



GEK TERNA
GROUP OF COMPANIES

Investors Update:
**GEK TERNA Announces a Landmark
Transaction in the European Renewables
Sector**

20 June 2024

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SECTION 1

A NEW GROWTH ERA FOR GEK TERNA

GEK TERNA has Announced a Landmark Transaction for the European Energy Sector - the Sale of its 36.6% Stake in TERNA ENERGY

Transaction overview

GEK TERNA announced today that it has entered an agreement for the sale of its 36.6% stake in TERNA ENERGY to Masdar, for a share price consideration of € 20.00 ⁽¹⁾ representing a total consideration of €880 M for its stake ⁽²⁾

The agreement values 100% of TERNA ENERGY at an Equity Value of €2.4 Bn and an Enterprise Value of €3.2 Bn

Subject to closing of the transaction, Masdar will launch an all-cash mandatory tender offer to acquire all the remaining shares of TERNA ENERGY with the intention of reaching 100%

The transaction is aligned with GEK TERNA's strategy of becoming the leading diversified infrastructure group in Greece and South-East Europe and will accelerate the Group's path to a new growth era

The deal will provide significant capital investment in Greece and other EU countries, unlocking renewable energy capacity and supporting the EU's net zero by 2050 goal

TERNA ENERGY is expected to play an important role in growing Masdar's portfolio across Europe as it targets 100GW global capacity by 2030 in support of the global energy transition

1. In addition to the FY 2023 dividend of €0.38/sh to be paid in July
2. Including the proceeds from the FY 2023 dividend

GEK TERNA has Announced a Landmark Transaction for the European Energy Sector - the Sale of its 36.6% Stake in TERNA ENERGY

Crystallising the value of its continuous investment in the Renewables sector over the last **27 years**

A success story of pioneering the Greek renewables market and creating value for shareholders

GEK TERNA's Stake in TERNA ENERGY



Founded as the RES segment of GEK TERNA

IPO on the Athens Stock Exchange

GEK TERNA has received >€160M Net Proceeds over time from TERNA ENERGY



divestment from TERNA ENERGY

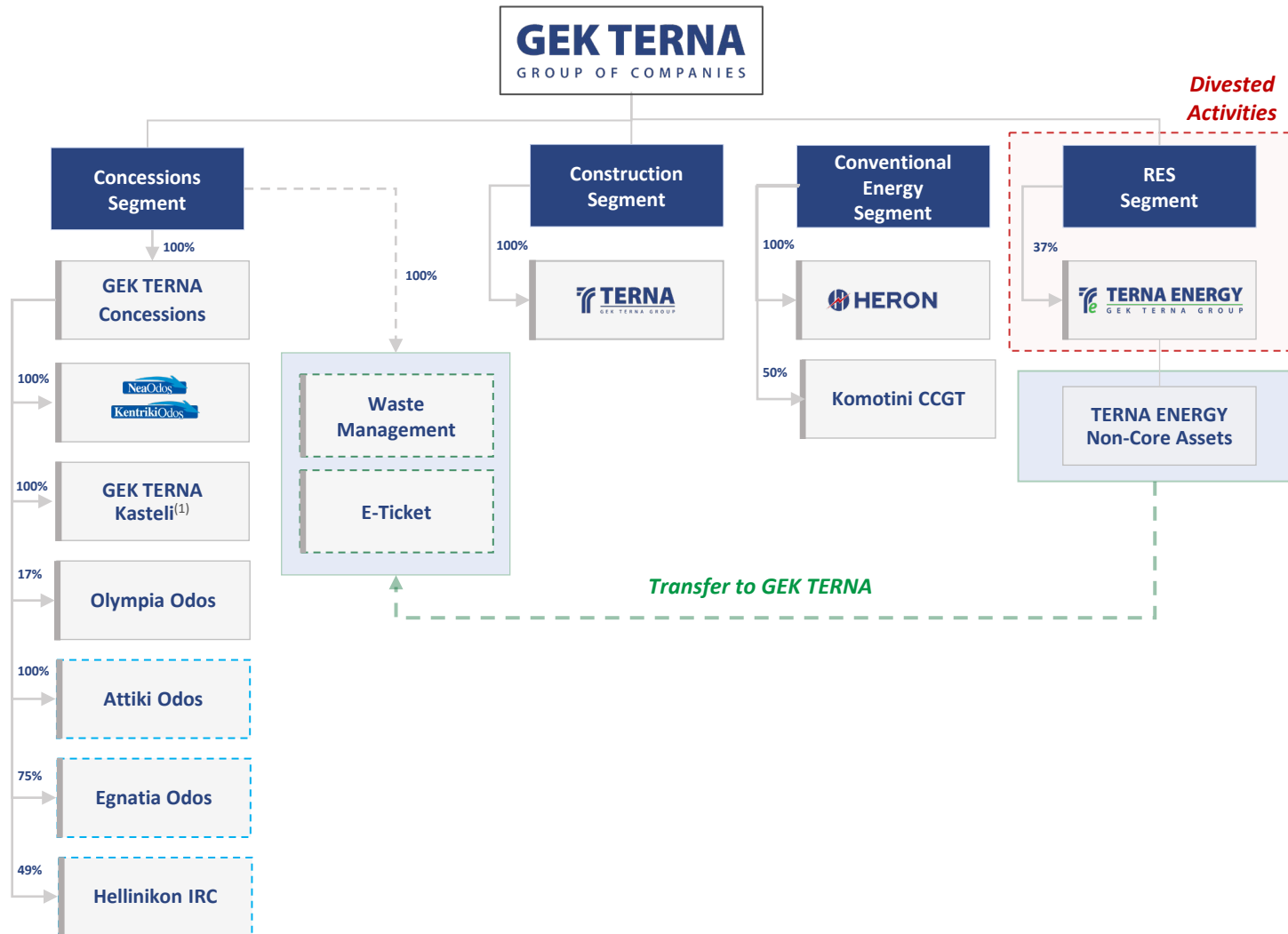
€880 M⁽²⁾ (37%)



1. Rebased on the value of GEK TERNA's Stake in TERNA ENERGY as of November 2007
2. Including the proceeds from the FY 2023 dividend

GEK TERNA has Announced a Landmark Transaction for the European Energy Sector - the Sale of its 36.6% Stake in TERNA ENERGY

Transaction perimeter to exclude key assets for GEK TERNA



1. Owns 32.5% of Herakleio Crete International Airport

Projects under development

GEK TERNA Unlocks its Full Potential as the Leading Diversified Infrastructure Group

Unparalleled Execution Capabilities & Expertise



Vertically integrated platform providing critical infrastructure to Greece and South-East Europe

Leading concessions operator in Greece and SEE

Largest Concessions Investor/ Developer	>25 years Avg Remaining Lifetime ⁽¹⁾
~€1.6 Bn Equity Invested ⁽²⁾	>€10 Bn of cumulative dividends

Largest construction business in the country

>€5 Bn Backlog	#1 Backlog Amongst Greek Listed Peers
>60% Own Projects	Highest Margin vs Construction Peers ⁽³⁾



Systemic presence in Greek conventional energy generation sector

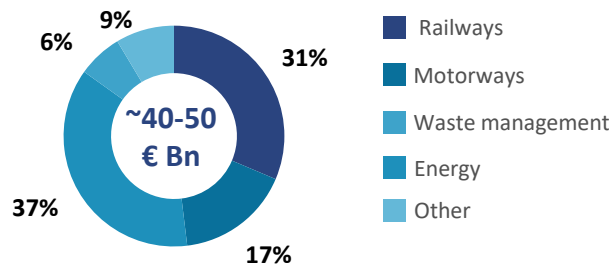
~12.5% Electricity Supply Market Share **1GW** Installed Capacity⁽⁵⁾

1. Including Attiki Odos
 2. Including remaining equity commitments
 3. Based on 2023 EBIT Margin comparison vs main international construction peers
 4. Preferred bidder/investor
 5. Refers to Conventional Generation capacity; Including Komotini CCGT at 50%

GEK TERNA will Remain Focused on the Highly Attractive and Booming Infrastructure Sector

THE INFRASTRUCTURE SECTOR IN GREECE IS BOOMING


Greece's infrastructure requires €40-50 Bn in investments




Sizeable near-term projects pipeline in Greece




GEK TERNA HAS COMPETITIVE ADVANTAGE TO MAXIMIZE SUCCESS...



Unparalleled Knowhow
in Greece's Infrastructure space



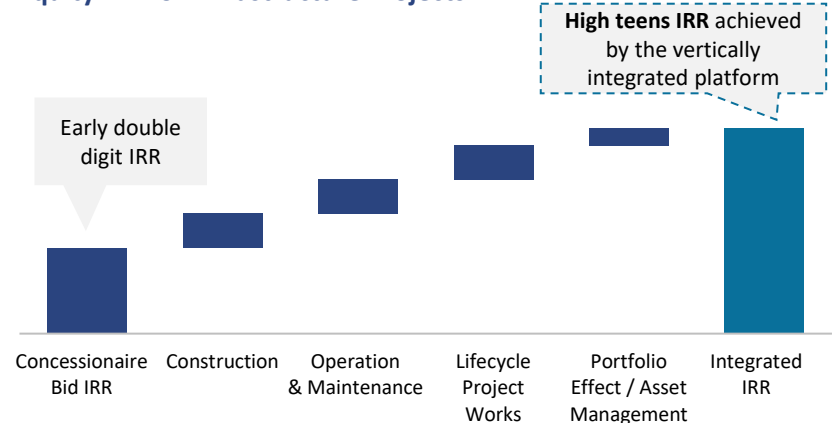
Strong Synergies
derived from vertically integrated platform



Balance Sheet Firepower
to capitalize on opportunities

... AND ACHIEVE HIGHLY ATTRACTIVE RETURNS

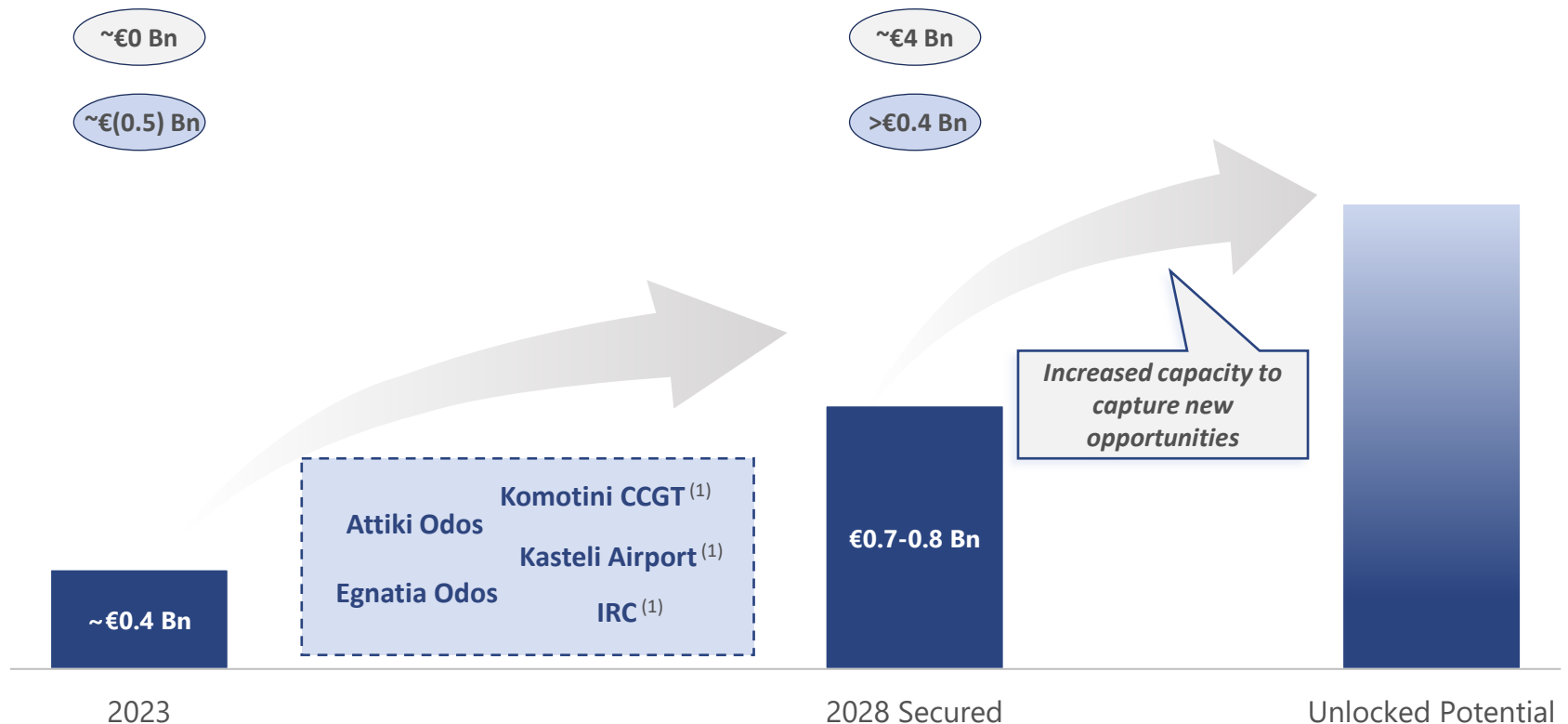
Equity IRR for Infrastructure Projects



The Proceeds from the Transaction will be Redeployed to Accelerate the Group's Path to a New Growth Era

Landmark upcoming concessions and projects offering highly attractive returns

Group Pro-Forma Adjusted EBITDA and Net Debt



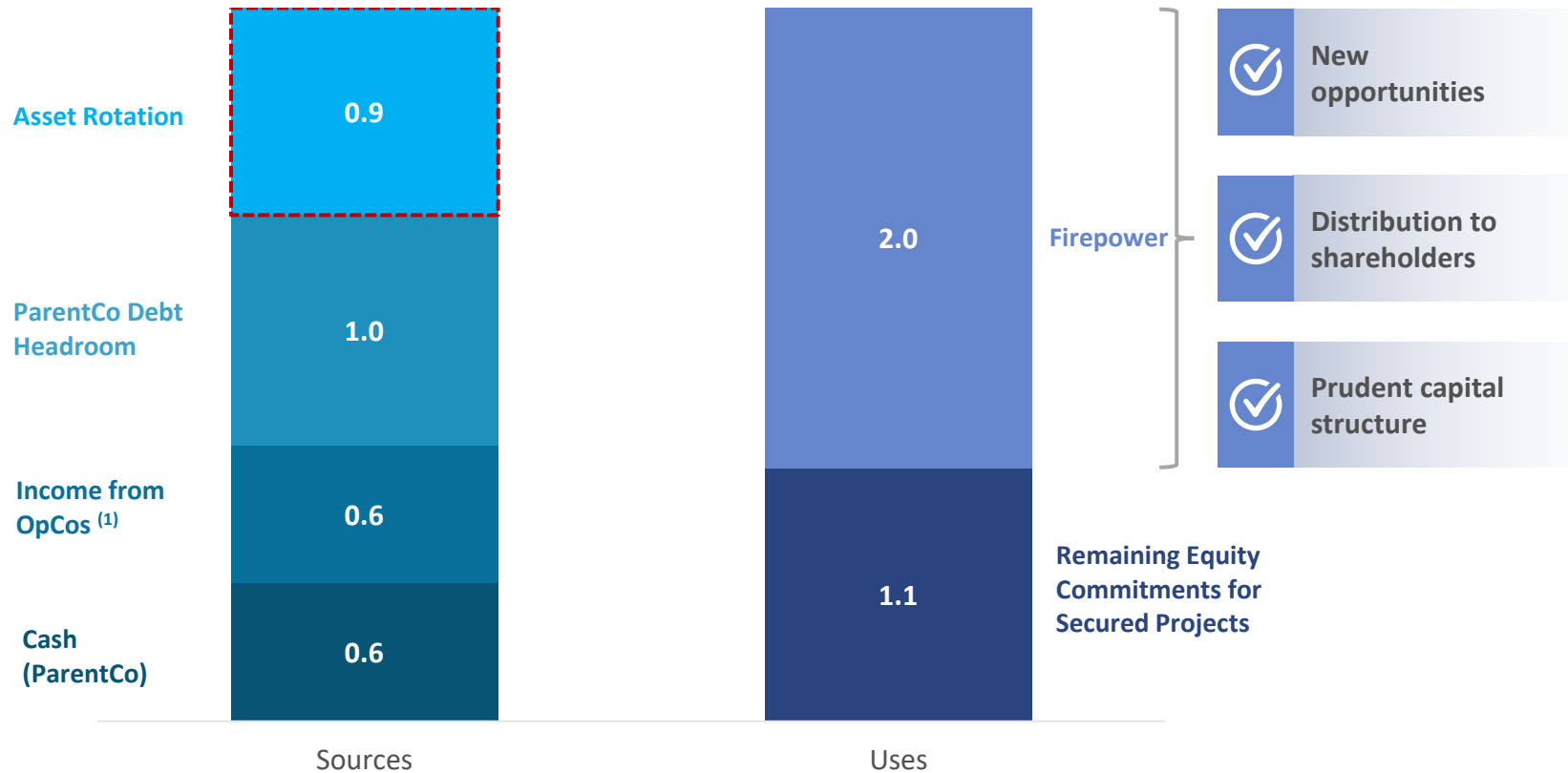
- Group Pro-Forma adj. Net Debt
- Parent Co. Pro-Forma adj. Net Debt

1. Projects consolidated under the equity method

Additional Firepower to Pursue Highly Attractive New Projects and Accelerate the Growth in Dividend Distributions for Shareholders while maintaining a prudent capital structure

Investment Funding Capacity (2024-2028)

€ Bn



1Q 2024 Pro-Forma Group adj. Net Debt ~€0 Bn // Net Cash at Recourse Level

1. Net of overhead and interest; Gross Income From OpCos ~€0.8 Bn for 2024-28

Key Takeaways

A Highly Attractive Transaction for GEK TERNA and its Shareholders



Crystalizing value of continued investment

Supported by an attractive exit yield



Unique opportunity to redeploy capital in the infrastructure space

€40-50 Bn investment needed in Greek infrastructure, of which €8-10 Bn expected in the next 24 months



Realize the full potential of GEK TERNA's core strengths and competitive advantages

Positioned to deliver high returns in the infrastructure & concessions space



Well prepared to continue the journey without TERNA ENERGY

Cash distributions from TERNA ENERGY would account for <10% of GEK TERNA's anticipated inflows in 2024-2028



Accelerate ramp up of dividend distributions

In parallel to retaining a prudent capital structure



Offer a streamlined investment story

Leading Diversified Infrastructure Group in Greece and South-East Europe

SECTION 2

TRANSACTION DEEP DIVE

On 20 June 2024, “GEK TERNA S.A.” (the Company) announced that it has executed a Share Purchase and Covenants Agreement (the **Agreement**) with the Greek company “Masdar Hellas Single Member Société Anonyme” (the **Purchaser**) in relation to the sale of all the shares held by the Company in TERNA ENERGY Société Anonyme Industrial, Commercial and Technical Company S.A. (**TERNA ENERGY**) (ATHEX: TENERGY) (representing 36.59% of the shares and voting rights in TERNA ENERGY).

The Purchaser is an indirect wholly owned subsidiary of the company “Abu Dhabi Future Energy Company PJSC - Masdar” (**Masdar**). Masdar is a leading global renewable energy platform, which develops and operates renewable energy and sustainable technology projects across the world, with more than 20 GW of renewable energy projects in operation, and a target of reaching 100 GW of renewable capacity by 2030.

1. Transaction Structure – Purchase Price

1.1. The completion of the sale and transfer of the Company’s shares in TERNA ENERGY (the **Transaction**) is subject to the fulfilment within 6 months of certain conditions precedent (the **Conditions**), including – inter alia – the approval of the Transaction by the European Commission (competition clearance) and possible foreign development investment clearance by Polish competition authorities, the receipt of certain third party consents and the approval of the Transaction and the related arrangements set out in the Agreement (as referred to in paragraph 3 below) by the General Meeting of the Company’s shareholders.

1.2. The Conditions also include the procurement of the transfer to the Purchaser of an additional number of shares in TERNA ENERGY simultaneously with completion of the Transaction (the **Closing of the Transaction**), so that the Purchaser immediately after the Closing of the Transaction holds at least 67% of the shares and voting rights in TERNA ENERGY. Certain shareholders of TERNA ENERGY controlling – together with the Company – an aggregate 64.68% in shares and voting rights, including (among others) the Board members of TERNA ENERGY, Messrs. Georgios Peristeris (Chairman), Emmanouel Maragoudakis (Chief Executive Officer), Georgios Spyrou (Executive Director) and Michail Gourzis (Member), as well as Mr. Georgios Agrafiotis (Deputy Chief Executive Officer), have given irrevocable undertakings (the **Irrevocable Undertakings**) upon the signing of the Agreement to sell or procure the sale of at least such percentage of shares in TERNA ENERGY to the Purchaser on Closing of the Transaction.

1.3. During the period starting from the signing of the Agreement until Closing of the Transaction (the **Interim Period**), the Company is obliged to exercise its voting rights and overall powers over TERNA ENERGY so that the latter, inter alia, conducts its activities in the ordinary course of business and does not take any actions that may have an adverse effect on the Transaction, as well as does not to distribute any dividends – other than the permitted dividend distribution of a total amount of EUR 44,879,934.20 million (the **Permitted Dividend**) or 0.38 EUR per share for which a shareholders’ meeting has already been convened.

1.4. The price of the Transaction amounts to 20 Euro per share (under the Agreement and the Irrevocable Undertakings), which may be adjusted in the following events (if occurring during the Interim Period):

- in case of distribution of dividends – other than the Permitted Dividend – or of any other distribution to the shareholders of TERNA ENERGY by the amount corresponding to the distributed amount per share; and/or
- in case of a reorganisation of the share capital of TERNA ENERGY (excluding the issuance of shares by virtue of the existing management incentive share allocation programme of TERNA ENERGY), by the amount which will be determined by an auditor per share; and/or
- in case the total value of the Non-Core Assets (as defined below), which will derive from a report of a chartered auditor, falls below the amount of 65.2 million EUR, by the amount corresponding to said difference per share,

(the **“Price”**). The Transaction value for the stake of GEK TERNA amounts to 880 million EUR (including the proceeds from the Permitted Dividend), based on a valuation for TERNA ENERGY (100%) at 2.4 billion EUR and the total Enterprise Value of the Transaction at 3.2 billion EUR.

2. Tender Offer

Following the successful Closing of the Transaction, the Purchaser intends to proceed to launching a mandatory tender offer addressed to all shareholders of TERNA ENERGY for the acquisition of their shares against the Price, pursuant to Greek Law 3461/2006.

3. Other Agreements made in the context of the Transaction

3.1. Non-Core Assets

The Company (or a subsidiary of the Company, at the Company's option) will purchase and acquire from TERNA ENERGY certain activities, which do not fall within the Core Business, as defined below, (the Non-Core Assets) for a reasonable and fair consideration to be determined based on an auditor's report. Part of the Non-Core Assets will be transferred prior to (and as a condition of) the Closing of the Transaction and the remaining Non-Core Assets will be transferred shortly after the Closing of the Transaction.

3.2. Put Option in relation to the pumped storage hydro plant project of Amfilochia

Subject to the Closing of the Transaction, the Company and the immediate parent company of the Purchaser have agreed that the Purchaser will have the right (via TERNA ENERGY) to sell (put option) 50% of the share capital of the company named TERNA ENERGEIAKI-ANTLISIOTAMIEFSI MONOPROSOPI ANONYMI ETAIREIA (a 100%-owned subsidiary of TERNA ENERGY) to the Company approximately nine months after the Closing of the Transaction.

3.3. Call Option in relation to certain projects

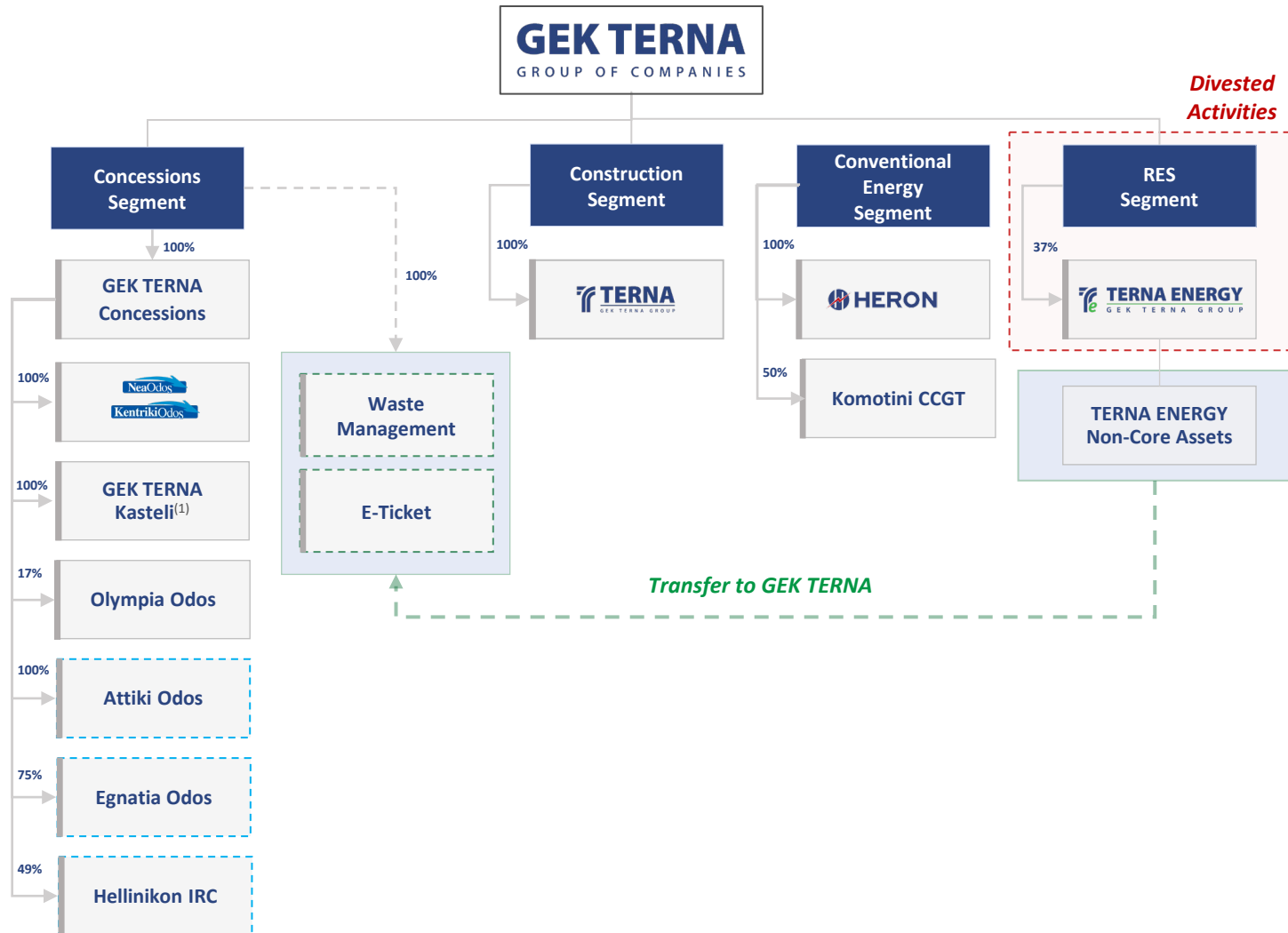
Subject to the Closing of the Transaction and certain requisite third party consents, the Company and the Purchaser have agreed that the Company will have the right to purchase (call option) 50% of the equity interests in specified energy production and storage projects (hydroelectric, pumped storage and offshore wind) with a total capacity of c. 3.0 GW approximately nine months after the Closing of the Transaction, as it may be extended. These will be effected as share sales in companies currently owned in whole or in part (or to be formed) by TERNA ENERGY for such purposes.

3.4. Non-Compete Obligation

The Company is obliged to refrain from activities, which fall within the core business of TERNA ENERGY, namely the development, construction, financing and operation of renewable energy sources, battery energy storage system, other energy storage projects and pumped hydro projects (the **Core Business**) in Greece, Poland and Bulgaria for the period from the signing of the Agreement until three years after the Closing of the Transaction (the **Non-Compete Obligation**). Certain exemptions from the Non-Compete Obligation have been agreed to avoid any hindrances in the Company's existing business.

The Company will inform the investors about any material developments or new information

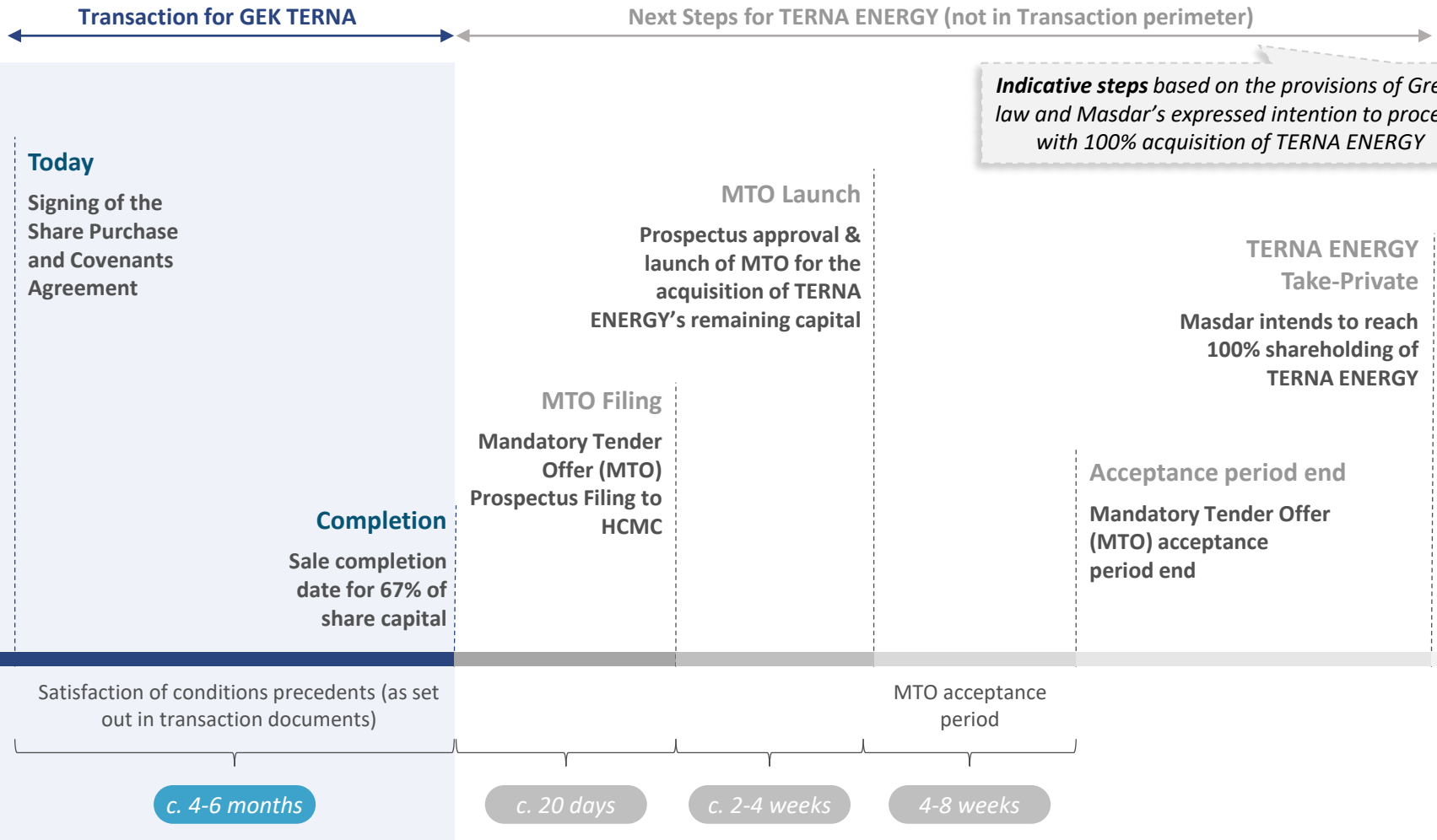
Transaction Perimeter to Exclude Key Assets for GEK TERNA



1. Owns 32.5% of Herakleio Crete International Airport

 Projects under development

Indicative Transaction Timeline and Next Steps for TERNAL ENERGY



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