the holding and WindGrid driven by the pursuit of inorganic growth ambitions (-€6.7 million). Following the drop in revenues, the contribution from EGI (-€0.6 million) and re.alto (-€0.4 million) decreased.

Net finance cost remained flat at €8.8 million, primarily comprising the interest cost linked to the senior bond (€4.7 million), the cost linked to the Nemo Link private placement (€2.9 million) and other financial costs linked to Elia Group SA. The pro-rata costs linked to the capital increase of Elia Group and allocated to Elia Group SA and Eurogrid International respectively are directly recognised in equity under IFRS (€3.5 million).

(Adjusted) net profit decreased by €16.7 million to €15.2 million, mainly as a result of:

1. Lower contribution from Nemo Link (-€9.9 million).
2. Higher costs driven by the establishment of WindGrid and business development activities (-€6.9 million).
3. Lower contribution from re.alto (-€0.6 million).
4. Other items (+€0.7 million) driven by lower regulatory rejections (+€0.1 million), lower other non-regulated costs (+€0.8 million) and partially offset by a lower contribution from EGI (-€0.2 million).

Total assets increased by 17.7%, amounting to €1,946.5 million (+€292.5 million), primarily driven by the net proceeds from the capital increase allocated to the non-regulated segment (+€98.8 million) and dividend payments from subsidiaries offset by the payment of last year's dividend (-€120.3 million). This led to a drop in net financial debt of €170.3 million to €260.1 million.

2.2 Segment reconciliation

Consolidated results (in € million) – period ended 31 December	2022 Elia Transmission (a)	2022 50Hertz Transmission (b)	2022 Non-regulated activities and Nemo Link (c)	2022 Consolidation entries & intersegment transactions (d)	2022 Elia Group (a) + (b) + (c) + (d)
Revenue	1,420.4	2,222.4	5.9	(32.7)	3,616.0
Other income	147.6	125.9	38.9	(52.7)	259.6
Net income (expense) from settlement mechanism	(6.7)	244.4	0.0	0.0	237.7
Depreciation, amortisation, impairment and changes in provisions	(214.4)	(297.3)	(0.7)	0.0	(512.4)
Results from operating activities	**259.6**	**314.1**	**(13.6)**	**(0.3)**	**559.8**
Share of profit of equity accounted investees, net of tax	2.4	0.0	37.1	0.0	39.5
Earnings before interest and tax (EBIT)	262.0	314.1	23.6	(0.3)	599.4
Earnings before depreciation, amortisation, interest and tax (EBITDA)	476.4	611.5	24.3	(0.3)	1,111.8
Finance income	1.3	73.9	3.8	(3.6)	75.4
Finance costs	(63.7)	(46.6)	(12.5)	3.9	(119.0)
Income tax expenses	(42.7)	(105.3)	0.4	0.0	(147.5)
Profit attributable to the owners of the company	**156.9**	**188.9**	**15.2**	**0.0**	**361.0**
Consolidated statement of financial position (in € million)	**31.12.2022**	**31.12.2022**	**31.12.2022**	**31.12.2022**	**31.12.2022**
Total assets	7,848.6	11,638.1	1,946.5	(838.9)	20,594.3
Capital expenditures	449.0	1,135.9	0.9	0.0	1,585.8
Net financial debt	2,916.2	1,255.3	260.1	0.0	4,431.6

3. Outlook and other information[5]

Before 2022, Europe's decarbonisation ambitions were predominantly driven by the motivation to combat climate change. However, 2022 was marked by extreme energy prices. This ongoing energy crisis has added a new dimension to the green transition. RES are now seen as a key method for safeguarding security of supply and energy sovereignty at an affordable cost. We at Elia Group are actively driving the energy transition and are taking a leading role in the integration of RES into the energy system, but decisive years still lie ahead. The focus now is on speeding up the delivery of the right infrastructure and developing a consumer-centric system and market solutions in the lead-up to net zero, without compromising our operational excellence, quality or efficiency.

Through our activities, we provide society with a secure electricity system and reliable electricity grid for consumers and producers, so supporting socioeconomic prosperity. The acceleration of the energy transition and the current inflationary environment are driving our new CAPEX plan for the period 2023-2027. We estimate a total CAPEX of around €7.2 billion and €8.7 billion for Belgium and Germany (respectively), provided the regulatory frameworks support these investments. We intend to continue to finance our activities in Belgium and Germany in a manner that is broadly in line with current gearing ratios. Given the complexity of the infrastructure works, the additional work forces needed to complete these projects, and the need to evolve our IT architecture and tools to manage the increased complexity of power system operations, we will experience increased pressure on our cost allocations in 2023, the last year of the regulatory cycle.

Elia Group aims to achieve an **Adjusted Return on Equity (ROE adj.[6]) of between 6% - 7% for 2023**. The return already takes into account higher funding costs as a result of the broader interest rate environment.

- In **Belgium,** we aim to achieve a return on equity (ROE) of between 5% and 6% while investing roughly €690 million. The realisation of this investment programme is always prone to external risks.

- In **Germany**, we aim to achieve a return on equity (ROE) of between 8% and 10% while investing €1,500 million. The realisation of the investment programme is always prone to external risks.

- The **non-regulated segment and Nemo Link**, which comprises the return of Nemo Link, the return of the non-regulated activities (mainly re.alto, EGI and WindGrid) and the operating costs inherent in the management of a holding company, is expected to have a negative contribution up to -€5 million.

[5] The following statements are forward-looking and actual results may differ materially.

[6] Determined as the result attributable to ordinary shareholder/Equity attributable to owners of ordinary shares adjusted for the value of the future contracts (hedging reserve).

Subject to the availability of the interconnector, Nemo Link is expected to contribute around €20 million to the result, considering that the cumulative cap over the 5-year regulatory period is expected to be reached.

The guidance does not take into account any potential M&A transactions.

4. Adjusted items – Reconciliation Table

(in € million) – Period ended 31 December 2022	Elia Transmission	50Hertz Transmission	Non-regulated activities and Nemo Link	Consolidation entries	Elia Group
Adjusted items					
Nihil	0.0	0.0	0.0	0.0	0.0
Adjusted EBIT	**0.0**	**0.0**	**0.0**	**0.0**	**0.0**
Tax impact	0.0	0.0	0.0	0.0	0.0
Net profit – adjusted items	**0.0**	**0.0**	**0.0**	**0.0**	**0.0**

(in € million) – Period ended 31 December 2021	Elia Transmission	50Hertz Transmission	Non-regulated activities and Nemo Link	Consolidation entries	Elia Group
Adjusted items					
Nihil	0.0	0.0	0.0	0.0	0.0
Adjusted EBIT	**0.0**	**0.0**	**0.0**	**0.0**	**0.0**
Tax impact	0.0	0.0	0.0	0.0	0.0
Net profit – adjusted items	**0.0**	**0.0**	**0.0**	**0.0**	**0.0**

5. Financial Calendar

Publication of full-year results 2022	3 March 2023
Publication of 2022 Annual report	14 April 2023
General Meeting of Shareholders	16 May 2023
Quarterly Statement Q1 2023	17 May 2023
Ex-dividend date	30 May 2023
Record date	31 May 2023
Payment of dividend for 2022	1 June 2023
Publication of half-year results 2023	26 July 2023
Quarterly statement: Q3 2023	25 November 2023

elia group
Elia | 50Hertz | EGI

6. Joint auditors' review report

The joint statutory auditors, EY Bedrijfsrevisoren BV/Réviseurs d'Entreprises SRL represented by Mr Paul Eelen and BDO Bedrijfsrevisoren BV/Réviseurs d'Enterprises SRL represented by Mr Felix Fank, have confirmed that their audit procedures, which have been substantially completed, have not revealed any material adjustments which would have to be made to the accounting information included in this press release

7. Useful Links

— **Press Release**
— HY financial reports on the Elia Group **website**
— Elia Group will host a **conference call** for institutional investors and analysts today (3 March 2023) at 10:30 a.m. CET
— **2021 annual report**

Disclaimer/Forward-looking statements

Certain statements in this press release are not historical facts and are forward-looking statements. From time to time, the Company may make written or oral forward-looking statements in reports to shareholders and in other communications. Forward-looking statements include, but is not limited to, the estimates of revenues, operating margins, capital expenditures, cash, future liquidity, working capital, and capital requirements, the Company's ability to raise capital and debt, other financial information, expected legal, political or regulatory evolutions, in Belgium and in and outside Europe, and other such estimates and evolutions, including amongst others the uncertainty with respect to the necessary regulatory approvals of costs and terms and conditions related to the operation of the grid, the expected development of the Company's business, projects, joint ventures and other co-operations, the execution of the Company's vision and growth strategy, including with respect to future M&A activity and global growth. Words such as "believe", "anticipate", "estimate", "expect", "intend", "predict", "project", "could", "may", "will", "plan", "remain confident" and similar expressions are intended to identify forward-looking statements, but are not the exclusive means of identifying such statements. By their very nature, forward-looking statements involve inherent risks and uncertainties, both general and specific, and risks exist that the predictions, forecasts, projections and other forward-looking statements will not be achieved. Investors should be aware that a number of important factors could cause actual results to differ materially from the plans, objectives, expectations, estimates and intentions expressed in such forward-looking statements. When relying on forward-looking statements, investors should carefully consider the foregoing factors and other uncertainties and events, especially in light of the political, economic, social, industry and legal environment in which the Company operates. Such forward-looking statements speak only as of the date on which they are made. Accordingly, the Company does not undertake any obligation to update or revise any of them, whether as a result of new information, future events or otherwise, other than as required by applicable laws, rules or regulations. The Company makes no representation, warranty or prediction that the results anticipated by such forward-looking statements will be achieved, and such forward-looking statements represent, in each case, only one of many possible scenarios and should not be viewed as the most likely or standard scenario.

Glossary

Adjusted items

Adjusted items are those items that are considered by management not to relate to items in the ordinary course of activities of the Group. They are presented separately as they are important for the understanding of users of the consolidated financial statements of the performance of the Group and this compared to the returns defined in the regulatory frameworks applicable to the Group and its subsidiaries.

Adjusted items relate to:

- income and expenses resulting from a single material transaction not linked to current business activities (e.g. change in control in a subsidiary);
- changes to the measurement of contingent considerations in the context of business combinations;
- restructuring costs linked to the corporate reorganisation of the Group (i.e. a reorganisation project to isolate and ring-fence the regulated activities of Elia in Belgium from non-regulated activities and regulated activities outside Belgium).

Adjusted EBIT

EBIT - earnings before interest and taxes - is the adjusted result from operating activities, which is used to compare the Group's operational performance between years. Adjusted EBIT is defined as EBIT excluding adjusted items.

Adjusted EBIT is calculated as total revenue less the cost of raw materials, consumables and goods for resale, services and other goods, personnel expenses and pensions, depreciations, amortisations and impairments, changes in provisions and other operating expenses, plus the share of equity-accounted investees (net of tax) plus or minus adjusted items.

(in € million) – period ended 31 December	2022				
	Elia Transmission	50Hertz Transmission	Non-regulated activities and Nemo Link	Consolidation entries & intersegment transactions	Elia Group
Results from operating activities	259.6	314.1	(13.6)	(0.3)	559.8
Share of profit of equity accounted investees (net of tax)	2.4	0.0	37.1	0.0	39.5
EBIT	**262.0**	**314.1**	**23.6**	**(0.3)**	**599.4**
Deduct:					
Nihil	0.0	0.0	0.0	0.0	0.0
Adjusted EBIT	**262.0**	**314.1**	**23.6**	**(0.3)**	**599.4**

(in € million) – period ended 31 December	2021				
	Elia Transmission	50Hertz Transmission	Non-regulated activities and Nemo Link	Consolidation entries & intersegment transactions	Elia Group
Results from operating activities	224.8	272.9	(6.8)	(0.2)	490.7
Share of profit of equity accounted investees (net of tax)	2.3	0.0	47.1	0.0	49.4
EBIT	**227.1**	**272.9**	**40.3**	**(0.2)**	**540.1**
Deduct:					
Nihil	0.0	0.0	0.0	0.0	0.0
Adjusted EBIT	**227.1**	**272.9**	**40.3**	**(0.2)**	**540.1**

Adjusted net profit

Adjusted net profit is defined as net profit excluding adjusted items. Adjusted net profit is used to compare the Group's performance between years.

(in € million) – period ended 31 December	2022				
	Elia Transmission	50Hertz Transmission	Non-regulated activities and Nemo Link	Consolidation entries & intersegment transactions	Elia Group
Profit for the period	**156.9**	**236.1**	**15.2**	**0.0**	**408.2**
Deduct:					
Regulatory compensation for acquisition	0.0	0.0	0.0	0.0	0.0
Corporate reorganisation	0.0	0.0	0.0	0.0	0.0
Corporate reorganisation fin. cost	0.0	0.0	0.0	0.0	0.0
Tax impact	0.0	0.0	0.0	0.0	0.0
Adjusted net profit	**156.9**	**236.1**	**15.2**	**0.0**	**408.2**

(in € million) – period ended 31 December	2021 Elia Transmission	 50Hertz Transmission	 Non-regulated activities and Nemo Link	 Consolidation entries & intersegment transactions	 Elia Group
Profit for the period	**131.0**	**165.4**	**31.9**	**0.0**	**328.3**
Deduct:					
Regulatory compensation for acquisition	0.0	0.0	0.0	0.0	0.0
Corporate reorganisation	0.0	0.0	0.0	0.0	0.0
Corporate reorganisation fin. cost	0.0	0.0	0.0	0.0	0.0
Tax impact	0.0	0.0	0.0	0.0	0.0
Adjusted net profit	**131.0**	**165.4**	**31.9**	**0.0**	**328.3**

CAPEX

CAPEX - Capital Expenditures - are acquisitions of fixed assets (a.o. property, plant and equipment and intangible assets) minus the proceeds from the sale of fixed assets. CAPEX are investments realised by the Group to acquire, upgrade, and maintain physical assets (such as property, buildings, an industrial plant, technology, or equipment) and intangible assets. CAPEX is an important metric for the Group, since it affects its regulated asset base (RAB) that serves as basis for its regulatory remuneration.

EBIT

EBIT - earnings before interest and taxes- result from operating activities, which are used for the Group's operational performance. EBIT is calculated as total revenue less costs of raw materials, consumables and goods for resale, services and other goods, personnel expenses and pensions, depreciations, amortisations and impairments, changes in provision and other operating expenses, plus the share of equity-accounted investees.

(in € million) – period ended 31 December	2022 Elia Transmission	 50Hertz Transmission	 Non-regulated activities and Nemo Link	 Consolidation entries & intersegment transactions	 Elia Group
Results from operating activities	259.6	314.1	(13.6)	(0.3)	559.8
Share of profit of equity accounted investees (net of tax)	2.4	0.0	37.1	0.0	39.5
EBIT	**262.0**	**314.1**	**23.6**	**(0.3)**	**599.4**

(in € million) – period ended 31 December	2021 Elia Transmission	 50Hertz Transmission	 Non-regulated activities and Nemo Link	 Consolidation entries & intersegment transactions	 Elia Group
Results from operating activities	224.8	272.9	(6.8)	(0.2)	490.7
Share of profit of equity accounted investees (net of tax)	2.3	0.0	47.1	0.0	49.4
EBIT	**227.1**	**272.9**	**40.3**	**(0.2)**	**540.1**

EBITDA

EBITDA - earnings before interest, taxes, depreciation and amortisations - result from operating activities plus depreciations, amortisation and impairment plus changes in provisions plus share of profit of equity-accounted investees. EBITDA is used as a measure of the Group's operational performance, thereby extracting the effect of depreciations, amortisation and changes in provisions of the Group.

(in € million) – period ended 31 December	2022				
	Elia Transmission	50Hertz Transmission	Non-regulated activities and Nemo Link	Consolidation entries & intersegment transactions	Elia Group
Results from operating activities	259.6	314.1	(13.6)	(0.3)	559.8
Add:					
Depreciation, amortisation and impairment	215.5	297.6	0.7	0.0	513.7
Changes in provisions	(1.1)	(0.2)	0.0	0.0	(1.3)
Share of profit of equity accounted investees (net of tax)	2.4	0.0	37.1	0	39.51
EBITDA	**476.4**	**611.5**	**24.3**	**(0.3)**	**1,111.8**

(in € million) – period ended 31 December	2021				
	Elia Transmission	50Hertz Transmission	Non-regulated activities and Nemo Link	Consolidation entries & intersegment transactions	Elia Group
Results from operating activities	224.8	272.9	(6.8)	(0.2)	490.7
Add:					
Depreciation, amortisation and impairment	206.8	260.3	0.5	0.0	467.5
Changes in provisions	(1.7)	0.9	0.0	0.0	(0.7)
Share of profit of equity accounted investees (net of tax)	2.3	0.0	47.1	0.0	49.4
EBITDA	**432.2**	**534.0**	**40.8**	**(0.2)**	**1,006.9**

Equity attributable to the owners of the company

Equity attributable to the owners of the company is equity attributable to ordinary shareholders and hybrid security holders, excluding non-controlling interests.

(in € million)	31 December 2022	31 December 2021
Equity	5,756.4	4,938.4
Deduct:		
Non-controlling interests	436.7	386.4
Equity attributable to the owners of the company	**5,319.6**	**4,552.0**

Financial leverage

Financial leverage (D/E) is the gross financial debt divided by shareholders' equity (where both metrics include non-controlling interests and hybrid instruments). Financial leverage provides an indication of the extent to which the Group uses financial debt to finance its operations relative to equity financing. Consequently, it is considered by investors as an indicator of solvency.

Free cash flow

Free cash flow relates to cash flows from operating activities minus cash flows from investment activities. Free cash flow provides an indication of the cash flows generated by the Group.

(in € million) – period ended 31 December	2022				
	Elia Transmission	50Hertz Transmission	Non-regulated activities and Nemo Link	Consolidation entries & intersegment transactions	Elia Group
Net cash from operating activities	670.1	764.1	(3.0)	0.0	1,431.2
Deduct:					
Net cash used in investing activities	416.0	1,123.3	253.9	(338.8)	1,454.4
Free cash flow	**254.1**	**(359.2)**	**(257.0)**	**338.8**	**(23.2)**

(in € million) – period ended 31 December	2021				
	Elia Transmission	50Hertz Transmission	Non-regulated activities and Nemo Link	Consolidation entries & intersegment transactions	Elia Group
Net cash from operating activities	262.3	3,720.7	(29.8)	0.0	3,953.1
Deduct:					
Net cash used in investing activities	379.9	831.4	(153.3)	0.0	1,057.9
Free cash flow	**(117.6)**	**2,889.4**	**123.6**	0.0	**2,895.2**

Net finance costs

Net finance costs represent the net financial result (finance costs plus finance income) of the company.

Net financial debt

Net financial debt comprises non-current and current interest-bearing loans and borrowings (including lease liability under IFRS 16) minus cash and cash equivalents. Net financial debt is an indicator of the amount of the Group's interest-bearing debt that would remain if readily available cash or cash instruments were used to repay existing debt.

(in € million)	31 December 2022				31 December 2021			
	Elia Transmission	50Hertz Transmission	Non-regulated activities and Nemo Link	Elia Group Total	Elia Transmission	50Hertz Transmission	Non-regulated activities and Nemo Link	Elia Group Total
Non-current liabilities:								
Loans and borrowings	3,408.2	3,834.4	473.0	7,715.6	3,421.9	3,838.6	481.3	7,741.7
Add:								
Current Liabilities:								
Loans and borrowings	65.2	789.2	12.8	867.2	147.6	33.5	12.9	194.0
Deduct:								
Current Assets:								
Cash and cash equivalents	557.2	3,368.3	225.7	4,151.2	128.5	2,857.2	63.8	3,049.4
Net financial debt	2,916.2	1,255.3	260.1	4,431.6	3,441.0	1,014.9	430.4	4,886.3
EEG surplus (levies)		2,936.0		2,936.0		2,110.0		2,110.0
EEG deficit (levies)								
Net financial debt, exl. EEG position	2,916.2	4,191.3	260.1	7,367.6	3,441.0	3,124.8	430.4	6,996.3

Regulatory asset base (RAB)

The regulated asset base is a regulatory concept and an important driver for determining the return on the invested capital in the TSO through regulatory schemes. The RAB is determined via the RABi (initial RAB determined by regulator at a certain point in time) and evolves with new investments, depreciations, divestments and changes in working capital on a yearly basis using the local GAAP accounting principles applicable in the regulatory schemes. In Belgium, when setting the initial RAB, a certain amount of revaluation value (i.e. goodwill) was taken into account which evolves from year to year based on divestments and/or depreciations, as well as capital grants received for infrastructure projects.

Return on Equity (adj.) (%)

The Return on Equity (RoE adj.) is the net profit attributable to ordinary shareholders divided by the equity attributable to ordinary shareholders adjusted for the value of the future contracts (hedging reserve). The denominator does therefore not include the accounting impact of hybrid securities in IFRS (i.e. it excludes the hybrid security from equity and considers the interest costs to be part of comprehensive income). As from 2021, it also excludes the effect of hedge accounting related to the future contracts entered into by 50Hertz to hedge the risk of fluctuations in the expected amount of grid losses.

The RoE adj. provides an indication of the ability of the Group to generate profits relative to its invested equity

(in € million) – period ended 31 December	2022	2021
Profit for the period	408.2	328.3
Deduct:		
Profit attributable to holders of hybrid securities	19.2	19.2
Profit attributable to non-controlling interests	47.2	33.1
Profit attributable to equity holders of ordinary shares (A)	**341.8**	**276.0**
Divided by:		
Equity attributable to ordinary shares	4,618.3	3,850.6
Deduct:		
Hedging reserve in equity related to future grid losses (50Hertz)	72.7	199.9
Adjusted equity attributable to ordinary shares (B)	**4,545.6**	**3,650.7**
Return on Equity (adj.) (%) = (A) / (B)	**7.52%**	**7.56%**

Net debt/EBITDA

Net debt/EBITDA is the net financial debt divided by EBITDA. The net debt/EBITDA ratio provides an indication of the number of years it would take for the Group to pay back its interest-bearing debt net of cash based on its operational performance.

EBITDA/Gross interest

EBITDA/Gross interest is the EBITDA divided by the pre-tax interest charges. The EBITDA-to-interest coverage ratio expresses to what extent the operational performance enables the Group to pay off annual interest expenses.

Equity attributable to owners of the company per share (in €)

This is the equity attributable to owners of the company divided by the number of shares outstanding at the year's end excluding own shares held by the company.

(in € million) – period ended 31 December	2022	2021
Equity attributable to ordinary shares	4,618,266,556.4	3,850,669,289.2
Divide by:		
Number of shares outstanding	73,502,359	68,720,807
Equity attributable to owners of ordinary shares	**62.8**	**56.0**

Reported earnings per share (in €) (Elia share)

This is the net profit attributable to owners of the ordinary shares divided by the weighted average number of ordinary shares (end of period).

(in € million) – period ended 31 December	2022	2021
Net profit attributable to owners of ordinary shares	341.7	276.0
Divide by:		
Weighted average number of ordinary shares	71,142,846	68,722,476
Reported earnings per share (in €) (Elia share)	**4.80**	**4.02**

About Elia Group

One of Europe's top five TSOs

Elia Group is a key player in electricity transmission. We ensure that production and consumption are balanced around the clock, supplying 30 million end users with electricity. Through our subsidiaries in Belgium (Elia) and the north and east of Germany (50Hertz), we operate 19,192 km of high-voltage connections, meaning that we are one of Europe's top 5 transmission system operators. With a reliability level of 99.99%, we provide society with a robust power grid, which is important for socio-economic prosperity. We also aspire to be a catalyst for a successful energy transition, helping to establish a reliable, sustainable and affordable energy system.

We are making the energy transition happen

By expanding international high-voltage connections and incorporating ever-increasing amounts of renewable energy into our grid, we are promoting both the integration of the European energy market and the decarbonisation of society. We also continuously optimise our operational systems and develop new market products so that new technologies and market parties can access our grid, thus further facilitating the energy transition.

In the interest of society

As a key player in the energy system, Elia Group is committed to working in the interest of society. We are responding to the rapid increase in renewable energy by constantly adapting our transmission grid. We also ensure that investments are made on time and within budget, with a maximum focus on safety. In carrying out our projects, we manage stakeholders proactively by establishing two-way communication channels between all relevant parties very early on in the development process. We also offer our expertise to different players across the sector in order to build the energy system of the future.

International focus

In addition to its activities as a transmission system operator, Elia Group provides consulting services to international customers through its subsidiary Elia Grid International. In recent years, the Group has launched new non-regulated activities such as re.alto - the first European marketplace for the exchange of energy data via standardised energy APIs - and WindGrid, a subsidiary which will continue to expand the Group's overseas activities, contributing to the development of offshore electricity grids in Europe and beyond.

The legal entity Elia Group is a listed company whose core shareholder is the municipal holding company Publi-T.

eliagroup.eu

For further information, please contact:

Investor Relations
Yannick Dekoninck | M +32 478 90 13 16 | investor.relations@elia.be
Stéphanie Luyten | M +32 467 05 44 95 | investor.relations@elia.be
Corporate Communication
Marleen Vanhecke | M +32 486 49 01 09 | marleen.vanhecke@elia.be
Elia Transmission Belgium SA/NV
Boulevard de l'Empereur 20 | Keizerslaan 20 | 1000 Brussels | Belgium

Annexes:

Basis for segment reporting

The Group has opted for a segment reporting in conformity with the different regulatory frameworks that currently exist within the Group. This reporting approach closely reflects the Group's operational activities and is also in line with the Group's internal reporting to the Chief Operating Decision Maker (CODM), enabling the CODM to better evaluate and assess the Group's performance and activities in a transparent way.

Pursuant to IFRS 8, the Group has identified the following operating segments based on the aforementioned criteria:

- Elia Transmission (Belgium), which comprises the activities based on the Belgian regulatory framework: the regulated activities of Elia Transmission Belgium NV/SA, Elia Asset NV/SA, Elia Engineering NV/SA, Elia Re SA, HGRT SAS and Coreso SA/NV, whose activities are directly linked to the role of Belgian transmission system operator and are subject to the regulatory framework applicable in Belgium.
- 50Hertz Transmission (Germany), which comprises the activities based on the German regulatory framework: Eurogrid GmbH, 50Hertz Transmission GmbH and 50Hertz Offshore GmbH, whose activities are directly linked to the role of transmission system operator in Germany.
- Non-regulated activities and Nemo Link, comprising:
    - Elia Group NV/SA, which mainly comprises the holding activities in the Elia Transmission (Belgium) and 50Hertz Transmission (Germany) segment;
    - Eurogrid International NV/SA;
    - The holding activities in Nemo Link Ltd. This company comprises and manages the Nemo project, which connects the UK and Belgium using high-voltage electricity cables, enabling power to be exchanged between the two countries and for which a specific regulatory framework has been set up.
    - The non-regulated activities of the Elia Transmission (Belgium) segment. 'Non-regulated activities' refers to activities which are not directly related to the role of TSO.
    - EGI (Elia Grid International NV/SA, Elia Grid International GmbH, Elia Grid International Pte. Ltd Singapore (closed in 2022), Elia Grid International LLC Saudi Arabia and Elia Grid International Inc Canada (new subsidiary incorporated in 2022), companies supplying specialists in consulting, services, engineering and procurement, creating value by delivering solutions based on international best practice while fully complying with regulated business environments.

- Re.Alto-Energy BV/SRL and re.alto GmbH, a start-up company founded in August 2019, which is building a platform to facilitate users to exchange energy data and services.
- Windgrid, a new entiy created during the reporting period 2022 to manage the significant investments in renewable energy production and the offshore grid expected in the future.

The CODM has been identified by the Group as Boards of Directors, CEOs and Management Committees of each segment. The CODM periodically reviews the performance of the Group's segments using various indicators such as revenue, EBITDA and operating profit.

The information presented to the CODM follows the Group's IFRS accounting policies, so no reconciling items have to be disclosed.

Consolidated statement of profit or loss

(in € million) – Year ended 31 December	Notes	2022	2021
Revenue	(5.1)	3,616.0	2,551.3
Raw materials, consumables and goods for resale	(5.2)	(69.7)	(83.1)
Other income	(5.1)	259.6	135.1
Net income (expense) from settlement mechanism	(5.1)	237.7	173.3
Services and other goods	(5.2)	(2,554.7)	(1,443.6)
Personnel expenses	(5.2)	(372.1)	(334.1)
Depreciation, amortisation and impairment	(5.2)	(513.7)	(467.5)
Changes in provisions	(5.2)	1.3	0.7
Other expenses	(5.2)	(44.4)	(41.4)
Results from operating activities		**559.8**	**490.7**
Share of profit of equity accounted investees (net of tax)		39.5	49.4
Earnings before interest and tax (EBIT)		**599.4**	**540.1**
Net finance costs	(5.3)	**(43.6)**	**(106.6)**
Finance income		75.4	3.9
Finance costs		(119.0)	(110.5)
Profit before income tax		**555.7**	**433.5**
Income tax expense	(5.4)	(147.5)	(105.2)
Profit for the period		**408.2**	**328.3**
Profit attributable to:			
Equity holders of the parent - equity holders of ordinary shares		341.7	276.0
Equity holders of the parent - hybrid securities		19.3	19.3
Non-controlling interest		47.2	33.1
Profit for the period		**408.2**	**328.3**
Earnings per share (in €)	(5.5)		
Basic earnings per share		4.80	4.02
Diluted earnings per share		4.80	4.02

Rounding – In general, all figures are rounded. Variances are calculated from the source data before rounding, implying that some variances may not add up.

Consolidated statement of profit or loss and comprehensive income

(in € million) — Year ended 31 December	Notes	2022	2021
Profit for the period		**408.2**	**328.3**
Other comprehensive income (OCI)			
Items that may be reclassified subsequently to profit or los			
Net changes in fair value of cash flow hedges	(5.6)	(160.1)	356.2
Foreign currency translation differences of foreign operations		0.0	0.0
Related tax		50.4	(105.8)
Items that will not be reclassified to profit or loss:			
Remeasurements of post-employment benefit obligations	(6.13)	16.3	27.4
Net changes in fair value of investments	(5.6)	32.8	0.0
Related tax		(4.9)	(7.0)
Other comprehensive income for the period, net of tax		**(65.6)**	**270.8**
Total comprehensive income for the period		**342.6**	**599.1**
Total comprehensive income attributable to:			
Equity holders of the parent - ordinary shareholders		299.0	496.3
Equity holders of the parent - hybrid securities holders		19.3	19.3
Non-controlling interest		24.4	83.5
Total comprehensive income for the period		**342.6**	**599.1**

Rounding – In general, all figures are rounded. Variances are calculated from the source data before rounding, implying that some variances may not add up.

Consolidated statement of financial position

(in € million) – As at	Notes	31 December 2022	31 December 2021
ASSETS			
NON-CURRENT ASSETS		**14,941.9**	**13,867.5**
Property, plant and equipment	(6.1)	11,844.7	10,859.5
Goodwill	(6.3)	2,411.1	2,411.1
Intangible assets	(6.2)	210.5	148.6
Equity-accounted investees	(6.4)	261.2	309.6
Other financial assets	(6.5)	117.2	136.3
Trade and other receivables non-current	(6.9)	95.5	0.5
Deferred tax assets	(6.6)	1.7	1.9
CURRENT ASSETS		**5,652.4**	**4,276.8**
Inventories	(6.7)	21.6	21.6
Trade and other receivables	(6.8)	1,206.2	861.3
Current tax assets	(6.9)	28.6	10.1
Other financial assets	(6.5)	219.7	316.2
Cash and cash equivalents	(6.10)	4,151.2	3,049.5
Deferred charges and accrued revenues	(6.8)	25.1	18.1
Total assets		**20,594.3**	**18,144.3**
EQUITY AND LIABILITIES			
EQUITY		**5,756.4**	**4,938.4**
Equity attributable to owners of the Company	(6.11)	5,319.6	4,552.0
Equity attributable to ordinary shares:		4,618.3	3,850.6
Share capital		1,823.1	1,709.2
Share premium		738.6	262.9
Reserves		173.0	173.0
Hedging reserve		119.2	197.1
Treasury shares		(1.8)	(0.8)
Retained earnings		1,766.2	1,509.2
Equity attributable to hybrid securities holders	(6.11)	701.4	701.4
Non-controlling interest		436.7	386.4
NON-CURRENT LIABILITIES		**8,548.0**	**8,471.3**
Loans and borrowings	(6.12)	7,715.6	7,741.7
Employee benefits	(6.13)	75.0	104.9
Provisions	(6.14)	146.2	125.6
Deferred tax liabilities	(6.6)	223.7	209.7
Other liabilities	(6.15)	387.6	289.5
CURRENT LIABILITIES		**6,289.8**	**4,734.6**
Loans and borrowings	(6.12)	867.2	194.0
Provisions	(6.14)	8.6	7.7
Trade and other payables	(6.16)	4,804.2	3,696.4
Current tax liabilities	(6.9)	26.6	26.8
Accruals and deferred income	(6.19)	583.3	809.8
Total equity and liabilities		**20,594.3**	**18,144.3**

Elia | 50Hertz | EGI

Consolidated statement of changes in equity

(in € million) - Year ended 31 December	Share capital	Share premium	Hedging reserve	Reserves	Treasury shares	Retained earnings	**Equity attributable to ordinary shares**	Equity attributable to hybrid securities	**Equity attributable to the owners of the company**	Non-controlling interests	**Total equity**
Balance at 1 January 2021	1,709.1	262.4	(3.3)	173.0		1,330.5	3,471.7	701.4	4,173.1	326.9	4,500.0
Profit for the period						295.2	295.2		295.2	33.1	328.3
Other comprehensive income			200.4			20.0	220.3		220.3	50.4	270.8
Total comprehensive income for the period			200.4			315.2	515.6		515.6	83.5	599.1
Transactions with owners, recorded directly in											
Contributions by and distributions to Owners											
Shares issued	0.2	0.4					0.6		0.6		0.6
Hybrid: coupon paid						(19.3)	(19.3)		(19.3)		(19.3)
Acquisition of treasury shares					(0.8)		(0.8)		(0.8)		(0.8)
Dividends to non-controlling interests										(24.0)	(24.0)
Dividends						(117.5)	(117.5)		(117.5)		(117.5)
Other						0.3	0.3		0.3		0.3
Total transactions with owners	**0.2**	**0.4**			**(0.8)**	**(136.5)**	**(136.7)**		**(136.7)**	**(24.0)**	**(160.7)**
Balance at 31 December 2021	1,709.3	262.8	197.1	173.0	(0.8)	1,509.2	3,850.6	701.4	4,552.0	386.4	4,938.4
Balance at 1 January 2022	1,709.3	262.8	197.1	173.0	(0.8)	1,509.2	3,850.6	701.4	4,552.0	386.4	4,938.4
Profit for the period						361.0	361.0		361.0	47.2	408.2
Other comprehensive income			-77.9			35.1	-42.7		-42.7	-22.8	-65.6
Total comprehensive income for the period			-77.9			396.1	318.3		318.3	24.4	342.6
Transactions with owners, recorded directly in											
Contributions by and distributions to Owners											
Shares issued	119.4	475.7					595.1		595.1		595.1
Issuance costs	(7.3)						(7.3)		(7.3)		(7.3)
Share-based payment expenses	1.7						1.7		1.7		1.7
Hybrid: coupon paid						(19.3)	(19.3)		(19.3)		(19.3)
Acquisition of treasury shares					(1.0)		(1.0)		(1.0)		(1.0)
Dividends to non-controlling interests										(24.0)	(24.0)
Dividends						(120.3)	(120.3)		(120.3)		(120.3)
Other		0.0				0.3	0.4		0.4	50.0	50.4
Total transactions with owners	**113.8**	**475.7**	**0.0**	**0.0**	**(1.0)**	**(139.2)**	**449.4**	**0.0**	**449.4**	**26.0**	**475.4**
Balance at 31 December 2022	1,823.1	738.6	119.2	173.0	(1.8)	1,766.2	4,618.3	701.4	5,319.7	436.8	5,756.4

Consolidated statement of cash flows

(in € million) – period ended 31 December	Notes	2022	2021
Cash flows from operating activities			
Profit for the period		**408.2**	**328.3**
Adjustments for:			
Net finance costs	(5.3)	43.6	106.6
Other non-cash items		3.9	2.1
Current income tax expense	(5.4)	112.1	94.7
Profit or loss of equity accounted investees, net of tax		(39.5)	(49.4)
Depreciation of property, plant and equipment and amortisation of intangible assets	(5.2)	513.7	467.5
Loss / proceeds on sale of property, plant and equipment and intangible assets		(6.3)	17.5
Impairment losses of current assets		0.8	0.8
Change in provisions	(6.6)	(10.5)	1.5
Change in deferred taxes		35.4	10.5
Changes in fair value of financial assets through profit or loss		0.0	0.0
Cash flow from operating activities		**1,061.4**	**980.1**
Change in inventories		(0.3)	17.0
Change in trade and other receivables	(6.8)	(314.7)	639.9
Change in other current assets		(3.7)	(0.7)
Change in trade and other payables		1,188.1	2,645.0
Change in other current liabilities		(243.1)	(119.8)
Changes in working capital		**626.3**	**3,181.4**
Interest paid	(6.12)	(133.1)	(124.9)
Interest received		5.7	3.7
Income tax paid		(129.2)	(87.0)
Net cash from operating activities		**1,431.2**	**3,953.3**
Cash flows from investing activities			
Acquisition of intangible assets	(6.2)	(115.7)	(59.8)
Acquisition of property, plant and equipment	(6.1)	(1,455.4)	(1,160.5)
Proceeds from sale of property, plant and equipment		27.5	3.5
Proceeds from sales of investments		0.0	1.6
Proceeds from capital decrease from equity accounted investees		53.8	30.5
Dividend received		35.4	31.8
Loans and long term receivables		0.0	(0.5)
Net cash used in investing activities		**(1,454.4)**	**(1,153.4)**
Cash flow from financing activities			
Proceeds from the issue of share capital	(6.11)	595.1	0.6
Proceeds from the capital increase - NCI	(6.11)	50.0	
Expenses related to the issue of share capital	(6.11)	(7.3)	0.0
Purchase of own shares	(6.11)	(0.9)	(0.7)
Dividend paid	(6.11)	(120.3)	(117.5)
Hybrid coupon paid	(6.11)	(19.3)	(19.3)
Dividends to non-controlling parties		(24.0)	(24.0)
Repayment of borrowings	(6.12)	(95.8)	(737.7)
Proceeds from withdrawal of borrowings	(6.12)	747.4	558.0
Net cash flow from (used in) financing activities		**1,125.0**	**(340.6)**
Net increase (decrease) in cash and cash equivalents		**1,101.8**	**2,459.3**
Cash & Cash equivalents at 1 January		3,049.4	590.1
Cash & Cash equivalents at 31 December		4,151.2	3,049.4
Net variations in cash & cash equivalents		**1,101.8**	**2,459.3**

Notes to the condensed consolidated financial statements

General information

Elia Group NV/SA (hereinafter “the company” or “Elia”) is established in Belgium, having its head office at Boulevard de l’Empereur 20, B-1000 Brussels.

Elia Group is active in electricity transmission. We ensure that production and consumption are balanced around the clock, supplying 30 million end users with electricity. With subsidiaries in Belgium (Elia) and north-east Germany (50Hertz), we operate 19,192 km of high-voltage connections

The group also has a 50% stake in Nemo Link Ltd, which has constructed an electrical interconnector between the UK and Belgium known as the Nemo Link interconnector. Nemo Link Ltd is a joint venture with National Grid Ventures (UK) and began commercial operations on 30 January 2019, with a transfer capacity of 1000 MW.

With around 2,750 employees and a transmission system comprising some 18,990 km of high-voltage connections serving 30 million consumers, the Elia group is one of Europe’s top five TSOs. It efficiently, reliably and securely transmits electricity from generators to distribution system operators and major industrial consumers, while also importing and exporting electricity from and to neighbouring countries. The group is a driving force behind the development of the European electricity market and the integration of energy generated from renewable sources. In addition to its system-operator activities in Belgium and Germany, the Elia group offers businesses a range of consultancy and engineering services. The group operates under the legal entity Elia Group SA/NV, a listed company whose reference shareholder is municipal holding company Publi-T SC.

The consolidated financial statements of the company as at and for the full year 2022 contain the financial position and performance of the company and its subsidiaries (collectively referred to as "the Group") and the Group's interests in joint ventures.

Basis for preparation and changes to the Group's accounting policies

a. Basis for preparation

The consolidated financial statements have been prepared in accordance with International Financial Reporting Standards (IFRS), as adopted by the European Union. The group has applied all new and revised standards and interpretations published by IASB and effective for financial years starting on 1 January 2022, which are applicable to the group’s activities.

New standards, interpretations and amendments adopted by the Group

The accounting policies applied when preparing the condensed consolidated interim financial statements are consistent with those used to prepare the Group's annual consolidated financial statements for the year ended 31 December 2022.

Standards, interpretations and amendments, effective as from 1 January 2022, can be summarised as follows:

- Amendment to IFRS 16 Leases: COVID-19-Related Rent Concessions beyond 30 June 2021 (applicable for annual periods beginning on or after 1 April 2021);
- Amendments to IAS 37 Provisions, Contingent Liabilities and Contingent Assets; Onerous Contracts – Cost of Fulfilling a Contract (applicable for annual periods beginning on or after 1 January 2022);
- Amendments to IAS 16 Property, Plant and Equipment: Proceeds before Intended Use (applicable for annual periods beginning on or after 1 January 2022);
- Amendments to IFRS 3 Business Combinations: Reference to the Conceptual Framework (applicable for annual periods beginning on or after 1 January 2022);
- Annual Improvements to IFRS Standards 2018–2020 (applicable for annual periods beginning on or after 1 January 2022).

b. Standards issued but not yet effective

The following standards, amendments and interpretations had not yet taken effect in by 2022. The changes in the below standards, amendments and interpretations listed below are not expected to have a material impact on the annual accounts and are therefore not set out in more detail:

- IFRS 17: Insurance Contracts (applicable for annual periods beginning on or after 1 January 2023)
- Amendments to IFRS 17 Insurance contracts: Initial Application of IFRS 17 and IFRS 9 – Comparative Information (applicable for annual periods beginning on or after 1 January 2023)
- Amendments to IAS 1 Presentation of Financial Statements: Classification of liabilities as Current or Non-current (applicable for annual periods beginning on or after 1 January 2024, but not yet endorsed in the EU);
- Amendments to IAS 1 Presentation of Financial Statements and IFRS Practice Statement 2: Disclosure of Accounting Policies (applicable for annual periods beginning on or after 1 January 2023)
- Amendments to IAS 8 Accounting Policies, Changes in Accounting Estimates and Errors (applicable for annual periods beginning on or after 1 January 2023);
- Amendments to IAS 12 Income Taxes: Deferred Tax related to Assets and Liabilities arising from a Single Transaction (applicable for annual periods beginning on or after 1 January 2023);
- Amendments to IFRS 16 Leases: Lease Liability in a Sale and Leaseback (applicable for annual periods beginning on or after 1 January 2024, but not yet endorsed in the EU).

Use of estimates and judgements

The condensed consolidated financial statements for the full year 2022 were prepared using estimates and judgements as indicated in note 2.4 accompanying the Group's annual consolidated financial statements as of and for the year ended 31 December 2021.

Subsidiaries, joint ventures and associates

a. Group structure

The below table provides an overview of subsidiaries, joint ventures, associated companies and other shareholdings held across the group.

Name	Country of establishment	Headquarters	Stake % 2022	Stake % 2021
Subsidiaries				
Elia Transmission Belgium SA/NV	Belgium	Bd de l'Empereur 20, 1000 Brussels	99.99	99.99
Elia Asset SA/NV	Belgium	Bd de l'Empereur 20, 1000 Brussels	99.99	99.99
Elia Engineering SA/NV	Belgium	Bd de l'Empereur 20, 1000 Brussels	100.00	100.00
Elia Re SA	Luxembourg	Rue de Merl 65, 2146 Luxembourg	100.00	100.00
Elia Grid International SA/NV	Belgium	Bd de l'Empereur 20, 1000 Bussels	90.00	90.00
Elia Grid International GmBH	Germany	Heidestraße 2, 10557 Berlin	90.00	90.00
Elia Grid International LLC	Saudi Arabia	Al Akaria Plaza Olaya Street, Al Olaya Riyadh 11622	90.00	90.00
Elia Grid International Pte. Ltd.	Singapore	20 Collyer Quay #09-01, Singapore 049319	-	90.00
Elia Grid International Inc.	Canada	1500-850 2 ST SW, T2P0R8 Calgary	90.00	-
Eurogrid International SA/NV	Belgium	Bd de l'Empereur 20, 1000 Brussels	100.00	100.00
Eurogrid GmbH	Germany	Heidestraße 2, 10557 Berlin	80.00	80.00
50Hertz Transmission GmbH	Germany	Heidestraße 2, 10557 Berlin	80.00	80.00
50Hertz Offshore GmbH	Germany	Heidestraße 2, 10557 Berlin	80.00	80.00
Re.Alto-Energy BV/SRL	Belgium	Bd de l'Empereur 20, 1000 Brussels	100.00	100.00
Re.Alto-Energy GmbH	Germany	Ratingstraße 9, 40213 Dusseldorf	100.00	100.00
WindGrid SA/NV	Belgium	Bd de l'Empereur 20, 1000 Brussels	100.00	-
Investments accounted for using the equity-method – Joint Ventures				
Nemo Link Ltd.	United Kingdom	Strand 1-3, London WC2N 5EH	50.00	50.00

Investments accounted for using the equity-method – Associates				
H.G.R.T S.A.S.	France	1 Terrasse Bellini, 92919 La Défense Cedex	17.00	17.00
Coreso SA/NV	Belgium	Avenue de Cortenbergh 71, 1000 Brussels	22.16	22.16
Investments accounted for using IFRS9 - other shareholdings				
JAO SA	Luxembourg	2, Rue de Bitbourg, 1273 Luxembourg Hamm	7.20	7.20
European Energy Exchange (EEX)	Germany	Augustusplatz 9, 0409 Leipzig	4.32	4.32
TSCNET Services GmbH	Germany	Dingolfinger Strasse 3, 81673 Munich	5.36	5.36
Kurt-Sanderling-Akademie des Konzerthausorchester Berlin	Germany	Gendarmenmarkt, 10117 Berlin	8.32	8.32