May 2024 / #01

ΥΠΕΡΤΑΜΕΙΟ
GROWTHFUND

GROWTHFUND STRATEGY-TO-ACTION SPOTLIGHT

Charting Progress, Growth & Value for Greece

GROWTHFUND

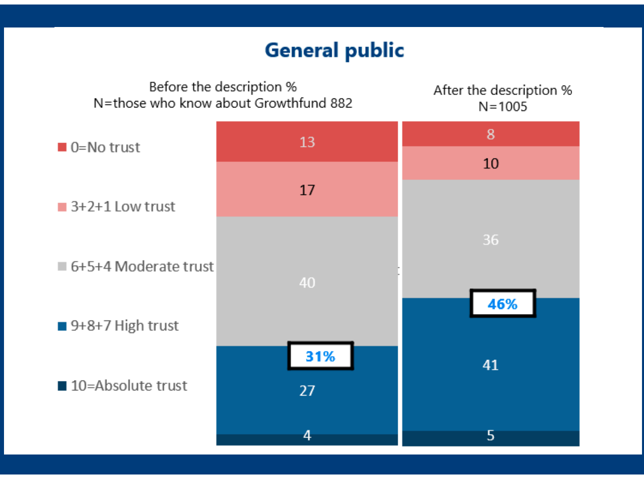
Growthfund is the country's National Investment Fund. Growthfund's portfolio consists of the Hellenic Republic Asset Development Fund (HRADF), Public Properties Company (ETAD), GAIAOSE, TIF-HELEXPO, PPC, Athens International Airport, Transport for Athens Group, Corinth Canal (AEDIK), 23 Regional Airports, CMT, CMFO, Hellenic Saltworks, 5G Ventures (PHAISTOS), and the Hellenic Post Group. Growthfund manages assets of a current value amounting to €5.5 billion.

WHAT IS 'STRATEGY-TO-ACTION SPOTLIGHT' BRIEF

The bi-monthly news update that includes the most important news about Growthfund and its subsidiaries, regarding business strategy, sustainability strategy, investment activity, projects and initiatives being implemented.

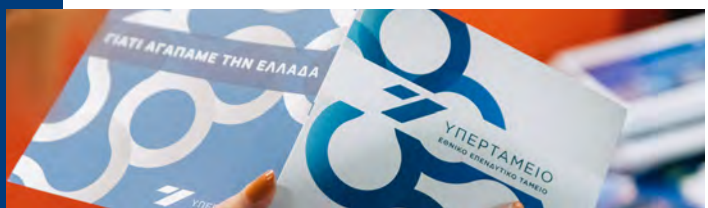
1 Enhancing Citizen Trust & Awareness

Citizen trust in Growthfund and awareness of its mission to enhance the Greek economy have improved annually. Key roles identified through public opinion surveys include maximizing public asset value, guaranteeing debt repayment, driving investments for development, modernizing SOEs, and engaging in social initiatives. The Growthfund Trust Index increased by 40% - from 22% in 2021 to 31% in 2022, and further to 46% following the description of our mission. Notably, in 2023, there was a significant 10-percentage point increase in trust among opinion leaders from 61% in 2022 to 71% in 2023. Additionally, citizens now have a much clearer understanding of Growthfund's purpose, with active awareness of its role and actions remaining high in 2023 at 79% among opinion leaders and 53% among the general audience.



Index measuring the level of Trust in Growthfund

2 Contribution to the Greek Economy



Over the past six years (since 2018), the Growthfund Group has contributed €285 million to the economy:

- **€51 million to the Public Investment Program «PIP»**, expected to exceed €91 million by 2024,
- **€42 million for the utilization of public assets through its investment policy**, expected to exceed €74 million by 2024 and
- **Approximately €93 million for the repayment of public debt**, expected to exceed €165 million by 2024.

Growthfund's revenues are derived solely from the dividends of its subsidiaries. In 2022, a record dividend revenue of €74 million was achieved, and 2023 is set to close with a new record, as dividend income is expected to surpass €177 million, contributed by companies such as AIA, GAIAOSE, OKAA, KATH, and Hellenic Saltworks . It should be noted that these subsidiary performances were achieved despite absorbing all cost increases (energy, inflation, etc.) instead of passing them onto their customers.

3 Investment role activation

Growthfund is activating its investment role in the economy. According to the Strategic Plan 2022-2024, it will invest €51 million in the Greek market. The first investments of €10 million have already been made in Greek corporate bonds, and an additional €3 million was used to increase its stake in Hellenic Saltworks from 55% to 80%.

Moreover, Growthfund has launched a pilot project to map, segment, and evaluate a sample of 500 properties from the HPPC (ETAD) portfolio.

Growthfund is now a step closer to transforming into a National Investment Fund. This transformation aims to enhance Growthfund's investment capabilities and its impact on the Greek economy.

In line with this strategic shift, Growthfund plans to invest its revenues as effectively as possible and to reinvest a portion of the revenues arising from the increased value of public assets for the benefit the Greek economy.

4 Utilization of 23 Regional Airports

The utilization of 22+1 regional airports is underway for them to become a crucial lever for the development of local communities. For the operation and management of the Kalamata airport, interest has been expressed by four investment consortia (Egis – Airport Operation-AKTOR CONCESSIONS SINGLE MEMBER SA- Aéroports de la Cote d'Azur, FRAPORT AG – DELTA AIRPORT INVESTMENTS S.A. – PILEAS SA, GEK TERNA – GMR Airports Limited, Mytilineos SA – CORPORATION AMERICA AIRPORTS SA). Growthfund has sent the concession contract to the candidates so that financial offers can be submitted by June, the contractor selected in July, and airport operations by the final contractor to begin by the first quarter of 2025.

The utilization process of the 22 regional airports began in 2022 in locations including Alexandroupolis, Araxos, Astypalaia, Chios, Ikaria, Ioannina, Kalymnos, Karpathos, Kassos, Kastelorizo, Kastoria, Kozani, Kythira, Leros, Limnos, Milos, Naxos, Nea Anchialos, Paros, Sitia, Skyros, and Syros. Financial, technical, and legal advisors have been selected. Currently, these airports are operated and managed by the Civil Aviation Authority (CAA). Estimates indicate that by 2030, traffic at these regional airports will have increased by 43% compared to today.

5 The Plans for Thessaloniki International Fair (TIF) & Corinth Canal

TIF

In maintaining the public character of TIF - HELEXPO in cooperation with relevant authorities and the state, Growthfund has also aimed to attract potential funding or investments following the reassessment of the Master Plan and the drafting of varied financial scenarios.

For the 176,000 sq.m. area of TIF - HELEXPO, which has been continuously operational for 100 years, a comprehensive redevelopment plan has been prepared that includes the creation of five activity zones comprising a park, green spaces, exhibition and conference areas, a business center, and a hotel as well as underground parking facilities.

Corinth Canal

Regarding the Corinth Canal, Growthfund has advanced a strategic development plan through the creation of a pre-feasibility study for the development of the Canal's real estate in cooperation with specialized consultants PLANET and TRITON. The goal is to achieve property development through new operational functions and the placement of one or more tourist ports.

6 Global Distinctions for Targeted ESG Actions

Growthfund has achieved significant goals through a series of 57 comprehensive ESG actions via its subsidiaries and has also gained significant global distinctions as a major investor in the Greek economy. Operating through a unique corporate governance model based on sustainability, reliability, and close cooperation with domestic, international institutions, and peer investment funds (Sovereign Wealth Funds), Growthfund strives to be a reliable gateway for investors and capital while effectively enhancing the Greek and European goal for a green transition. Through this model, in the ranking of the Global Sovereign Wealth Funds Scoreboard, Greece, thanks to Growthfund's performance, gained 14 places and 20 percentage points in 2023 compared to 2022. The ranking includes the list of countries with the fastest growth regarding the proper management of state capital with ESG criteria related to the environment, society, and corporate governance. It is worth to note the Group's performance in reducing its carbon footprint by 6%.

The entire portfolio has once again, for the year 2022, measured its carbon footprint for Scope 1 and Scope 2 with the aim of creating a plan for transitioning to low-carbon operations. Additionally, Growthfund is an active member of the Global Network «One Planet for Sovereign Wealth Funds» (OPSWF) Initiative, having aligned its policy with leading Public Investment Funds (Wealth Funds) and other global institutional bodies - 47 in total in 2023, managing a total asset value of $37 trillion - all of which have adopted the Principles of the European Green Deal and the 17 Global Goals for Sustainable Development of the United Nations.

7 Investments in Innovative Enterprises

TODAY: PHAISTOS INVESTMENT FUND – 5G VENTURES SA

PHAISTOS 5G

Growthfund established the company 5G Ventures to manage the reserves of the investment fund "PHAISTOS", which are intended for supporting innovative technology companies.

Within eighteen months, 5G Ventures announced seven investments in companies, attracting foreign cutting-edge technology businesses to invest in Greece. From the €101 million in assets of «PHAISTOS,» over €41.5 million has been invested within 21 months. The portfolio to date includes companies such as Matternet, OQ Technology, Pandas Holdings, SafeSize, EdgeQ, Movandi, and WINGS ICT. Along with «PHAISTOS,» international strategic and financial investors such as Saudi Aramco Entrepreneurship Ventures LLC, Sony Innovation Fund, Mercedes-Benz, Boeing Horizon X, Swiss Post, UPS, DST, Gemini Investments L.P., and others have co-invested.

THE 5G VENTURES PORTFOLIO

safesize

MATTERNET

WINGS ICT SOLUTIONS

OQ

movandi

pandas

EDGEQ 5G WITH AI EDGE

8 Double-digit improvement of up to 41% in digital maturity

The digital transformation and innovation across all subsidiaries form a significant part of Growthfund's Strategic Plan 2022 - 2024, with a clear aim of improving services to citizens while also saving resources and creating economies of scale.

In this context, Growthfund designed, following a tender process and in cooperation with a Consultant, the Digital Transformation Index (DTI), which holistically depicts the digital maturity of the companies in Growthfund's portfolio in the following seven areas:

- Digital Strategy
- Digital Customer Experience
- Digital Operations
- Digital Support Services
- Technology & Digital Applications
- Innovation
- Digital Skills

The results in the subsidiaries are impressive in some cases, such as that of OASA where the Digital Transformation Index recorded an increase of 39%, and AEDIK (Corinth Canal) by 41%. Across all subsidiaries, the rate of increase is double-digit, with six of them showing an increase from 30% to 39% and four from 26% to 28%. See the detailed table.

The DTI methodology follows international best practices (Eurostat research, EU indicators and policies, related OECD guidelines).

TECHNOLOGY PENETRATION INCREASE FOR GROWTHFUND'S PORTFOLIO COMPANIES

Increase 2023 vs. 2022

28%	Hellenic SaltWorks	36%	STASY
36%	OKAA	41%	AEDIK
36%	CMT	30%	HPPC
28%	GAIAOSE	31%	HRADF
39%	OASA	26%	TIF
28%	OSY		