

**TERNA ENERGY FINANCE SINGLE PERSON SOCIETE
ANONYME**

SEMI-ANNUAL FINANCIAL REPORT

For the period ended on 30th June 2022

1st January – 30th June 2022

**In accordance with Article 4, Law 3556/2007 and the relevant Executive Decisions
Of the Hellenic Capital Market Commission Board of Directors**

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GENERAL ELECTRONIC COMMERCIAL REGISTRY (GEMI) 14027480100

CONTENTS

REPRESENTATIONS OF THE MEMBERS OF THE BOARD OF DIRECTORS	3
I. SEMI-ANNUAL MANAGEMENT REPORT OF THE BOARD OF DIRECTORS OF TERNA ENERGY FINANCE SINGLE PERSON SOCIETE ANONYME ON THE FINANCIAL STATEMENTS FOR THE PERIOD 01/01/2022 - 30/06/2022.....	4
II. INDEPENDENT AUDITOR'S REPORT	15
III. INTERIM CONDENSED FINANCIAL STATEMENTS FOR THE 6-MONTH PERIOD ENDED ON 30 TH JUNE 2022 (1 January – 30 June 2022)	17
EXPLANATORY NOTES TO THE FINANCIAL STATEMENTS	22
1. GENERAL INFORMATION ABOUT THE COMPANY	22
2. BASIS FOR THE PREPARATION OF FINANCIAL STATEMENTS	22
3. INFORMATION REGARDING OPERATING SEGMENTS.....	26
4. OTHER LONG-TERM RECEIVABLES.....	27
5. OTHER SHORT-TERM ASSETS.....	28
6. CASH AND CASH EQUIVALENTS	28
7. SHARE CAPITAL	28
8. BORROWINGS.....	29
9. INTEREST INCOME	30
10. INTEREST AND OTHER FINANCIAL EXPENSES	30
11. INCOME TAX	31
12. EARNINGS PER SHARE.....	31
13. TRANSACTIONS WITH RELATED PARTIES.....	31
14. CONTINGENT LIABILITIES	32
15. RISK MANAGEMENT	33
16. SIGNIFICANT EVENTS AFTER THE REPORTING DATE OF THE STATEMENT OF FINANCIAL POSITION	35
17. APPROVAL OF FINANCIAL STATEMENTS.....	36
IV. REPORT ON ALLOCATION OF THE CAPITAL PROCEEDS	37
V. Report of Findings from the Conduct of Pre-Agreed Procedures on the "Report about the Allocation of Capital Proceeds"	44

REPRESENTATIONS OF THE MEMBERS OF THE BOARD OF DIRECTORS

(In compliance with Article 4, Par. 2 of Law 3556/2007)

The following representatives:

1. Vasileios Delikaterinis, Chairman of the Board of Directors
2. Aristotelis Spiliotis, Managing Director
3. Dimitra Chatziarseniou, The Vice-Chairman of the Board of Directors

under our capacity that is presented above, according to the provisions stipulated by law (article 4 of Law 3556/2007), and also as appointed for the specific purpose by the Board of Directors of the Societe Anonyme under the name “TERNA ENERGY FINANCE SOCIETE ANONYME” (henceforth called as the “Company” for brevity reasons), we declare and verify according to the law that to the best of our knowledge:

- (i) The attached annual financial statements of the Company TERNA ENERGY FINANCE S.P.S.A. for the semiannual period from January 1st, 2022, to June 30th 2022, prepared according to the applicable accounting standards, present truly and fairly the assets and liabilities, the equity and the financial results of the Company, and

The attached BoD Report depicts in a true manner the development, performance, and position of the Company, including the description of the main risks and uncertainties that the Company faces.

Athens, 28 Septmeber 2022

Chairman of the BoD

CEO

Vice-Chairman of the BoD

Vasileios Delikaterinis

Aristotelis Spiliotis

Dimitra Chatziarseniou

I. SEMI-ANNUAL MANAGEMENT REPORT OF THE BOARD OF DIRECTORS OF TERNA ENERGY FINANCE SINGLE PERSON SOCIETE ANONYME ON THE FINANCIAL STATEMENTS FOR THE PERIOD 01/01/2022 - 30/06/2022

The present Semi-Annual Report of the Board of Directors which concerns the interim period from 1st January to 30th June 2022 has been prepared and is fully aligned with the provisions of Law 4548/2018, article 5, par. 2(c) & 6 of Law 3556/2007 and article 4 of decision number 8/754/14.4.2016 of the Board of Directors of the Hellenic Capital Market Commission.

The present Report includes financial and non-financial information of the Company for the semi-annual period ended 30/06/2022 and describes significant events that took place during that period and after the reporting date of the financial statements, as well as their impact on the Company's course and prospects. It also describes the main risks and uncertainties that the Company may face in the second half of 2022. Finally, the significant transactions between the Company and the related parties are presented.

The financial statements have been prepared in accordance with the International Financial Reporting Standards as such were adopted by the European Union.

The Company was founded on 14.10.2016 under the title "TERNA ENERGY FINANCE SOCIETE ANONYME" and the distinctive title "TERNA ENERGY FINANCE S.P.S.A." (hereinafter "TERNA ENERGY FINANCE S.P.S.A.") and is a fully owned by 100% subsidiary of the listed on the Athens Exchange company "TERNA ENERGY SOCIETE ANONYME INDUSTRIAL COMMERCIAL TECHNICAL COMPANY" (hereinafter "parent", "TERNA ENERGY SA").

The Company's operations focus on the following:

- investment and financing the operations of the Company and/or its affiliated companies and entities,
- intermediation in financing by third parties of the companies and businesses affiliated with the Company,
- provision of services and consultancy to companies and entities affiliated with the Company regarding the capital structure and in general their financing, and
- in general terms, undertaking any project, service and any activity or any other action which is relevant to the above scope of the Company's operations or generally is performed in the context of that scope.

The Company is fully supported by its parent company TERNA ENERGY S.A., which has a complete influence on the decisions, management and operation of the Company and exercises control over them. Essentially, the Company is a fund with the objective of implementing selected investments indicated by TERNA ENERGY S.A. (sole shareholder of TERNA ENERGY FINANCE S.P.S.A. and Guarantor of the Common Bond Loan). The Company, apart from its investment in the bonds of TERNA ENERGY S.A., has no further business activity, no market activity and no other assets.

In case TERNA ENERGY S.A. ceases to assist the Company at the management and operating level or is unable to fulfill its contractual obligations to the Company under the terms of the Intra-Group Loan, this may have a material adverse effect on: a) Company to fulfill its obligations mainly due to inadequate cash flows and

revenue b) the trading price of the Company's Bonds on the ATHEX, c) the results, the financial position and the prospects of the Company.

The operating framework, financial developments and risks / uncertainties, as well as the Company's prospects are described as follows:

A. Financial Developments and Performance for the Reporting Period (First Half 2022)

The European Union is at the center of a prevailing economic turbulence that is souring its development path to a great extent, posing obstacles to its stability and cohesion. Unlike the debt crisis it faced a decade ago, this time the shock is exogenous. This is perhaps the strongest energy crisis in the history of the European Union. In a post-pandemic environment characterized by parallel growth in global demand and disruption of supply chains, the global geopolitical conflict that followed Russia's invasion of Ukraine expanded into the energy sector. In the present phase, initiatives are being taken both at national and European level in order to ensure the energy sufficiency of the member states of the European Union (EU-27) in view of the coming winter. High energy costs affect all European countries without exception, burdening households and businesses. According to Eurostat's initial estimate, the Harmonized Index of Consumer Prices (HICP) in the Eurozone increased by 9.1% on an annual basis in August, with the HICP-energy recording an increase of 38.3%, while in Greece the harmonized inflation is estimated at 11.1%.

Russia has already cut gas supplies to Poland, Bulgaria, Finland, Denmark and the Netherlands, while it has limited them to other states such as Germany and Italy. In addition, Gazprom recently announced the suspension of natural gas deliveries to the French group Engie and the indefinite shutdown of the Nord Stream 1 pipeline. These developments have intensified concerns about a rapidly escalating energy crisis in Europe, which has led to a large increase in the price of natural gas again. The price of the Dutch TTF natural gas contract, which is the reference price for Europe, was settled on 5 September at Euro 244.5 per megawatt hour, down from Euro 340 per megawatt hour recorded on 26 August. However, the price of natural gas has risen 273% since the beginning of the year and about 373% in the last twelve months.

The impact of the energy crisis and inflationary pressures in our country may be milder compared to other European countries in the coming months, due on the one hand to the weather conditions, which make the needs for heating in the winter months relatively limited, on the other hand to certain characteristics of the Greek market.

The Greek government has provided significant support to the households and businesses in order to protect their incomes against the energy crisis. According to the Bruegel Institute, in the period September 2021-July 2022, Greece provided the greatest state support as a percentage of GDP among the member states of the European Union. Specifically, the rate stood at 3.7%, which corresponds to measures of Euro 6.8 billion.

Briefly, the main measures taken include:

- subsidies on electricity and gas bills for households and businesses
- expansion of the upper limits of heating allowances and the criteria for inclusion in them
- one-off aid of Euro 200 to low pensioners, uninsured elderly and beneficiaries of unemployment benefits.

On 08/09/2022, the European Central Bank decided to increase the three key rates by 75 basis points.

Consequently, the main refinancing operations rate as well as the marginal funding facility and deposit acceptance facility rates will increase to 1.25%, 1.50% and 0.75% respectively, with effect from 14 September 2022.

This important step accelerates the transition to higher interest rates by raising the cost of money to levels that will combat high inflation, so as to bring price rises under control and within the ECB's target of 2%, according to what ECB notes in its announcement.

Based on its current assessment, it is expected to raise interest rates further to moderate demand and prevent the risk of a persistent upward shift in inflation expectations.

After a recovery in the first half of 2022, recent data suggest that economic growth in the euro area is slowing significantly and the European economy is expected to remain stagnant for the rest of the year and in the first quarter of 2023.

Very high energy prices reduce the purchasing power of people's incomes and, despite easing supply-side bottlenecks, they continue to constrain economic activity. In addition, the adverse geopolitical situation, especially Russia's unprovoked attack against Ukraine, is having a negative impact on business and consumer confidence. These prospects are reflected in the latest expert projections for economic growth, which have been revised downwards significantly for the remainder of this year and throughout 2023.

According to the existing estimates from the Bank of Greece (Monetary Policy Report 2021/2022 – June 2022), GDP growth forecasts for 2022 settle at 3.2%, against the initial forecasts which were 3.8% and for 2023 it is estimated that it will rise to 2.4%. However, according to ELSTAT's accounting data, the Greek economy for the first half of 2022 grew at a rate of 7.8% compared to the corresponding half of 2021, due to the satisfactory tourist season that the country is going through and the investments that are being implemented and confirm its strong growth, showing significant signs of resistance to the existing energy crisis. The above achievement results in the Greek Government estimating the growth of the economy at 5.3% for 2022, reducing the estimate for 2023 to 2.1%.

TERNA ENERGY Group, of which TERNA ENERGY FINANCE SPSA is a member, strongly committed to its development strategy and the realization of its vision, constantly improves and modernizes the structures and operating systems, selects with special care the executives personnel that is needed from the market, trains its staff in modern digital systems and in the obligation to comply with the provisions of the corporate governance system, the other provisions of the Internal Regulations, as well as the rules imposed by the competent bodies of the State for the relations of companies with their members of the Board. Also, reacting quickly and sensitively for the health and safety of its human resources, it took all the necessary measures, set up a special committee to deal with the coronavirus and ensured that ALL employees take full care of the current situation in terms of the COVID-19 and its mutations. The Committee systematically monitors the development of the pandemic, is immediately informed of any critical factors of its spread and guides the necessary actions to be taken by the Management and each employee throughout the Group in order to minimize the risks of the phenomenon and the impact on the course of the company.

This policy and the nature of the activities of the Group, have protected the Group from the related risks and have allowed the Management to continue its development course, not directly affected by the spread of the virus. Keeping personnel on standby and limiting their communication with a few external partners, combined with the lack of contact with large groups of customers / consumers provide the Group with the opportunity to focus on its goals and not be directly and greatly influenced by evolution of the pandemic phenomenon. For these reasons, TERNA ENERGY Group continues to invest in the generation of energy through Renewable Sources (RES), fully focused on achieving its goal of 3,200 MW of installed capacity until the year 2025 and of over 6,400 MW by the end of year 2029.

Basic Financial Figures:

Within the first half of 2022, the Company realized Interest Income of € 2,654 thousand compared to € 2,654 thousand of the respective six-month period of 2021.

The results of the Company before income tax for the six-month period recorded a profit of € 395 thousand compared to a profit of € 397 thousand during the corresponding six-month period of the previous year.

Finally, the liquidity ratio of the Company (Current Assets over Current Liabilities) settled at 6.72.

Regarding the allocation of the bond of TERNA ENERGY FINANCE SA (Common Bond Loan) amounting to € 150,000 thousand, it has been decided to use the capital proceeds for the period 22/10/2019 to 31/12/2022 as follows:

Investment Segment	Amounts in € thous.
4th quarter 2019	
1 Total repayment of Short-term Bank Loan of the Guarantor (used to repay CBL 2017).	€ 60,000
2 Partial repayment of Short-term Bank Loan of the Guarantor used to repay part of the consideration for acquisition of the wind park "Bearkat I" in Texas (Glasscock County), USA	€ 30,632
Period 2019 – 2022	
3 Construction of 14 wind parks in Greece, of a total capacity of 218 MW by the Guarantor or by the Subsidiaries of the Guarantor (either through intra-group loan from the Guarantor to the subsidiaries or through a share capital increase in the Subsidiaries by the Guarantor).	€ 56,000
Total investments	€ 146,632
(-) Estimated CBL issuance expenses	€ 3,368
Total capital proceeds by the Issuer	€ 150,000

Until 30/06/2022, from the above capital proceeds, a total of € 135,865 thousand had been allocated whereas the unallocated balance amounted to € 10,767 thousand. The Allocation Report of the Raised Funds from the issuance of the aforementioned Common Bond Loan of TERNA ENERGY FINANCE SPSA, is presented in section V.

B. Significant events during the first half of the financial year 2022

There were no significant events during the 1st Half of the financial year 2022.

C. Significant Events following the reporting date of the Statement of Financial Position

No significant events occurred after the reporting date of the statement of financial position, however TERNA ENERGY Group, to which the Company belongs, closely monitors the geopolitical developments in Ukraine which in any case do not have a direct impact on its figures and financial performance. However, from these events the inherent risks have already appeared and new ones are expected to emerge. These are, among others, the fluctuation of the expected government revenues in the tourism sector, the inflation of energy and grain prices and the uncertainty in the development of foreign direct investments. These variables may affect fiscal flexibility and the wider economic climate with inevitable indirect consequences for the Group.

D. Risks and uncertainties for the Second Half of the Financial Year 2022

Based on what has been extensively mentioned in the "Introduction" of the present report, the Company is operatively supported by its parent company TERNA ENERGY SA, which fully influences the decisions, the Management and the operation of the Company and exercises control over them. In the event that TERNA ENERGY SA ceases to assist the Company in terms of management and operation or is unable to fulfill its contractual obligations to the Company, under the terms of the Intragroup Loan, this may have substantial negative consequences to the following: a) the ability of the Company to fulfill its obligations, mainly due to insufficient cash flows and revenues, b) the trading price of the Company Bonds on the Athens Exchange, c) the results, the financial position and the prospects of the Company.

Taking into account the above, the main risks and uncertainties in the business activities of the Company are directly related to those of the TERNA ENERGY SA (hereinafter "Group") and for this reason, the report on the Main Risks & Uncertainties of the Company should be combined with section II of the Management Report of the Board of Directors of the parent company, sole shareholder and guarantor, TERNA ENERGY SA, with regard to the semi-annual period ending on 30/06/2022, where a detailed reference is made to the risks of TERNA ENERGY SA. The Interim Condensed Consolidated and Separate Financial Statements of TERNA ENERGY SA for the six-month period ended on 30/06/2022 have been approved by the Board of Directors of the company on 28/09/2022 and have been posted online on its website www.terna-energy.com, as well as on the website of the Athens Exchange.

In synopsis, we present the main risks and uncertainties in the business activities of the TERNA ENERGY SA Group, as described in the published Interim Condensed Financial Statements and which are summarized in the following:

Credit Risk

All receivables of the energy sector concern the wider Public sector in the domestic (Greek) market (including DAPEEP and HEDNO) and abroad, while the same applies to the concessions sector as well as to most of the

receivables of the construction sector. The activities of the electricity trading sector, which are carried out in the market of private individual customers, are subject to credit risk.

The Group traditionally, due to the nature of its operations, is not exposed to significant credit risk in terms of trade receivables, except for delays in receipts from DAPEEP, which have been significantly reduced by the application of Law 4254/14, as well as the special levy imposed, for the financial year 2020. The above was imposed in order to deal with the side effects of the coronavirus pandemic, on the electricity producers from Renewable Energy Sources (RES), which have been put into normal or trial operation by 31 December 2015 (Government Gazette 245/09.12.2020). In other transactions with private individual customers, the Group operates with the aim of limiting credit risk and securing its trade receivables.

Currency risk

The Group operates, in addition to Greece, in Eastern Europe and therefore may be exposed to foreign exchange risk that may arise from the exchange rate of the Euro against the other currencies.

To address this risk, the Group's financial management department systematically monitors exchange rate changes and ensures that they do not have a negative impact on its cash position.

Interest rate risk

The Group's policy is to minimize exposure to interest rate risk in terms of long-term financing of its operations.

As part of this policy, the long-term loans received by the Group either have a fixed interest rate or are being hedged for almost their entire duration.

Market risk analysis

The Group is not exposed to any risk for its financial assets.

Liquidity risk analysis

The liquidity of the Group is considered satisfactory, as, in addition to the existing cash, the operating wind farms generate continuous, satisfactory cash flows.

Other risks and uncertainties

(a) Special note to the war conflict in the region of Ukraine

TERNA ENERGY Group closely monitors the geopolitical events in Ukraine which in any case do not have a direct impact on Group figures and performance. Specifically, in the operating sector "Electricity from Renewable Energy Sources" due to the fact that the majority of wind parks have a fixed selling price, the important costs are the depreciation of the equipment, and the cost of borrowing refers to fixed interest loans, the effect is insignificant. In the operational area of "Concessions" no significant impact is expected as

well, due to the structure of the contracts governing these operations. Finally, in the "Electricity Trading" functional area, due to the nature of the activity and given that the selling price follows the purchase cost, there is typically no problem of a substantial influence of the consequences of Russia's invasion of Ukraine.

However, due to the dynamics of these events, new risks may arise. The Management of the Group, considering the existing uncertainty in the wider economic climate, tries to assess in a timely manner any indirect consequences for the Group

(b) Fluctuations of wind and hydrological data

The Group, regarding its activity in the energy sectors, remains exposed to short-term fluctuations with regard to wind and hydrological data, without this affecting the long-term efficiency of its projects, as the implementation of investments is preceded by extensive studies concerning long-term trends of the above factors. From now on, new factors must be incorporated into the models of the relevant calculations, which will allow the consideration of possible events of force majeure, such as the current epidemic, in order to examine in more depth the viability of each planned investment.

(c) Risks related to the impact coming from COVID-19 pandemic

The coronavirus pandemic (COVID-19) is now in remission, however the Group continues and implements all the necessary measures in order to facilitate the smooth development of its core activities, continuing the exploitation of RES and implementing its investment plan in the energy sector, and at the same time intensifying its efforts to stabilize the Greek economy and employment.

In particular, the Management monitors the special conditions that could have a significant impact on the business activities of the RES operational sector and the risks to which it is exposed. Based on the current facts and circumstances regarding the situation of the COVID-19 pandemic these are analyzed as below.

In the field of electricity from RES, in Greece there was no interruption or other negative impact on the activities of the Group's facilities that are in operation. As far as the RES facilities under construction are concerned, to date no delays have been caused due to the coronavirus pandemic (COVID-19) and the estimated time of completion and commissioning of the projects has not changed. Regarding the Group's revenue collections, no delays were observed within the financial year 2022.

The pandemic of COVID-19 and its mutations continues to affect the global economy however with decelerating intensity. Currently, the Group has no direct impact on its business activities from the pandemic. However, even after the containment of the COVID-19 pandemic, the Group may experience certain difficulties in its business, results, financial position and prospects as a consequence of the overall impact of the pandemic on the global economy.

E. Prospects

The Company is a monetary capital, which is intended for the implementation of selected investments indicated by TERNA ENERGY SA (exclusive shareholder and Guarantor of the Bond Loan). As the Company

has no other business activity, apart from its investment in the bonds of the Intragroup Loan issued by TERNA ENERGY SA, is not active in any market and has no other assets.

Taking into account the above, the prospects of the Company should be read in conjunction with section II of the Semi-Annual Management Report of the Board of Directors of the parent company, sole shareholder and Guarantor, TERNA ENERGY SA of the semi-annual period ending 30/06/2022, where a detailed reference is made to the prospects of the TERNA ENERGY SA. The consolidated and separate Financial Statements of TERNA ENERGY SA for the semi-annual period ended 30/06/2022 have been approved by the Board of Directors of the company on 28/09/2022 and have been posted on the internet on its website www.terna-energy.com, as well as on the Athens Exchange website.

Prospects of TERNA ENERGY Group

Volatility in energy markets as well as challenges at a global economic and political level have created conditions of increased uncertainty for the business sector. In this demanding environment, the importance of renewable energy sources' further development has been highlighted even more given their contribution to low-cost energy but also the energy independence of countries.

In this light, the support of the renewable energy industry from governments and society should be the only way forward. This has now been reflected in the continuous upgrades to the targets for renewable energy sources in the various initiatives that the European Union has presented such as Fit-For-55 and more recent RePower EU.

As an example for Greece, the installed capacity from renewable energy sources is expected to increase from 12GW currently to 30 GW by 2030 and to exceed 40 GW in 2040 from 12 GW today.

Recognizing these conditions, TERNA ENERGY Group, as part of its investment conference organized in May 2022, announced its new investment plan aiming at the installation of 5.5 GW of renewable energy sources by the end of 2029, aiming for an installed capacity that will exceed 6.4GW from 895 MW today. The total cost of the investment program is estimated at 5.9 billion for the period 2022-2029.

With the completion of the program, the organic profitability of the Group (EBITDA) is expected to exceed 700 million on an annual basis.

It is worth noting that the total project portfolio of the TERNA ENERGY Group in Greece currently amounts to 12 GW, including projects of various technologies in various phases of development. More projects of more than 1.0 GW are being considered in other countries.

The large number of projects and technologies, the group's deep knowledge and long-term dedication to the subject, as well as its healthy financial performance is expected to support the uninterrupted and successful execution of the investment plan.

For the near future, the TERNA ENERGY Group is not expected to be particularly affected by volatility in energy markets as the entire installed portfolio is governed by long-term sales contracts with fixed prices. Also, no significant impact is expected from the various regulatory measures in the energy market (windfall taxes, price caps etc.) that the Greek government has so far presented and taken to support consumers.

Taking into account the above, the prospects of the TERNA ENERGY Group for the year 2022 and for the following years are positive, despite the difficult period that the global economy and Greece are going through.

F. Alternative Performance Measurement Indicators ("APMI")

In the context of applying the Guidelines "Alternative Performance Measures" of the European Securities and Markets Authority (ESMA/2015/1415eI) which are applied from 3rd of July 2016 in the Alternative Performance Measures Indicators (APMI)

The Company uses Alternative Performance Measurement Indicators ("APMI") in decision-making regarding its financial and operational planning, as well as for the evaluation and publication of its performance. These APMI serve to better understand the financial and operational results of the Company and its financial position. Alternative Performance Measurement Indicators should always be considered in conjunction with the financial results prepared in accordance with IFRS and in no way replace them.

When describing the Company's performance, the following indicators are used:

"Net Debt / (Surplus)" is a ratio by which the Company's Management assesses each time the respective cash position. The ratio is defined as total long-term loan liabilities, short-term loan liabilities, long-term liabilities payable in the next fiscal year, less cash and cash equivalents.

Loan Liabilities to Total Capital Employed is a ratio with the Company's Management assesses the Company's financial leverage. As **Loan Liabilities** are defined Long - Term Loans and Long-term liabilities payable in the next fiscal year. The **Total Capital Employed** is defined as the sum of the total Equity, plus the Net Debt / (Surplus).

Gross Profit Margin is an indicator by which the Company's Management evaluates its profitability and is defined as the percentage of Net Income / (Expenses) from Interest to Interest Income.

EBIT (Earnings before Interest & Taxes) - Operating Profit before interest and taxes: is an indicator by which the Company's Management assesses its operating performance. The figure is defined as: Net Profit / (loss) of the year less income tax.

EBITDA (Earnings before Interest Taxes Depreciation & Amortization): It is an indicator by which the management evaluates the operational performance of the Company. The ratio adds to the Operating Profit before Taxes and Interest (EBIT), the total depreciation/amortization of tangible and intangible fixed assets and deducts the corresponding amortization of the fixed asset grants, if any.

The following table presents the Alternative Performance Measurement Indicators:

Amounts in € thousand	2022	2021
Long-term loan liabilities (Note 8)	147,537	147,274
Long-term liabilities carried forward (Note 8)	704	758
Loan Liabilities (a)	148,241	148,032
Cash and cash equivalents (Note 8) (b)	3,065	2,445
Net debt/(surplus) (a) - (b) = (c)	145,176	145,587
Total equity (d)	2,978	2,669
Total Employed Capital (c) + (d) = (e)	148,154	148,256
Loan Liabilities (a)/Total Employed Capital (e)	100.06%	99.85%
Interest income (Note 9) (f)	2,654	2,654
Interest and other financial expenses (Note 10) (g)	(2,224)	(2,216)
Net income from interest (f) - (g) = (h)	430	438
Gross profit margin (h)/(f)	16.20%	16.50%
Net profit for the period (i)	308	315
Income Tax (j)	(87)	(82)
EBIT (i)-(j)	395	397
EBITDA (i)-(j)	395	397

G. Share Capital Structure, Treasury Shares and Other Information

Since its establishment, the Company has not acquired any treasury shares.

The share capital of the Company amounts to a total of one million eight hundred and fifty thousand Euros (1,850,000 €) divided into one million eight hundred and fifty thousand (1,850,000) common registered voting shares, with a nominal value of one euro (1.00 €) each.

All the rights and obligations stated by Law and the Company's Articles of Association emanate from each share.

H. Personnel Management

The Company employed one person during both the present period as well as the respective period of the previous year. The Company implements human resource management policies which are the same as the policies implemented by the "TERNA ENERGY SA" Group to which it belongs.

I. Transactions with Related Parties

The Company's transactions with related parties in the concept of IAS 24 "Related Party Disclosures" have been carried out according to market norms. The amounts of sales and purchases during the first half of 2022

as well as the balances in terms of receivables and payables as of 30/06/2022 for the Company that have been derived from transactions with related parties are presented in Note 13 of the financial statements.

Transactions and balances for the period ending 30/06/2022 are as follows:

	30/06/2022			
	Purchases/Expenses	Sales/Income	Receivables	Liabilities
Parent Company	-	2,654	147,673	-
Total	-	2,654	147,673	-

Regarding the above transactions the following clarifications are provided:

- Interest income of TERNA ENERGY FINANCE S.P.S.A. from TERNA ENERGY S.A. amounting to € 2,654 concern the Intragroup Loan of 2019.
- Receivables of the Company from TERNA ENERGY S.A. amounting to € 147,673 relate to the Intragroup Loan of 2019 (capital and interest).

Within the period 01/01/2022-30/06/2022, no benefits were granted to the Company's members of the management or directors.

Athens, 28 September 2022
The Chairman of the Board of Directors

Vasileios Delikaterinis

II. INDEPENDENT AUDITOR'S REVIEW REPORT

(This review report has been translated from the Greek Original Version)

To the Board of Directors of "TERNA ENERGY FINANCE SOCIETE ANONYME"

Review Report on Interim Financial Information

Introduction

We have reviewed the accompanying condensed statement of financial position of TERNA ENERGY FINANCE SOCIETE ANONYME as of 30 June 2022 and the related condensed statements of comprehensive income, changes in equity and cash flows for the six-month period then ended, and the selected explanatory notes that comprise the interim condensed financial information, which forms an integral part of the six-month financial report under Law 3556/2007.

Management is responsible for the preparation and fair presentation of this interim condensed financial information in accordance with the International Financial Reporting Standards as adopted by the European Union and apply for Interim Financial Reporting (International Accounting Standard "IAS 34"). Our responsibility is to express a conclusion on these interim condensed financial statements based on our review.

Scope of Review

We conducted our review in accordance with International Standard on Review Engagements 2410, "Review of Interim Financial Information Performed by the Independent Auditor of the Entity". A review of interim financial information consists of making inquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with International Auditing Standards as incorporated into the Greek Law and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.

Conclusion

Based on our review, nothing has come to our attention that causes us to believe that the accompanying interim financial information is not prepared, in all material respects, in accordance with IAS 34.

Report on Other Legal and Regulatory Requirements

Based on our review, we did not identify any material misstatement or error in the representations of the members of the Board of Directors and the information included in the six-month Board of



Directors Management Report, as required under article 5 and 5a of Law 3556/2007, in respect of interim condensed financial information.

Athens, 28 September 2022
The Certified Auditor Accountant

George P. Panagopoulos
SOEL Reg. No.36471



TERNA ENERGY FINANCE SINGLE PERSON SOCIETE ANONYME

III. INTERIM CONDENSED FINANCIAL STATEMENTS FOR THE 6-MONTH PERIOD ENDED ON 30TH JUNE 2022 (1 January – 30 June 2022)

**In accordance with the International Financial Reporting Standards (IFRS)
as adopted by the European Union**

The accompanying Interim Condensed Financial Statements were approved by the Board of Directors of TERNA ENERGY FINANCE SA on 28 September 2022 and have been posted on the internet at the websites of the Company (www.ternaenergy-finance.gr) as well as of the Athens Exchange.

INTERIM STATEMENT OF FINANCIAL POSITION AS OF 30th JUNE 2022

	Note	30/06/2022	31/12/2021
ASSETS			
Long-term assets			
Other long-term receivables	4	146,632	146,632
Total Long-term assets		146,632	146,632
Current assets			
Other short-term financial assets	5	1,055	1,069
Receivables from Income Tax		711	800
Cash and cash equivalents	6	3,065	2,445
Total current assets		4,831	4,314
TOTAL ASSETS		151,463	150,946
EQUITY AND LIABILITIES			
Shareholders' equity			
Share capital	7	1,850	1,850
Reserves		76	44
Retained earnings / (losses)		1,052	775
Total equity		2,978	2,669
Long-term liabilities			
Long-term loans	8	147,537	147,274
Deferred tax liabilities	11	229	232
Total long-term liabilities		147,766	147,506
Short-term liabilities			
Suppliers		4	2
Long-term liabilities payable in the next fiscal year	8	704	758
Accrued and other short-term liabilities		11	11
Total short-term liabilities		719	771
Total liabilities		148,485	148,277
TOTAL LIABILITIES AND EQUITY		151,463	150,946

The accompanying notes form an integral part of the Interim Condensed Semi-Annual Financial Statements.

INTERIM CONDENSED STATEMENT OF COMPREHENSIVE INCOME OF THE PERIOD 01/01/2022-30/06/2022

	Note	01/01 - 30/06/2022	01/01 - 30/06/2021
Income from interest	9	2,654	2,654
Interest and other financial expenses	10	(2,224)	(2,216)
Net interest income		430	438
Third party fees and expenses		(10)	(18)
Other operating expenses		(2)	(3)
Personnel fees and Expenses		(23)	(20)
Operating Results		395	397
Earnings before income tax		395	397
Income tax	11	(87)	(82)
Net profit for the period		308	315
Total comprehensive income for the period		308	315

The accompanying notes form an integral part of the Interim Condensed Semi-Annual Financial Statements.

INTERIM CONDENSED STATEMENT OF CASH FLOWS OF THE PERIOD 01/01/2022-30/06/2022

	Note	01/01 - 30/06/2022	01/01 - 30/06/2021
Cash flow from operating activities			
Earnings before income tax		395	397
<i>Adjustments for reconciliation of net flows from operating activities</i>			
Interest income	9	(2,654)	(2,654)
Interest and other financial expenses	10	2,224	2,216
Operating losses before changes in working capital		(35)	(41)
(Increase)/Decrease in:			
Prepayments and other short term receivables		-	33
Interest and related income received		2,669	2,669
Increase/(Decrease) in:			
Suppliers		2	1
Accruals and other short-term liabilities		(1)	-
Interest Paid		(2,015)	(1,972)
Income tax payments		-	(400)
Net Cash inflows from operating activities		620	290
Cash flows from investing activities			
Net cash inflows from investing activities		-	-
Cash flows from financing activities			
Net increase in cash		620	290
Cash balance at the beginning of the period	6	2,445	1,116
Cash balance at the end of the period	6	3,065	1,406

The accompanying notes form an integral part of the Interim Condensed Semi-Annual Financial Statements.

INTERIM CONDENSED STATEMENT OF CHANGES IN EQUITY OF THE PERIOD 01/01 - 30/06/2022

	Share Capital	Share Premium	Reserves	Retained earnings	Shareholders deposits	Total
1st January 2021	1,850	-	12	186	-	2,048
Net Profit for the period	-	-	-	315	-	315
Other comprehensive income						
Total comprehensive income for the period	-	-	-	315	-	315
Formation of reserves	-	-	32	(32)	-	-
Transactions with the Company's Shareholders	-	-	32	(32)	-	-
30th June 2021	1,850	-	44	469	-	2,363
1st January 2022	1,850	-	44	776	-	2,670
Net Profit for the period	-	-	-	308	-	308
Other comprehensive income						
Other comprehensive income (after taxes)	-	-	-	-	-	-
Total comprehensive income for the period	-	-	-	308	-	308
Formation of reserves	-	-	32	(32)	-	-
Transactions with the Company's Shareholders	-	-	32	(32)	-	-
30th June 2022	1,850	-	76	1,052	-	2,978

The accompanying notes form an integral part of the Interim Condensed Semi-Annual Financial Statements.

EXPLANATORY NOTES TO THE FINANCIAL STATEMENTS

1. GENERAL INFORMATION ABOUT THE COMPANY

"TERNA ENERGY FINANCE S.P.S.A." (henceforth "The Company") was incorporated following No. 19.634/ 14.10.2016 Notary Act, according to the provisions of Law 2190/1920 and was registered in the General Electronic Commercial Registry (GEMI) of the Athens Chamber of Commerce and Industry on 14/10/2016, under GEMI number 140274801000. It has its headquarters in Athens, 124 Kifisias Str. & 2 Iatridou Str., and its term is set for 110 years.

The Company's operations focus on the following:

- investment and financing the operations of the Company and/or its affiliated companies and entities,
- intermediation in financing by third parties of the companies and businesses affiliated with the Company,
- provision of services and consultancy to companies and entities affiliated with the Company regarding the capital structure and in general their financing, and
- in general terms, undertaking any project, service and any activity or any other action which is relevant to the above scope of the Company's operations or generally is performed in the context of that scope.

The Company is operationally supported by its sole shareholder TERNA ENERGY INDUSTRIAL COMMERCIAL TECHNICAL SOCIETE ANONYME (hereinafter referred to as "TERNA ENERGY S.A."), which controls decision making, operations and management of the Company to the utmost extent.

The attached Condensed Financial Statements for the six-month period ended June 30, 2022, were approved by the Board of Directors on 28/09/2022.

The accompanying financial statements of the Company are consolidated under full consolidation method in the financial statements of TERNA ENERGY S.A., which is located in Greece, listed at ATHEX, and whose participating interest in the Company on 30/06/2022 amounted to 100% (31/12/2021: 100%).

2. BASIS FOR THE PREPARATION OF FINANCIAL STATEMENTS

2.1 Basis for Financial Statements Presentation

The interim condensed financial statements of the Company as of 30 June 2022 that refer to the semi-annual period from 1st January to 30th June 2022 are in accordance with the International Financial

Reporting Standards (IFRS) that have been issued from the International Accounting Standards Board (IASB), as well as with their Interpretations that have been issued by the International Financial Reporting Interpretations Committee (IFRIC) and have been adopted by the European Union up to 30th June 2022.

The Company applies all the International Accounting Standards (IAS), the International Financial Reporting Standards (IFRS) and their Interpretations that apply to its operations. The relevant accounting policies, a synopsis of which is presented in following Note 2.6, have been consistently applied in all the presented periods.

Going Concern

On operational level, the Company is supported by TERNA ENERGY SA which affects to the utmost extent the decisions, the management and the broader functioning of the Company exerting at the same time control over the above operations. The Company's management estimates that the Company possesses sufficient resources, which ensure its operation as "Going Concern" in the foreseeable future.

The decision of the Management to use the going concern principle is based on the estimates related to potential effects of the war conflict between Russia and Ukraine, the impact of which is evident in the electricity market, which is also the Group's main field of activity.

2.2 Basis of Measurement

The attached financial statements as of 30th June 2021 have been prepared on the basis of the historic cost.

2.3 Currency of Presentation

The currency of presentation is the Euro (meaning the currency of the company's country) and all amounts are expressed in Euro thousand, unless stated otherwise.

2.4 Comparability

The comparative figures of the Interim Condensed Financial Statements have not been restated in relation to the Financial Statements of June 30, 2021.

2.5 Use of estimates

Management's judgments, assumptions and estimates affect the amount at which certain assets and liabilities are valued, the amount recognized during the year for certain income and expenses, and the presented estimates for contingent liabilities.

Assumptions and estimates are evaluated on an ongoing basis and in the light of historical evidence and other factors, including expectations for the outcome of future events that are considered reasonable under the circumstances. These estimates and assumptions relate to the future and as a consequence, the actual results are likely to differ from the accounting calculations.

The preparation of the interim condensed Financial Statements for the six-month period ended on June 30, 2022, requires the performance of estimates and the adoption of assumptions that affect the application of the accounting principles and book values of assets and liabilities, income and expenses.

During the preparation of these Financial Statements, the significant accounting estimates and judgments adopted by the Management for the application of the Company's accounting principles, as well as the main sources of uncertainty are consistent with those applied in the annual Financial Statements of December 31, 2021, and which are analyzed in explanatory note 3 thereof.

With reference to the global health crisis caused by the coronavirus pandemic (COVID-19) as well as the war in Ukraine, it is pointed out that it was not required to revise the assumptions and estimates of the Management in relation to those applied to the Company's Annual Financial Statements for the year 2021.

2.6 New Standards, Interpretations and Amendments of Standards

The accounting policies which are the basis for the preparation of the Financial Statements are in line with ones applied for the preparation of the annual Financial Statements for the year ended on 31/12/2021, apart from the adoption of amendments to certain standards, the application of which became mandatory in the European Union for the years beginning on 1 January 2022 (see Notes 2.6.1 and 2.6.2). As result, the attached Interim Semi-Annual Financial Statements should be read and used along with the latest available published annual Financial Statements as of 31/12/2021, which entail a full analysis of the accounting policies and the valuation methods used.

2.6.1. New Standards, Interpretations, Revisions and Amendments to existing Standards that are effective and have been adopted by the European Union

The following new Standards, Interpretations and amendments to IFRSs have been issued by the International Accounting Standards Board (IASB), are adopted by the European Union, and their application is mandatory from or after 01/01/2022.

Amendments to IFRS 3 "Business Combinations", IAS 16 "Property, Plant and Equipment", IAS 37 "Provisions, Contingent Liabilities and Contingent Assets" and "Annual Improvements 2018 - 2020" (effective for annual periods beginning on or after on 01/01/2022)

In May 2020, the IASB issued a package of amendments which includes narrow-scope amendments to three Standards as well as the Board's Annual Improvements, which are changes that clarify the wording or correct minor consequences, oversights or conflicts between requirements in the Standards. More specifically:

- **Amendments to IFRS 3 "Business Combinations"** update a reference in IFRS 3 to the Conceptual Framework for Financial Reporting without changing the accounting requirements for business combinations.
- **The amendments to IAS 16 "Property, Plant and Equipment"** prohibit a company from deducting from the cost of property, plant and equipment amounts received from selling items produced while the company is preparing the asset for its intended use. Instead, a company will recognize such sales proceeds and related cost in profit or loss.
- **Amendments to IAS 37 "Provisions, Contingent Liabilities and Contingent Assets"** specify which costs a company includes when assessing whether a contract will be loss-making.
- **The Annual Improvements of IFRS - Cycle 2018-2020** make minor amendments to IFRS 1 First-time Adoption of International Financial Reporting Standards, IFRS 9 Financial Instruments, IAS 41 Agriculture and the Illustrative Examples accompanying IFRS 16 Leases.

The amendments do not affect on the separate Financial Statements.

2.6.2. New Standards, Interpretations, Revisions and Amendments to existing Standards that have not been applied yet or have not been adopted by the European Union

The following new Standards, Interpretations and amendments of IFRSs have been issued by the International Accounting Standards Board (IASB), but their application has not started yet or they have not been adopted by the European Union.

Amendments to IAS 1 "Presentation of Financial Statements" (effective for annual periods beginning on or after 01/01/2023)

In February 2021, the IASB issued narrow-scope amendments that pertain to accounting policy disclosures. The objective of these amendments is to improve accounting policy disclosures so that they provide more useful information to investors and other primary users of the financial statements. More specifically, companies are required to disclose their material accounting policy information rather than their significant accounting policies. The Company will examine the impact of the above on its Financial Statements. The above have been adopted by the European Union with effective date on 01/01/2023.

Amendments to IAS 8 "Accounting Policies, Changes in Accounting Estimates and Errors: Definition of Accounting Estimates" (effective for annual periods beginning on or after 01/01/2023)

In February 2021, the IASB issued narrow-scope amendments that they clarify how companies should distinguish changes in accounting policies from changes in accounting estimates. That distinction is important because changes in accounting estimates are applied prospectively only to future transactions and other future events, but changes in accounting policies are generally also applied retrospectively to past transactions and other past events. The Company will examine the impact of

the above on its Financial Statements. The above have been adopted by the European Union with effective date on 01/01/2023.

Amendments to IAS 1 “Classification of Liabilities as Current or Non-current” (effective for annual periods starting on or after 01/01/2023)

In January 2020, the IASB issued amendments to IAS 1 that affect requirements for the presentation of liabilities. Specifically, they clarify one of the criteria for classifying a liability as non-current, the requirement for an entity to have the right to defer settlement of the liability for at least 12 months after the reporting period. The amendments include: (a) specifying that an entity’s right to defer settlement must exist at the end of the reporting period; (b) clarifying that classification is unaffected by management’s intentions or expectations about whether the entity will exercise its right to defer settlement; (c) clarifying how lending conditions affect classification; and (d) clarifying requirements for classifying liabilities an entity will or may settle by issuing its own equity instruments. Furthermore, in July 2020, the IASB issued an amendment to defer by one year the effective date of the initially issued amendment to IAS 1, in response to the Covid-19 pandemic. The Company will examine the impact of the above on its Financial Statements. The above have not been adopted by the European Union.

Amendments to IAS 12 "Income Taxes: Deferred Tax Related to Assets and Liabilities Arising from a Single Transaction" (effective for annual periods beginning on or after 01/01/2023)

In May 2021, the IASB issued targeted amendments to IAS 12 to specify how companies should account for deferred tax on transactions such as leases and decommissioning obligations – transactions for which companies recognise both an asset and a liability. In specified circumstances, companies are exempt from recognising deferred tax when they recognise assets or liabilities for the first time. The amendments clarify that the exemption does not apply and that companies are required to recognise deferred tax on such transactions. The Company will examine the impact of the above on its Financial Statements. The above have not been adopted by the European Union.

3. INFORMATION REGARDING OPERATING SEGMENTS

An operating sector is a component of an economic entity: a) that engages in business activities from which it may earn revenues and incur expenses (including revenues and expenses that concern transactions with other components of the same economic entity) and, b) whose operating results are regularly reviewed by the chief operating decision maker of the entity to make decisions about resources to be allocated to the segment and assess of its performance. The term “chief operating decision maker” defines the function of the Company that is responsible for the allocation of resources and the assessment of the economic entity’s operating segments. For the application of IFRS 8, this function is assigned to the Managing Director (Chief Executive Officer). An entity presents separately the information on each operating segment that meets certain criteria of characteristics and exceeds certain quantitative limits. The above information is presented in the accompanying consolidated statements of financial position, comprehensive income and cash flows according to the IFRS, whereas

previously recorded operating segments – as presented in the financial statements of the previous financial year - require no modifications.

The Company recognizes only one operating reporting segment while there are no less significant segments that would be consolidated into the category of other segments. In particular, the only sector in which the Company operates is the Investment and Finance sector in Greece and therefore the total amounts of the Statement of Financial Position and the Statement of Comprehensive Income relate exclusively to the Company's activity in this field.

4. OTHER LONG-TERM RECEIVABLES

The Company's other long-term receivables as at 30/6/2022 and 31/12/2021, are analyzed as follows:

	30/06/2022	31/12/2021
Receivables form Intra-group Loan 2019	146,632	146,632
Total	146,632	146,632

Interest income from the Intra-group Loan 2019 for the six-month period ended 30/06/2022 amounted to € 2,654 thousand (see Note 9) and is included in the "Interest income" item of the Statement of Total Comprehensive Income for the six-month period ended 30/06/2022.

Intragroup Loan 2019

The Company ("Issuer") following the decision of 10/10/2019 by which the content of its Prospectus was approved by the Capital Markets Commission, received an amount of € 146,632 thousand, i.e. an amount of € 150,000 thousand that was raised in cash from the coverage of the Common Bond Loan 2019 (CBL 2019, see Note 8), minus the amount of € 3,368 thousand which concerns issue costs, as they have been incorporated without any deviation in the Prospectus. The funds raised were disbursed, as provided in the Prospectus, from the Issuer to TERNA ENERGY SA (sole shareholder and Guarantor of CBL 2019) through an intragroup loan.

Specifically, on 21.10.2019, TERNA ENERGY SA issued a bond loan ("Intragroup Loan 2019"), in accordance with the provisions of Law 4548/2018 and the provisions of Law 3156/2003 that remain in force, which is governed by Intragroup Loan Program and which was covered by the Issuer in the amount of € 146,632 thousand. In this way, the amount of net capital proceeds was transferred to the Guarantor within 2019, in order for the latter to use it for its investment program.

The annual interest rate was set equal to that of the CBL 2019 rate (see Note 8), plus a 1% margin on the outstanding nominal capital per bond security, starting from the date of bond issuance, i.e. 3.6%.

The maturity of the Intra-group Loan 2019 was set 5 working days prior to the maturity of CBL 2019.
 As at 30/06/2022, the long-term component of the aforementioned receivable stood at € 146.632 k.

5. OTHER SHORT-TERM ASSETS

The Company's other short-term financial assets comprise essentially the short-term component of the Intra-group Loan 2019 between TERNA ENERGY S.A. and the Company (see Note 4).

	30/06/2022	31/12/2021
Prepayments and other financial receivables		
Short-term component of Intra-group Loan	1,041	1,056
Total (a)	1,041	1,056
Prepayments and other non-financial receivables		
Prepaid expenses and other transitory asset accounts	14	13
Total (b)	14	13
Other short-term receivables (a) + (b)	1,055	1,069

6. CASH AND CASH EQUIVALENTS

Cash & cash equivalents as at 30/06/2022 and 31/12/2021 are analyzed as follows:

	30/06/2022	31/12/2021
Sight deposits	3,065	2,445
Total	3,065	2,445

7. SHARE CAPITAL

The share capital of the Company amounts to € 1,850,000 divided into 1,850,000 common voting shares of nominal value one euro (€ 1.00) each. The share capital is fully paid up.

8. BORROWINGS

As at 30/06/2022 and 31/12/2021, the Company's loans are analyzed as follows:

	30/06/2022	31/12/2021
Long-term loans		
Opening balance	147,274	146,756
Interest in the income statement	263	518
Closing balance	147,537	147,274
	30/06/2022	31/12/2021
Long-term liabilities carried forward		
Opening balance	758	758
Interest in the income statement	1,961	3,954
Interest paid	(2,015)	(3,954)
Closing balance	704	758
Total borrowing	148,241	148,032

Common Bond Loan € 150 MILLION (CBL – Common Bond Loan 2019)

In compliance with the Finance Prospectus as of 10/10/2019 and as of 10/10/2019 Bond Loan Issue Plan up to € 150 million and pursuant to the Agreement for Appointment of a Bondholders' Representative (the "CBL Plan"), between TERNA ENERGY FINANCE S.A. (the Issuer), TERNA ENERGY S.A. (the Guarantor) and ATHEXCSD S.A. (Bondholders' Representative), provisions are made for the issue of a CBL with a term of seven (7) years and amounting to one hundred and fifty million Euro (€ 150.000 k), divided into up to 150.000 intangible, common anonymous bonds with a nominal value of € 1.000 each.

On 22/10/2019, the Board of Directors of TERNA ENERGY MAEX announced that the proceeds of the Public Offer amounted to € 150 million listing the Company's bonds for trading in the ATHEX Regulated Market Securities Category. In particular, 150.000 common, bearer bonds of the Company with a nominal value of €1.000 (the Bonds) each have been allocated and as a result capital of an amount of €150 m. has been raised. The final yield of the Bonds was set at 2.60%, the Bond rate at 2.60% and the Loan Disposal Price at € 1.000 each, i.e. 100% of its nominal value. The final registration of the bonds in the Beneficiary Accounts of the Intangible Securities System was completed on 22.10.2019.

To secure the Company's loan, corporate guarantee was provided by the parent company TERNA ENERGY INDUSTRIAL COMMERCIAL TECHNICAL SOCIETE ANONYME (hereafter called as "TERNA ENERGY S.A." or the Guarantor).

Under the terms of the Common Bond Loan Issue Plan of up to € 150.000.000 and the Bondholders' Representative Appointment Agreement dated 10/10/2019, the raised funds of € 150.000 k will be

invested by the Issuer to the Guarantor through the Intra-group Loan. On 21/10/2019, the Guarantor issued a bond loan under Law 3156/2003, within the frame of the Intragroup Loan Scheme, which was covered by the Issuer for an amount of € 146.632 k. This way, the respective amount of the CBL was transferred to the Guarantor, thus lending the equal amount of the capital proceeds to the Guarantor, so that the latter could use it in respect of its investment plan as analyzed in section 4.1.2 of the Prospectus as of October 10th, 2019.

As at 30/06/2022, the outstanding amount of CBL 2019 had settled at € 148,241 thousand.

The Company and the Guarantor have the obligation to observe specific financial ratios related to the Common Bond Loan. As of June 30, 2022, the Company and the Guarantor fully met the required covenants in terms of financial ratios, in accordance with the requirements of the loan agreement.

The interest expenses from the CBL for the semi-annual period ended 30/06/2022 amounted to € 2,224 thousand (see Note 10) and are included in the item "Interest and other financial expenses" of the Statement of Comprehensive Income.

9. INTEREST INCOME

The Company's income for the semi-annual period ended 30/06/2022 relates to interest income from the Intragroup Loan 2019 amounting to € 2,654 thousand (2021: € 2,654 thousand), granted to the parent company and which is included in the items "Other Long-Term Receivables" and "Other Current Receivables/Assets" (see Note 4 and 5, respectively).

10. INTEREST AND OTHER FINANCIAL EXPENSES

The interest and other financial expenses of the Company for the semi-annual period ended on 30/06/2022 and 30/06/2021, respectively, are analyzed as follows:

	01/01 - 30/06/2022	01/01 - 30/06/2021
Long-term loans interest and expenses	2,224	2,216
Interest and other financial expenses	2,224	2,216

The interest and expenses of long-term loans of the Company for the semi-annual period ended 30/06/2022 amounting to € 2,224 thousand relate to interest expenses from the Common Bond Loan (see in detail Note 8).

11. INCOME TAX

The tax rate for legal entities in Greece in the year 2022 after the enactment of Law 4799/2021 which amended paragraph 1 of article 58 of Law 4172/2013 was set at 22%.

The actual final tax rate differs from the nominal tax rate. There are a number of factors influencing the effective tax rate, where the most notably of which are the non-tax deduction of certain expenses and the ability of companies to make tax exempted deductions and tax exempted reserves.

The income tax return is submitted on an annual basis, but the declared profits or losses remain temporary until the tax authorities audit the taxpayer's books and records and the final audit report is issued.

The Company makes an annual assessment of any liabilities that are expected to arise from the audit of previous years, making relevant provisions where necessary.

12. EARNINGS PER SHARE

The basic earnings per share for the period 01/01-30/06/2022 and the comparative semi-annual period of 2021, were calculated by dividing the net earnings attributable to the Company's shareholders by the weighted average number of shares as follows:

	30/06/2022	30/06/2021
Net profit / (losses) (in €)	307,423	314,476
Weighted average number of shares	1,850,000	1,850,000
Earnings/(Losses) per share (in €)	0.1662	0.1700

No diluted earnings per share apply.

13. TRANSACTIONS WITH RELATED PARTIES

“TERNA ENERGY INDUSTRIAL COMMERCIAL TECHNICAL SOCIETE ANONYME” is the main and sole shareholder of the Company owning 100.00% of the Company's share capital for the period ended on June 30th, 2022.

Transactions and balances with related parties for the six-month period ended 30/06/2022 are presented in the following table. As mentioned in Notes 4, 5 and 9 above, the Company's sales / income relate to interest on the Bond Loan granted to the parent company TERNA ENERGY. The receivables relate to the said Bond Loan.

		30/06/2022			
		Purchases/Expenses	Sales/Income	Assets	Liabilities
Parent		-	2,654	147,673	-
Total		-	2,654	147,673	-

		30/06/2021			
		Purchases/Expenses	Sales/Income	Assets	Liabilities
Parent		-	2,654	147,673	-
Total		-	2,654	147,673	-

14. CONTINGENT LIABILITIES

14.1 Contingent tax obligations

The tax obligations of the Company are not definitive as there are unaudited tax years (2016 to 2021). For the unaudited tax years there is the possibility of imposing additional taxes and surcharges at the time when they will be examined and finalized. The Management considers that any amounts of taxes that may arise, will not have a significant effect on the Company's equity, results and cash flows and therefore as at 30/06/2022 the Company has not recognized provisions for tax unaudited years. Upon completion of these tax audits by the competent authorities, if they are finally carried out, the Management does not expect significant tax liabilities to arise.

Tax Compliance Certificate

For the years 2017 to 2020, the Company received a Tax Certificate, according to article 65A par. 1 of Law 4174/2013, without substantial differences. According to Circular POL. 1006/2016, the companies which have been subject to the above special tax audit are not exempted from the regular tax audit by the competent tax authorities. Furthermore, according to the relevant legislation, for the years 2016 onwards, the audit and issue of the Tax Compliance Certificate is valid on a voluntary basis.

The special audit for the issue of Tax Compliance Certificate for the year 2021 is in progress and the relevant tax certificate is expected to be issued after the publication of the Financial Statements for the period ended on 30/06/2022. At the completion of these tax audits, provided they are finally conducted, the Management does not expect any significant tax liabilities to arise. If additional tax obligations arise, it is estimated that they will not have a material effect on the Financial Statements.

14.2 Legal cases

In the course of its operations, the Company may be faced with possible legal claims of third parties. According to both the Management and the Company's Legal Consultant, there are no litigation or arbitration disputes involving judicial or arbitration bodies concerning the Company.

15. RISK MANAGEMENT

The Company's activities expose it to various financial risks such as market risk (including foreign exchange risk, interest rate risk and price volatility risk), credit risk and liquidity risk.

The interim condensed financial information does not include all the financial risk management information and disclosures required in the annual financial statements of 31 December 2021 and should therefore be read in conjunction with them. There has been no change in risk management policies compared to December 31, 2021.

It is noted that the Company is operatively supported by its parent company TERNA ENERGY SA, which fully influences the decisions, management and operation of the Company and exercises control over them.

As at 30/06/2022, the Company, apart from its investment in the issued bonds of the Intragroup Loan, has no other business activity, is not active in any market and has no other assets and therefore, the ability of the Issuer to fulfil its contractual obligations from the Bond Loan, depends on the ability of the Guarantor to fulfil its contractual obligations to the Issuer, based on the loan agreement between them, under the terms of the Intragroup Loan.

Taking into account the above, the main risks and uncertainties in the business activities of the Company are directly related to those of the TERNA ENERGY Group (hereinafter "Group"). A detailed report of the risks and uncertainties is provided in Note 3 of the Condensed Interim Consolidated and Separate Financial Statements of TERNA ENERGY SA for the period ended on June 30, 2022 (as it has been posted on the internet at www.terna-energy.com, as well as on the website of the Athens Exchange).

In synopsis, we present the main risks and uncertainties in the business activities of the TERNA ENERGY SA Group, as described in the published Interim Condensed Financial Statements and which are summarized in the following:

Credit Risk

All receivables of the energy sector concern the wider Public sector in the domestic (Greek) market (including DAPEEP and HEDNO) and abroad, while the same applies to the concessions sector as well as to most of the receivables of the construction sector. The activities of the electricity trading sector, which are carried out in the market of private individual customers, are subject to credit risk.

The Group traditionally, due to the nature of its operations, is not exposed to significant credit risk in terms of trade receivables, except for delays in receipts from DAPEEP, which have been significantly

reduced by the application of Law 4254/14, as well as the special levy imposed, for the financial year 2020. The above was imposed in order to deal with the side effects of the coronavirus pandemic, on the electricity producers from Renewable Energy Sources (RES), which have been put into normal or trial operation by 31 December 2015 (Government Gazette 245/09.12.2020). In other transactions with private individual customers, the Group operates with the aim of limiting credit risk and securing its trade receivables.

Currency risk

The Group operates, in addition to Greece, in Eastern Europe and therefore may be exposed to foreign exchange risk that may arise from the exchange rate of the Euro against the other currencies.

To address this risk, the Group's financial management department systematically monitors exchange rate changes and ensures that they do not have a negative impact on its cash position.

Interest rate risk

The Group's policy is to minimize exposure to interest rate risk in terms of long-term financing of its operations.

As part of this policy, the long-term loans received by the Group either have a fixed interest rate or are being hedged for almost their entire duration.

Market risk analysis

The Group is not exposed to any risk for its financial assets.

Liquidity risk analysis

The liquidity of the Group is considered satisfactory, as, in addition to the existing cash, the operating wind farms generate continuous, satisfactory cash flows.

Other Risks and Uncertainties

(a) Special note to the war conflict in the region of Ukraine

TERNA ENERGY Group closely monitors the geopolitical developments in Ukraine which in any case do not have a direct impact on its size and financial performance. However, from these events, risks have already appeared and new ones are expected to emerge. These include: fluctuations in expected state revenues in the tourism sector, inflation pressures on energy and grain prices and uncertainty in the development of foreign direct investment, with all the above being factors that may affect fiscal flexibility and the wider macroeconomic climate and thus have inevitable repercussions on the operations of the Group. Due to the highly uncertain and dynamic nature of

these events, it is not currently feasible to estimate the impact of the Russia-Ukraine war on the Group's business activities.

(b) Fluctuations of wind and hydrological data

The Group, regarding its activity in the energy sectors, remains exposed to short-term fluctuations with regard to wind and hydrological data, without this affecting the long-term efficiency of its projects, as the implementation of investments is preceded by extensive studies concerning long-term trends of the above factors. From now on, new factors must be incorporated into the models of the relevant calculations, which will allow the consideration of possible events of force majeure, such as the current epidemic, in order to examine in more depth the viability of each planned investment.

(c) Risks related to the impact coming from COVID-19 pandemic

The coronavirus pandemic (COVID-19) is now in remission, however the Group continues and implements all the necessary measures in order to facilitate the smooth development of its core activities, continuing the exploitation of RES and implementing its investment plan in the energy sector, and at the same time intensifying its efforts to stabilize the Greek economy and employment.

In particular, the Management monitors the special conditions that could have a significant impact on the business activities of the RES operational sector and the risks to which it is exposed. Based on the current facts and circumstances regarding the situation of the COVID-19 pandemic these are analyzed as below.

In the field of electricity from RES, in Greece there was no interruption or other negative impact on the activities of the Group's facilities that are in operation. As far as the RES facilities under construction are concerned, to date no delays have been caused due to the coronavirus pandemic (COVID-19) and the estimated time of completion and commissioning of the projects has not changed. Regarding the Group's revenue collections, no delays were observed within the financial year 2022.

The pandemic of COVID-19 and its mutations continues to affect the global economy however with decelerating intensity. Currently, the Group has no direct impact on its business activities from the pandemic. However, even after the containment of the COVID-19 pandemic, the Group may experience certain difficulties in its business, results, financial position and prospects as a consequence of the overall impact of the pandemic on the global economy.

16. SIGNIFICANT EVENTS AFTER THE REPORTING DATE OF THE STATEMENT OF FINANCIAL POSITION

No significant events occurred after the reporting date of the statement of financial position, however TERNA ENERGY Group, to which the Company belongs, closely monitors the geopolitical developments in Ukraine which in any case do not have a direct impact on its figures and financial performance. However, from these events the inherent risks have already appeared and new ones are expected to emerge. These are, among others, the fluctuation of the expected government

revenues in the tourism sector, the inflation of energy and grain prices and the uncertainty in the development of foreign direct investments. These variables may affect fiscal flexibility and the wider economic climate with inevitable indirect consequences for the Group.

17. APPROVAL OF FINANCIAL STATEMENTS

The Company's interim condensed Financial Statements for the semi-annual period ended as at 30/06/2022 were approved by the Company's Board of Directors on 28/09/2022.

Athens, 28 September 2022

The Chairman of the BoD	The Vice Chairman of the BoD	Chief Executive Officer	Chief Financial Officer - Operation	The Chief Accountant
Vasileios Delikaterinis	Dimitra Hadjarseniou	Aristotelis Spiliotis	Emmanouil Fafalios	Artan Tzanari
ID No. AI 036060	ID No. AA 026025	ID No. AK 127469	ID No. AK 082011	ID No. AM 587311
				License Reg. No A' CLASS 064937

IV. REPORT ON ALLOCATION OF THE CAPITAL PROCEEDS

Report on Allocation of the Capital Proceeds from the issuance of a Common Bond Loan of TERNA ENERGY SINGLE PERSON FINANCE SOCIETE ANONYME amounting to € 150.000.000 under the guarantee of TERNA ENERGY S.A. for the period from 22/10/2019 to 30/06/2022

In accordance with the provisions of paragraph 4.1.2 of Athens Stock Exchange Regulation (hereinafter referred to as ATHEX), decision no. 25 / 17.07.2008 of the Board of Directors of THEX and no. Decision 8/754/14.04.2016 of the Board of Directors of the Hellenic Capital Market Commission (hereinafter referred to as "HCMC"), it is hereby disclosed that from the issuance of a Common Bond Loan of one hundred and fifty million Euro (€150.000.000) with the issuance of one hundred and fifty thousand common bonds with a corporate guarantee of nominal value € 1 k each, which was conducted in accordance with as of 24/09/2019 decision of the Board of Directors of TERNA ENERGY FINANCE S.A. (hereinafter referred to as "Company" or "the Issuer") and as of 10/10/2019 decision on the approval of the Prospectus' content by the HCMC, an amount of one hundred and fifty million Euro (€150.000.000) was raised in aggregated, i.e. following the completion of the option exercise period, the issuance in question was fully covered. TERNA ENERGY S.A. (hereinafter referred to as "the Guarantor") is responsible for the aforementioned issuance regarding the bondholders, in compliance with the provisions of section 3.3.13 "Nature and Objective of CBL Guarantee" of the Prospectus as of October 10th, 2019.

On 22/10/2019, the Company's Board of Directors verified the payment of the capital proceeds. Furthermore, one hundred and fifty thousand (150.000) common anonymous bonds issued were listed for trading on Athens Stock Exchange regulated securities market following as of 11/10/2019 approval of listing of Athens Stock Exchange Regulatory Commission. The characteristics of the above bond loan are the following: (a) The bond yield is 2.60% and is fixed over the term of the loan. (b) Interest is calculated on six-month basis. (c) The term of the loan is seven (7) years and its repayment will be realized at the end of the period of seven (7) years.

In view of the above, it is hereby disclosed that an amount of € 146.632 k, i.e. an amount of € 150.000 k in cash collected from the CBL coverage preference and subscription rights holders, less the amount of €3.368 k related to the issuance expenses, as also incorporated without deviation into the Prospectus, was allocated until 30/06/2022 as follows.

A. Allocation of capital proceeds by TERNA ENERGY FINANCE S.P.S.A. (the Issuer)

The capital proceeds of up to € 150.000 k, less CBL expenses, i.e. the net amount of € 146.632 k, in compliance with the Prospectus, will be available by the Issuer to the Guarantor through the Intragroup Loan 2019. In particular, on 21.10.2019, the Guarantor issued a bond loan under Law 4548/2018 and Law 3156 / 2003, effective following the effective date of Law 4548/2018, within the frame of the Intragroup Loan Scheme, which was covered by the Issuer for an amount of € 146.632 k. This way, the respective amount of the CBL was transferred to the Guarantor, so that the latter could use it in respect of its investment plan as analyzed in section 4.1.2 of the Prospectus as of October 10th 2019.

The utilization of capital proceeds from the Guarantor up to 30/06/2022 is analytically presented in Section B below:

The final allocation of the proceeds from the issue of the CBL, less the estimated costs of issuing the CBL, will be effected by the issuance of the CBL by the Issuer to the Bondholders as at the maturity date of the Bond Loan.

Table of allocation of the Capital Proceeds of the Issuer from the issuance of the Common Bond Loan of € 150.000.000 (amounts in thousand Euro)								
				Provisional Allocation of the Capital Proceeds as at 30/06/2022		Final Allocation of the Capital Proceeds as at CBL maturity date		
	Capital Proceeds	Description	Allocation of Capital Proceeds based on the Prospectus	Provisionally Allocated Capital Proceeds to the Guarantor through Intra-group Loan	Provisionally Non-allocated Balance as at 30/06/2022	Intra-group Loan Collected from the Guarantor	Finally Allocated CBL Repayment Capital Proceeds from the Issues to the Bondholders	Non-allocated Balance
			(a)	(b)	(a - b)	(c)	(d)	(a - d)
		Allocation of funds from the Issuer to the Guarantor through Intra-group Loan 2019, so that the Guarantor could proceed with the implementation of its investment plan	146,632	146,632 ¹	-	-	-	146,632 ²
Total	146,632	Total	146,632	146,632	-	-	-	146,632
CBL issue expenses	3,368							
Total Allocated Capital Proceeds	150,000							

¹ The way the capital is used by the Guarantor for the implementation of its investment plan is described in the following section B "Use of Funds by TERNA ENERGY S.A. (the Guarantor)

² The final allocation of the proceeds will be effected by the issuance of the CBL by the Issuer to the Bondholders as at the maturity date of the Bond Loan.

B. Use of funds by TERNA ENERGY S.A. (the Guarantor)

As analytically presented in section A above, on 21/10/2019 the Guarantor issued a bond loan under Law 4548/2018 and Law 3156/2003, still effective, within the frame of the Intra-group Loan Plan, which was covered by the Issuer by an amount of € 146,632 k and, therefore, the corresponding amount of the CBK proceeds was transferred to the Guarantor.

Following the above, an amount of € 146.632 k (i.e. an amount of € 150.000 k in cash, less an amount of € 3.368 k related to issue expenses as recorded in the Prospectus), was transferred to Guarantor to be used for the implementation of its investment plan, as analytically recorded in section 4.1.2 of the Prospectus as of October 10, 2019.

The table below shows the allocation of the capital proceeds by the Guarantor until 30/06/2022:

Table of allocation of the Capital Proceeds of the Guarantor from the issuance of the Common Bond Loan of € 150,000,000 of the Issuer (amounts in thousand Euro)					
Area of Investment based on section 4.1.2 of the Prospectus	Allocation of the Capital Proceeds by the Guarantor	Capital proceeds within the period from 22/10/2019 to 31/12/2021	Capital proceeds within the period from 01/01/2022 to 30/06/2022	Non-allocated Balance as at 30/06/2022	Note
4th quarter 2019					
Total repayment of Short-term Bank Loan of the Guarantor (used to repay CBL 2017).	60,000	60,000	-	-	(1)
Partial repayment of Short-term Bank Loan of the Guarantor used to repay part of the consideration for acquisition of the wind park "Barkat I" in Texas, USA	30,632	30,632	-	-	(2)
Period 2019-2022					
Construction of 14 wind parks in Greece, of a total capacity of 218 MW by the Guarantor or by the Subsidiaries of the Guarantor (either through intra-group loan from the Guarantor to the subsidiaries or through a share capital increase in the Subsidiaries by the Guarantor).	56,000	45,233	-	10,767	(3)
Total investments (Use of funds by the Guarantor)	146,632	135,865	-	10,767	(4)
Estimated CBL issuance expenses	3,368				
Total capital proceeds by the Issuer	150,000				

Notes

1. On 11/07/2019 a short-term bank loan of € 60,000 k (amounting to € 50,000 k from ALPHA BANK and € 10,000,000 from NATIONAL BANK) was used by the Guarantor to repay the Intra-group Loan 2017 to the Issuer. Specifically, on 17/07/2019, the Guarantor repaid all the nominal value of the bonds it had issued and had been covered by the Issuer under the 2017 CBL, in accordance with the terms of the Program. Subsequently, on 22/07/2019, the Issuer repaid the € 60,000 K of 2017 CBL in accordance with the term 4 of the CBL Program ("Prepayment"). On 31/10/2019, the Guarantor repaid the amount of € 50,000 K to ALPHA BANK and € 10,000 k to the National Bank of Greece respectively, resulting in the total repayment of this short-term bank loan.

2. On 16/07/2019, a short-term bank loan of € 52,000 k from the PIRAEUS BANK was used to pay part of the acquisition price of the Bearkat I wind farm "Glasscock County" in Texas, USA, which was conducted by the Group through its 100% subsidiary TERNA DEN LLC (a subsidiary of TERNA ENERGY USA HOLDING CORPORATION) at the conclusion of the transaction. On 29/11/2019, the Guarantor repaid the amount of € 52,000 k to PIRAEUS BANK, of which € 30,632 k was used from the raised funds.

3. The Guarantor has started the construction of ten (10) MW Wind Farms with total capacity of 155MW at 9 sites in Evia and 1 site in Voiotia, through its subsidiaries. The use of funds, which stood at € 45,233 thous. on 30/06/2022 (2019: € 18,616 thous., 2020: € 11,570 thous. and 2021: € 15,047 thous.), is analyzed as follows:

- Construction of the Wind Farm at the site of **PYRGARI DARDIZA (6.3 MW) of the Municipality of Karystos** by the subsidiary company "AIOLIKI MARMARIOU EVIAS MAE". The total budget cost of construction of the project is estimated at € 11,019 k. On 14/11/2019, the Guarantor entered into a Common Bond Loan with this Subsidiary of € 2,500 k of which € 2,487 k relates to the coverage of the financing of the aforementioned wind farm construction. As of 30/06/2022, the Guarantor had covered the amount of € 2,329.6 k under the terms of this contract, of which € 2,316.6 k were paid by the Guarantor to the subsidiary as use of the CBL, which subsequently made payments to third parties for that investment amounting € 2,316.6 k of which € 2,287.2 thousand until 31/12/2019 and € 29.4 thousand in the year of 2020.

- Construction of the Wind Farm at the site of **KARABYLA (19.8 MW) of the Municipality of Karystos** by the subsidiary "AIOLIKI MARMARIOU EVIAS MAE". The total budget cost of construction of the project is estimated at € 21,834 k. On 14/11/2019, the Guarantor entered into a Common Bond Loan with this Subsidiary of € 2,001 k of which € 1,985 k relates to the coverage of the financing of the aforementioned wind farm construction. As of 30/06/2022, the Guarantor had covered the first two (2) series of bonds amounting € 2,000.1 k under the terms of this contract, of which € 1,984.0 k was paid by the Guarantor to the subsidiary as use of the CBL, which subsequently made payments to third parties for that investment amounting € 1,984.0 k of which € 1,928.4 thousand until 31/12/2019 and € 55.6 thousand in the financial year 2020.

- Construction of the Wind Park at the site **GALOSI (19.8 MW) of the Municipality of Karystos** by the subsidiary "AIOLIKI MARMARIOU EVIAS MAE". The total budget cost of the project is estimated at € 21,584 K. On 14/11/2019, the Guarantor entered into a Common Bond Loan with its subsidiary amounting to € 2,001 k of which € 1,985 k relates to the coverage of financing of the aforementioned wind farm construction. As of 30/06/2022, the Guarantor had covered the first two (2) series of bonds amounting € 2,000.2 k under the terms of this contract, of which €

1,984.2 k was paid by the Guarantor to the subsidiary as use of the CBL, which subsequently made payments to third parties for that investment amounting € 1,984.2 k of which € 1,967.0 thousand until 31/12/2019 and € 17.2 thousand in the financial year 2020.

- Construction of the Wind Farm at the site of **AGRIACHLADIA (22.5 MW) of the Municipality of Kymi-Aliveri** by the subsidiary "ENERGIAKI DYSTION EVIAS MAE". The total budget cost of the project is estimated at € 29,543 k. On 14/11/2019, the Guarantor entered into a Common Bond Loan with this subsidiary amounting to € 2,500 k to cover the financing of the construction of the aforementioned Wind Farm. As of As of 30/06/2022, the Guarantor had covered the first two (2) series of bonds amounting € 2,477.4 k under the terms of this contract, that was paid by the Guarantor to the subsidiary, which subsequently made payments to third parties for that investment amounting € 2,477.4 k of which € 2,468.7 thousand until 31/12/2019 and € 8.7 thousand in the financial year 2020.

- Construction of the Wind Farm at the site **MESOPIKI (9 MW) of the Municipality of Kimi-Aliveri** by the subsidiary "ENERGIAKI DYSTION EVIAS MAE". The total budget cost of the project is estimated at € 12,782 k. On 14/11/2019, the Guarantor entered into a Common Bond Loan with this subsidiary amounting to € 1,500 k to cover the financing of the construction of the aforementioned Wind Farm. As of As of 30/06/2022, the Guarantor had covered the first by the Guarantor to the subsidiary, which subsequently made payments to third parties for that investment amounting € 923.4 k of which € 919.9 thousand until 31/12/2019 and € 3.5 thousand in the financial year 2020.

- Construction of the Wind Farm at the site **EXOSTIS (18.9 MW) of the Municipality of Karystos** by the subsidiary "ENERGIAKI STYRON EVIAS MAE" The total budget cost of the project is estimated at € 21,224 k. On 12/11/2019, the Guarantor entered into a Common Bond Loan with this subsidiary amounting € 7,101 k to cover the financing of the construction of the aforementioned Wind Farm. As of As of 30/06/2022, the Guarantor had covered the first two (2) series of bonds amounting € 7,100.7 k under the terms of this contract, that was paid by the Guarantor to the subsidiary, which subsequently made payments to third parties for that investment amounting € 7,100.7 k of which € 3,158.0 thousand until 31/12/2019 and € 3,942.7 thousand in the financial year 2020.

- Construction of the Wind Farm at the site **PYRGARI II (9.9 MW) of the Municipality of Kimi-Aliveri** by the subsidiary "AIOLIKI EAST GREECE ELLADOS MAE". The total budget cost of the project is estimated at € 12,461 k. On 14/11/2019, the Guarantor entered into a Common Bond Loan with this subsidiary amounting € 5,000 k to cover the financing of the construction of the aforementioned Wind Farm. As of As of 30/06/2022, the Guarantor had covered the first two (2) series of bonds amounting € 2,115.4 k under the terms of this contract, that was paid by the Guarantor to the subsidiary, which subsequently made payments to third parties for that investment amounting € 2,115.4 k of which € 2,111.6 thousand until 31/12/2019 and € 3.8 thousand in the financial year 2020.

- Construction of the Wind Farm at the site **KOSKINA-LAKKA (7.65 MW) of the Municipality of Kimi-Aliveri** by the subsidiary "AIOLIKI EAST GREECE MAE". The total budget cost of the project is estimated at € 11.473 K. On 14/11/2019, the Guarantor entered into a Common Bond Loan with this subsidiary amounting € 400 k to cover the financing of the construction of the aforementioned Wind Farm. As of As of 30/06/2022, the Guarantor had covered the first series of bonds amounting € 391.6 k under the terms of this contract, that was paid by the Guarantor to the subsidiary, which subsequently made payments to third parties for that investment

amounting € 391.6 k of which € 388.7 thousand until 31/12/2019 and € 2.9 thousand in the financial year 2020.

- Construction of the Wind Farm at the site **VOUREZA (7.2 MW) of the Municipality of Kimi-Aliveri** by the subsidiary "AIOLIKI EAST GREECE MAE". The total budget cost of the project is estimated at € 14.718 k. On 14/11/2019, the Guarantor entered into a Common Bond Loan with this subsidiary amounting € 7.000 k to cover the financing of the construction of the aforementioned Wind Farm. As of 30/06/2022, the Guarantor had covered the first two (2) series of bonds amounting € 6,839.7 k under the terms of this contract, that was paid by the Guarantor to the subsidiary, which subsequently made payments to third parties for that investment amounting € 6,839.7 k of which € 3,386.9 thousand until 31/12/2019 and € 3,452.8 thousand in the financial year 2020.

- Construction of the Wind Farm at **TARATSA (33.6 MW) of the Municipality of Thebes** by the subsidiary "AIOLIKI PROVATA TRAIANOUPOLEOS MAE". The total budget cost of construction of the project is estimated at € 29,976 thousand. From February to September 2020, the subsidiary received successive payments from the parent company TERNA ENERGY SA as in return for a share capital increase, with a parallel amendment to the articles of association. The increase of € 4,600 thousand originated from the unallocated funds held by the Guarantor and was completed on 19/10/2020. On 30/12/2020, the Guarantor entered into a Common Bond Loan agreement with the said subsidiary in the amount of € 10,000 thousand, of which € 6,000 thousand relates to the coverage of the financing of the construction of the above wind farm. Moreover on 2/7/2021, the Guarantor concluded a Common Bond Loan agreement with the above mentioned subsidiary for the amount of € 2,500 thousand to cover the financing of the construction of the above Wind Farm. Until 30/06/2022, the entire amount has been covered by the Guarantor and has been paid to the subsidiary, which then made payments for this investment to third parties totaling € 19,100.0 thousand of which € 4,052.9 thousand in the financial year 2020 and € 15,047.1 thousand in the financial year 2021.

4. As of 30/06/2022, the remaining amount of capital proceeds to be used amounts to € 10,767 thousand which are included in the cash of the Guarantor.

Athens, 28 September 2022

The Chairman of the BoD	The Vice Chairman of the BoD	Chief Executive Officer	Chief Financial Officer - Operation	The Head Accountant
Vasileios Delikaterinis ID No. AI 036060	Dimitra Chatziarseniou ID No. AA 026025	Aristotelis Spiliotis ID No. AK 127469	Emmanuel Fafalios ID No. AK 082011	Artan Tzanari ID No. AM 587311 License Reg. No A' CLASS 064937

V. Report of Findings from the Conduct of Pre-Agreed Procedures on the "Report about the Allocation of Capital Proceeds"

(This review report has been translated from the Greek Original Version)

To the Board of Directors of "**TERNA ENERGY FINANCE SOCIETE ANONYME**"

Pursuant to the engagement letter as of 06.09.2022 we received from the Board of Directors of TERNA ENERGY FINANCE SOCIETE ANONYME (hereinafter referred to as the "Company" or the "Issuer"), we conducted the following agreed-upon procedures, within the context of those provided by the regulatory framework of the Athens Stock Exchange as well as the relevant legal framework of the Hellenic Capital Market Commission, in respect of the Report on Allocation of the Capital Proceeds from the issue of the Common Bond Loan by the Issuer under the guarantee of TERNA ENERGY S.A. (hereinafter referred to as the "Report") in the context of the issuance of the Common Bond Loan performed on 22/10/2019.

The Company's Management is responsible for preparation of the aforementioned Report in accordance with the effective regulations of the Athens Stock Exchange and the Hellenic Capital Market Commission and the Prospectus as of October 10th 2019.

We undertook this assignment in compliance with the International Standard on Related Services (ISRS) 4400, "Engagements to Perform Agreed-upon Procedures Regarding Financial Information". Our responsibility is to conduct the below agreed-upon procedures and disclose our findings to you.

Procedures

The procedures we conducted can be summarized as follows:

1. We compared the consistency of the data recorded in the column "Allocated Amount" in the "Table of Allocation of the Capital Proceeds of the Issuer arising from the issue of the Common Bond Loan of € 150.000.000" with the data reported in the Prospectus as of October 10th 2019.
2. We compared the amounts reported in the column "Projected Allocation of Capital Proceeds to the Guarantor through Intra-group Loan", i.e. amounting to € 146,632 k in respect of the amount provisionally allocated by the Company to TERNA ENERGY S.A. (hereinafter referred to as the "Guarantor") recorded in the "Table of Allocation of the Capital Proceeds of the Issuer arising from the issue of the Common Bond Loan of € 150.000.00" of the Report with the respective amounts recognized in the Company's main accounting records for FY 2019.
3. We compared the consistency of the content of the "Table of Allocation of the Capital Proceeds of the Guarantor arising from the issue of the Common Bond Loan of € 150.000.000" of the Report with the data recorded in the Prospectus as of October 10th, 2019. In particular, we compared the consistency of the data recorded in the column "Area of Investment based on section 4.1.2 of the Prospectus" and "Allocation of the Capital Proceeds by the Guarantor" recorded in the "Table of Allocation of the Capital Proceeds of the Guarantor of the Report with the data recorded in the Prospectus as of October 10th, 2019.
4. We compared the amounts of the columns "Use of capital during the period 22.10.2019 to 31.12.2021" and "Use of capital during the period 01.01.2022 to 30.06.2022" of the "Table of Use of Guarantor's Capital from the issue of Common Bond Loan € 150,000.000 of the Issuer"

of the Report with the respective amounts recognized in the Guarantor's accounting records and its subsidiaries related investments for the periods from 22.10.2019 - 31.12.2021 and 01.01.2022 - 30.06.2022 respectively.

5. We compared the amounts of the columns "Use of capital during the period 22.10.2019 to 31.12.2021" and "Use of capital during the period 01.01.2022 to 30.06.2022" of the "Table of Use of Guarantor's Capital from the issue of Common Bond Loan € 150,000.000 of the Issuer" of the Report with the projected uses of allocation of the capital proceeds, based on the provisions of section 4.1.2 of the Prospectus as of October 10th 2019, examining on a sample basis the supporting documents in respect of the relevant accounting entries.

Findings

We have ascertained the following from the conduct of the aforementioned procedures:

- I. Regarding the procedure (1) mentioned above, we have ascertained the consistency of the data recorded in the column "Allocated Amount" in the "Table of Allocation of the Capital Proceeds of the Issuer arising from the issue of the Common Bond Loan of € 150.000.000" included in the Report with the data reported in the Prospectus as of October 10th 2019.
- II. Regarding the procedure (2) mentioned above, we have ascertained that the projected allocation of capital proceeds from the Company to the Guarantor recorded in the column "Table of Allocation of the Capital Proceeds of the Issuer arising from the issue of the Common Bond Loan of € 150.000.000" of the Report is consistent with the respective amount recognized in the Company's and Guarantor's accounting records as of December 31st 2019.
- III. Regarding the procedure (3) mentioned above, we have ascertained the consistency of the data recorded in the columns "Area of Investment based on section 4.1.2 of the Prospectus" and "Allocation of the Capital Proceeds by the Guarantor" recorded in the "Table of Allocation of the Capital Proceeds of the Guarantor arising from the issue of the Common Bond Loan of € 150.000.000" of the Report is consistent with the data reported in the Prospectus as of October 10th 2019.
- IV. Regarding the procedure (4) mentioned above, we have ascertained that the data recorded in the columns "Use of capital during the period 22.10.2019 to 31.12.2021" and "Use of capital during the period 01.01.2022 to 30.06.2022" of the "Table of Use of Guarantor's Capital arising from the issue of Common Bond Loan € 150,000. 000 of the Issuer" of the Report is consistent with the respective data recognized in the Guarantor's accounting records inclusively and the related investments of its subsidiaries for the periods from 22.10.2019 – 31.12.2021 and 01.01.2022 - 30.06.2022 respectively.
- V. Regarding the procedure (5) mentioned above, we have ascertained that the data recorded in the columns "Use of capital during the period 22.10.2019 to 31.12.2021" and "Use of capital during the period 01.01.2022 to 30.06.2022" of the "Table of Use of Guarantor's Capital from the issue of Common Bond Loan € 150,000.000 of the Issuer" of the Report is consistent with the projected uses of allocation of the capital proceeds, based on the provisions of section 4.1.2 of the Prospectus as of October 10th 2019, examining on a sample basis the supporting documents in respect of the relevant accounting entries.

Given that the performed procedures do not constitute an audit or a review in accordance with International Standards on Auditing or International Standards on Review Engagements, we do not express any assurance beyond what is mentioned above. If we had conducted additional procedures, or if we had conducted an audit or review in accordance with International Standards on Auditing or International Standards on Review Engagements, other matters might have come to our attention, which we would have disclosed to you.

Restrictions on the Use of the Report

The current report is addressed exclusively to the Company's Board of Directors, in compliance with its obligations under the effective Regulatory Framework of Athens Stock Exchange. Therefore, this report shall not be used for any other purpose, as it is limited to the items listed above and does not extend to the interim financial statements prepared by the Company for the interim six-month period ended as at June 30th, 2022, for which we have issued a separate Independent Auditor's Review Report on 28th September 2022.

Restrictions on the Use of the Report

The current report is addressed exclusively to the Company's Board of Directors, in compliance with its obligations under the effective Regulatory Framework of Athens Stock Exchange. Therefore, this report shall not be used for any other purpose, as it is limited to the items listed above and does not extend to the interim financial statements prepared by the Company for the interim six-month period ended as at June 30th, 2022, for which we have issued a separate Independent Auditor's Review Report on 28th September 2022.

Athens, 28th September 2022

The Certified Auditor
Accountant

George P. Panagopoulos
SOEL Reg. No. 36471