

**TERNA ENERGY FINANCE SINGLE PERSON SOCIETE ANONYME**

**SEMI-ANNUAL FINANCIAL REPORT**

**For the period ended on 30<sup>th</sup> June 2023**

**1<sup>st</sup> January – 30<sup>th</sup> June 2023**

**In accordance with Article 5, 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) 140274801000

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## I. REPRESENTATIONS OF THE MEMBERS OF THE BOARD OF DIRECTORS

(In compliance with Article 5, Par. 2 of Law 3556/2007)

The following representatives:

1. Georgios Mergos, 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 5 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 semiannual financial statements of the Company TERNA ENERGY FINANCE S.P.S.A. for the semiannual period from January 1<sup>st</sup> 2023 to June 30<sup>th</sup> 2023, prepared according to the applicable International Financial Reporting Standards (IFRS) as adopted by the European Union and applied to Interim Financial Reporting (International Accounting Standard 34), present truly and fairly the assets and liabilities, the equity as at 30/06/2023 and the total comprehensive income for the first half of 2023 of the Company and
- (ii) 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, 21 September 2023

Chairman of the BoD

CEO

Vice-Chairman of the BoD

Georgios Mergos

Aristotelis Spiliotis

Dimitra Chatziarseniou

## **II. SEMI-ANNUAL REPORT OF THE BOARD OF DIRECTORS OF TERNA ENERGY FINANCE SINGLE PERSON SOCIETE ANONYME ON THE FINANCIAL STATEMENTS FOR THE PERIOD 01/01/2023 - 30/06/2023**

This Semi-Annual Report of the Board of Directors which refers to the interim period from January 1<sup>st</sup> to June 30<sup>th</sup> 2023, 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 the decision with 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 30/06/2023 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 2023. 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 2023)**

Despite the continuing geopolitical uncertainty related to the war in Ukraine, high inflation and the subsequent tight monetary policy, the Greek economy appears to maintain in the first half of 2023 a considerable part of the growth momentum of the previous year. As a result, economic growth continued in the first quarter of the year but at a slower pace compared to the pace of the post-pandemic period of the previous year. Consequently, economic growth continued in the second quarter of the year but at a more moderate rhythm compared to the post-pandemic period of the previous year. GDP in the second quarter of 2023 strengthened by 2.7% on an annual basis, while it recorded an increase of 1.3% compared to the previous quarter. This was assisted by higher investment and growth in private consumption (at a lower rate compared to the same period last year). In total in the first half of the year, Greek GDP grew by 2.3% on an annual basis. It is notable that the rate of growth of Greek GDP in the first half of the year was higher than that of the European Union over the same period, standing at 0.8% (and 0.5% for the second quarter).

At the component level, in the second quarter of 2023, private consumption increased by 3.2% and investment (Gross Fixed Capital Formation) increased by 7.9%. On the other side, Public consumption decreased by 1.4% with imports increasing by 0.6% and exports increasing by 0.1%.

On the inflation front, the downward trend that started at the end of 2022 continued in line with the decline in international energy prices. In contrast, food inflation peaked in December 2022 with a slow deceleration expected. Based on the latest ELSTAT data for June 2023, the harmonized consumer price index for June 2023 stands at 2.8% on an annual basis compared to 4.1% for May, with the decline, however, mainly focused on the prices of energy products, while the upward trends continued for food commodities. As a result, structural inflation reached 4.8% for June despite a decline from 7.8% in May, continuing to burden the cost of living.

At the level of leading indicators, the Economic Climate Index in Q2 2023 slightly increased compared to the previous quarter (109.0 vs. 106.9) and the corresponding quarter of the previous year (105.1). Business expectations significantly strengthened in the recent quarter compared to the previous quarter in Services, moderately in Retail Trade and Construction, and declined moderately in Manufacturing. The Consumer Confidence Index improved markedly in the April-June period compared with the previous quarter, to -36.7 (from -43.3). At the same time, it is moving sharply higher compared to a previous year (-53.0 points).

Regarding the expected trend to the end of the year, the Greek economy is expected to maintain at least a similar expansion rate, with most institutions estimating a growth rate of 2.3%. The easing of inflationary pressures and the benefits from the implementation of targeted private and public sector investment, combined with the lower-than-expected slowdown of the European economies and the positive contribution of tourism are expected to have an important impact. On the other hand, the peak of tight

fiscal policy but also the continuing normalization of private consumption growth and the rate of import growth are factors that will have an impact on economic activity.

For the years ahead, however, the Greek economy is expected to accelerate further at higher rates than the European average, with the latest estimations of the Bank of Greece projecting a 3.0% boost in GDP for 2024 and 2.7% for 2025. Prerequisites for the realisation of these forecasts are the further de-escalation of the geopolitical crisis, the decrease of the energy prices and the gradual adjustment of the European Economies to the new environment of monetary and fiscal policy tightening. Regarding Greece, the continuing solid performance of tourism, the implementation of the envisaged investments and the further reduction of the commercial trade deficit will continue to be a key factor.

An important opportunity for the Greek economy is the upgrade of the country's credit rating. In early September, the DBRS rating agency (one of the 4 officially recognized by the European Central Bank) upgraded the rating of Greek government bonds to "BBB-", placing them within investment grade for the first time since the financial crisis, an event that is expected to have significant benefits for the Greek economy. In this context, the Parliamentary Budget Office estimates that the recovery of the investment grade and the diffusion of lower borrowing costs to the private sector could boost GDP growth by 0.5 percent for 2024 compared to the baseline scenario of an average increase in private investment.

The increase in investment activity through the actions of the European Commission's Recovery and Resilience Facility (RRF) is also expected to have a significant impact. Greece has so far received €11 billion in funding (pre-financing and the first 2 tranches) and has already submitted a request for a disbursement of €1.7 billion under the 3rd tranche. In total, 425 investment projects have been submitted for RRF loans for a total value of 15.7 billion by May 2023 (of which 6.4 billion RRF loans, 3.8 billion equity and 5.5 billion bank loans). Up until now about 178 financing agreements have been signed for a total value of 6,8 billion. As regards grants, by the end of March, 617 projects have applied for a total of 17.8 billion, while 3.2 billion of disbursements have already been implemented.

### **Energy sector trends and the crisis impact for the first half of 2023**

Since the beginning of the year and the partial de-escalation of geopolitical tensions, the energy market has entered a phase of normalisation with many parameters remaining volatile, however, affecting visibility in the medium term. Combined with lower demand as a result of high prices and milder temperatures prevailing during the winter period, leading to a continuation of the energy price deceleration that was observed at the end of 2022 and a further decline in the first half of 2023. Indicatively, Title Transfer Facility (TTF) prices fell from record levels in the third quarter of 2022 ( an average of 206 EUR/MWh) to 76.3 EUR/MWh in December and continue their downward trend, closing at 25.8 EUR/MWh for June 2023. In a similar pattern, the electricity price on the wholesale market showed an average price of 142 EUR/MWh for the first half of the year (100 EUR/MWh for June) compared to around 300 EUR/MWh for 2022.

The electricity demand in the first half of 2023 recorded a decline of 8.5% on an annual basis, mainly influenced by the seasonally high temperatures that prevailed during the first months of the year (compared to very low temperatures for the corresponding months of 2022) and by the measures to limit consumption of households and businesses.

The reduced demand led to a reduction in production from thermal plants in the interconnected system (13.1% decrease in lignite production, 30.1% decrease in gas production), while hydroelectric production also decreased by 26%. On the counterpoint, production from RES increased by 6.1% in line with the increase in installed capacity, while imports also increased by 27.3%. Overall, renewables covered 43% of demand in the first half of the year (an all-time high) compared to 37.1% in the corresponding period in 2022. It is notable that including generation from large hydropower plants, total green energy production in the country met 49.7% of demand in the first half of 2023.

In the Renewable Energy Sector and specifically in the Wind Energy Sector, the installed capacity as of the end of June 2023 totalled 4,935 MW, representing an increase of 252 MW (+5.4%) compared to the end of 2022. Consequently, during the first half of 2023, there were more new wind turbines connected to the grid than during the whole of 2022. The acceleration of growth is due to the gradual completion of major wind investments through the efforts of companies, the scientific community and wind energy professionals operating in Greece. In terms of market shares, according to ELETAEN data, as of June 2023 in Greece, TERNA Energy held 18.9% of installed wind capacity, with the second and third producers holding 14.3% and 8.3% respectively.

According to the same source, at the end of the first half of 2023, more than 600 MW of new wind farms were under construction or had been contracted, the vast majority of which are expected to be connected to the grid within the next 12 months. A further 450 MW are in the process of being contracted or about to commence construction. To these must be added another 400 MW that have been tendered, submitted performance guarantees but do not belong to any of the above categories. Thus, total wind capacity is expected to approach 6.5 GW within the next three years.

Regarding photovoltaics, the latest data for the entire country (DAPEEP-March 2023) indicate that the installed capacity reached 5,490 MW, with an increase of 220 MW for the first quarter compared to the end of 2022, while according to the estimates of the DAPEEP, additions at least similar to 2022 (1,235 MW) are expected to be added in the entire year.

#### **Basic Financial Figures:**

Within the first half of 2023, the Company realized Interest Income of € 2.654 thousand compared to € 2.654 thousand of the respective six-month period of 2022.

The results of the Company before income tax for the six-month period recorded a profit of € 360 thousand compared to a profit of € 395 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 6,27.

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:

Area of investment	Amounts in € thous.
<b>4<sup>th</sup> quarter 2019</b>	
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 "Barkat I" in Texas, USA	€ 30,632
<b>Period 2019 – 2022</b>	
3 Construction of wind parks in Greece, 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
<b>Total investments</b>	<b>€ 146,632</b>
(-) Estimated CBL issuance expenses	€ 3,368
<b>Total capital proceeds by the Issuer</b>	<b>€ 150,000</b>

Until 30/06/2023, all the above capital proceeds, had been allocated.

#### **B. Significant events during the financial year 2023**

There were no significant events during the 1st Half of the financial year 2023.

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

There were no significant events after the date of the financial position.

#### **D. Risks and uncertainties for the Second Half of the Financial Year 2023**

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 30/06/2023, 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 30/06/2023 have been approved by the Board of Directors of the company on 21 September 2023 and have been posted online on its website [www.terna-energy.com](http://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 ENEX, 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 Group traditionally, due to the nature of its operations, is not exposed to significant credit risk in terms of trade receivables. In the past, there have been delays in collections from DAPEEP, which have been significantly reduced with the implementation of Law 4254 /14 as well as the extraordinary levy imposed for the fiscal year 2020 to address the side effects of the coronavirus pandemic, on electricity producers from Renewable Energy Sources (RES) power plants, which have been brought into normal or trial operation by 31 December 2015 (Government Gazette 245/09.12.2020). In other transactions with individuals, the Group operates with a view to limiting credit risk and securing its 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**

The military conflict in the region of Ukraine continues and the chances for resolution remain slim. TERNA ENERGY Group continues to closely monitor the situation, which has not and is not expected to have a direct impact on its figures and performance. Given that the majority of the Wind Parks have a fixed sales price, the significant costs are depreciation of equipment and borrowing costs refer to fixed rate loans, the impact is still insignificant, and this is not expected to change in the foreseeable future. In the operating segment of "Concessions" no significant impact is expected due to the structure of the contracts governing these functions.

Finally, due to the dynamics of these events, new risks may arise. Considering the current uncertainty in the broader economic climate, the Group's management is trying to assess in a prompt manner any indirect effects on the Group.

#### **(b) Fluctuations of wind and hydrological data**

Regarding its activity in the energy sector, the Group remains exposed to the short-term fluctuations of wind and hydrological data, without affecting the long-term profitability of its projects, if the implementation of its investments is preceded by extensive studies involving long-term studies of the above factors. From now on, calculation models should incorporate new factors allowing for the occurrence of potential events of force majeure, such as the current epidemic, in order to examine in greater depth, the viability of any projected investment.

Furthermore, the Company is directly exposed to multiple financial risks, such as credit risk and liquidity risk. The Company does not use derivative financial instruments to hedge its exposure to specific categories of risk.

The process followed is as follows:

- (i) Assessment of risks related to the Company's activities and operations,
- (ii) Designing the methodology and selecting appropriate financial products to mitigate the risks; and
- (iii) Execution/implementation, in accordance with the procedure approved by the Management, of the risk control process.

The Company's financial instruments consist of deposits with banks, receivables from granted bond loans to the parent company and liabilities from underwritten bond loans.

#### Foreign exchange risk of the Company

The Company's functional currency is the Euro. The Company is not exposed to currency risk as all of its transactions are denominated in Euro.

#### Interest rate risk of the Company

The Company's policy is to minimise its exposure to interest rate cash flow risk in respect of long-term financing. The Company's borrowings relate to the 2019 CER (see Note 10), i.e. they are denominated in Euros and the interest rate is fixed. Therefore, the Company is not exposed to interest rate risk.

#### Credit risk of the Company

Credit risk is the risk when the counterparty to a financial instrument will cause a loss to the other party by failing to settle the related obligation.

#### **E. Prospectives**

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.

Considering the above, the prospects of the Company should be read in conjunction with section D of the Annual Report of the Board of Directors of the parent company, sole shareholder and Guarantor, TERNA ENERGY SA of the annual period ending 30/06/2023, 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 30/06/2023 have been approved by the Board of Directors of the company on 21/09/2023 and have been posted on the internet on its website [www.terna-energy.com](http://www.terna-energy.com), as well as on the Athens Exchange website.

#### **Prospectives of TERNA ENERGY Group**

The performance of the first half of the current year has been negatively affected by the weak wind conditions recorded in the country and in the Northern Hemisphere generally, compared to the particularly strong conditions recorded in the first half of last year. This fact is consistent with the stochasticity that characterises wind farm production and is reflected in any forecasting model, but does not affect the long-term performance of the projects, which are estimated to have a lifespan of 25 years. Regarding the immediate future periods, Terna Energy Group expects a significant increase of revenues and operating profitability subsequent to the commissioning of the Kafireas wind farm before the end of the third quarter of the current year. The commissioning marks an increase in installed capacity of approximately 35% and is expected to have a proportionate impact on operating profitability (on an annualised basis). It is also worth mentioning that, the Peloponnese waste management project that is now fully in commercial operation, together with the other concessions/ PPP projects (waste management in Epirus, Electronic Ticketing) further enhance the Group's long-term performance.

Regarding the mid-term perspective, the Group continues with its investment plan, having now under construction the large pumped storage project in Amfilochia with a total investment of EUR 650 million. The construction of new parks (mainly photovoltaic) in Greece is scheduled to be started gradually from the end of this year and within 2024, while projects abroad continue to be considered on a case-by-case basis. At the same time, the Group is advancing the procedures for the maturation of projects of various technologies (e.g. hydroelectric, storage, hybrid, etc.) in Greece that are expected to be able to progressively starting construction from next year. Finally, emphasis is also being given to new concessions/ PPP projects (waste management, digital transformation, etc.) that can further enhance the Group's revenues in the long term while also offering synergies.

Given the above and despite the continuous challenges and the ever-volatile conditions in the energy markets in Greece and abroad, as the recent past has shown, Terna Energy Group is going to continue playing a leading part. The Group's long-term target to approach a portfolio of projects of more than 6.0 GW in operation before the end of the current decade should be mentioned.

#### **F. Alternative Performance Measurement Indicators ("APMI")**

In the context of applying the Guidelines "Alternative Performance Measures" of the European Securities and Markets Authority (ESMA/2015/1415el) 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:

Amounts in thousand €	2023	2022
Long-term loans	148.079	147.808
Long-term liabilities carried forward	726	737
<b>Loan Liabilities (a)</b>	<b>148.805</b>	<b>148.545</b>
<b>Cash and cash equivalents (b)</b>	<b>5.150</b>	<b>4.526</b>
<b>Net debt/(surplus) (a) - (b)= (c)</b>	<b>143.655</b>	<b>144.019</b>
Total equity (d)	3.542	3.261
<b>Total Employed Capital (c) + (d) = (e)</b>	<b>147.197</b>	<b>147.280</b>
<b>Loan Liabilities (a)/Total Employed Capital (e)</b>	<b>101,09%</b>	<b>100,86%</b>
Financial income (f)	2.654	2.654
Financial expenses (g)	(2.232)	(2.224)
<b>Net financial income (f) - (g) = (h)</b>	<b>422</b>	<b>430</b>
<b>Gross profit margin (h)/(f)</b>	<b>15,90%</b>	<b>16,20%</b>
Net profit for the year (i)	281	308
Income tax expense (j)	(79)	(87)
<b>EBIT (i)-(j)</b>	<b>360</b>	<b>395</b>
<b>EBITDA (i)-(j)</b>	<b>360</b>	<b>395</b>

### G. Share Capital Structure, Equity and other information

Since its establishment and until today, the Company has not proceeded with the acquisition of 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. Branches and research and development expenses.

The Company has no branches and has not incurred any research and development expenses.

### J. 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 2023 as well as the balances in terms of receivables and payables as of 30/06/2023 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 30/06/2023 are as follows:

	<b>30/06/2023</b>			
	<b>Purchases/Expenses</b>	<b>Sales/Income</b>	<b>Receivables</b>	<b>Liabilities</b>
Parent Company	1	2.654	147.673	1
<b>Total</b>	<b>1</b>	<b>2.654</b>	<b>147.673</b>	<b>1</b>

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 01/01/2023-30/06/2023 no benefits were granted to the Company's members of the management or directors.

Athens, 21 September 2023

The Chairman of the Board of Directors

Georgios Mergos

### **III. INDEPENDENT AUDITOR'S 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 2023 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, 21 September 2023  
The Certified Auditor Accountant

George P. Panagopoulos  
SOEL Reg. No.36471





## **TERNA ENERGY FINANCE SINGLE PERSON SOCIETE ANONYME**

**INTERIM CONDENSED FINANCIAL STATEMENTS FOR THE 6-MONTH PERIOD ENDED ON 30TH JUNE 2023 (1st January - 30th June 2023)**

**According to the International Financial Reporting Standards (IFRS) as adopted by the European Union**

The attached Interim Condensed Financial Statements were approved by the Board of Directors of TERNA ENERGY FINANCE SA on 21 September 2023 and have been posted on the internet at the websites of the Company [www.ternaenergy-finance.gr](http://www.ternaenergy-finance.gr) as well as of the Athens Exchange.

**INTERIM STATEMENT OF FINANCIAL POSITION AS OF 30<sup>th</sup> JUNE 2023**

	Σημείωση	30/06/2023	31/12/2022
<b>ASSETS</b>			
<b>Non-current assets</b>			
Other long-term receivables	4	146.632	146.632
<b>Total non-current assets</b>		<b>146.632</b>	<b>146.632</b>
<b>Current assets</b>			
Other short term receivables	5	1.059	1.069
Cash and cash equivalents	6	5.150	4.526
<b>Total current assets</b>		<b>6.209</b>	<b>5.595</b>
<b>TOTAL ASSETS</b>		<b>152.841</b>	<b>152.227</b>
<b>EQUITY AND LIABILITIES</b>			
<b>Equity</b>			
Share capital	7	1.850	1.850
Reserves		106	76
Retained earnings		1.586	1.335
<b>Total equity</b>		<b>3.542</b>	<b>3.261</b>
<b>Long-term liabilities</b>			
Long-term loans	8	148.079	147.808
Deferred tax liabilities	11	229	232
<b>Total long-term liabilities</b>		<b>148.308</b>	<b>148.040</b>
<b>Short-term liabilities</b>			
Suppliers		1	3
Long-term liabilities carried forward	8	726	737
Accrued and other short-term liabilities		14	19
Income tax payable		250	167
<b>Total short-term liabilities</b>		<b>991</b>	<b>926</b>
<b>Total liabilities</b>		<b>149.299</b>	<b>148.966</b>
<b>TOTAL LIABILITIES AND EQUITY</b>		<b>152.841</b>	<b>152.227</b>

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

**INTERIM CONDENSED STATEMENT OF COMPREHENSIVE INCOME OF THE PERIOD 01/01/2023-30/06/2023**

	Σημείωση	01/01 - 30/06/2023	01/01 - 30/06/2022
Financial income	9	2.654	2.654
Financial expenses	10	(2.232)	(2.224)
<b>Net financial income</b>		<b>422</b>	<b>430</b>
Third party fees and expenses		(30)	(10)
Other operating expenses		(7)	(2)
Employees remuneration and expenses		(25)	(23)
<b>Operating results</b>		<b>360</b>	<b>395</b>
<b>Profit before tax</b>		<b>360</b>	<b>395</b>
Income tax expense	11	(79)	(87)
<b>Net profit for the year</b>		<b>281</b>	<b>308</b>
<b>Other comprehensive income</b>			
<b>Other comprehensive income for the year (after tax)</b>		-	-
<b>Total comprehensive income for the year</b>		<b>281</b>	<b>308</b>

**Note:**

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

**INTERIM CONDENSED STATEMENT OF CASH FLOWS OF THE PERIOD 01/01/2023-30/06/2023**

	Σημείωση	01/01 - 30/06/2023	01/01 - 30/06/2022
<b>Cash flows from operating activities</b>			
<b>Earnings before tax</b>		360	395
<i>Adjustments for reconciliation of net flows from operating activities</i>			
Financial income	9	(2.654)	(2.654)
Financial expenses	10	2.232	2.224
<b>Operating loss before changes in working capital</b>		<b>(62)</b>	<b>(35)</b>
<b>(Increase)/Decrease in:</b>			
Prepayments and other short term receivables		(3)	-
Interest and related income collected		2.669	2.669
<b>Increase/(Decrease)\ in:</b>			
Suppliers		(2)	2
Accruals and other short term liabilities		(6)	(1)
Interest paid		(1.972)	(2.015)
<b>Net cash inflows from operating activities</b>		<b>624</b>	<b>620</b>
<b>Cash flows from investment activities</b>			
<b>Net cash inflows from investment activities</b>		<b>-</b>	<b>-</b>
<b>Cash flows from financing activities</b>			
<b>Net cash inflows from financing activities</b>		<b>-</b>	<b>-</b>
<b>Net increase in cash and cash equivalents</b>		<b>624</b>	<b>620</b>
<b>Opening cash and cash equivalents</b>	6	4.526	2.445
<b>Closing cash and cash equivalents</b>	6	<b>5.150</b>	<b>3.065</b>

**Note:**

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	Reserves	Retained Earnings	Total
<b>1 January 2022</b>	<b>1.850</b>	<b>44</b>	<b>776</b>	<b>2.670</b>
Net earnings for the year	-	-	308	<b>308</b>
<b>Other comprehensive income</b>				
<b>Other comprehensive income for the year (after tax)</b>	-	-	-	-
<b>Total comprehensive income for the year</b>	-	-	<b>308</b>	<b>308</b>
Formation of reserves	-	32	(32)	-
Transactions with shareholders	-	<b>32</b>	<b>(32)</b>	-
<b>30th June 2022</b>	<b>1.850</b>	<b>76</b>	<b>1.052</b>	<b>2.978</b>
<b>1 January 2023</b>	<b>1.850</b>	<b>76</b>	<b>1.335</b>	<b>3.261</b>
Net earnings for the year	-	-	281	<b>281</b>
<b>Other comprehensive income</b>				
<b>Other comprehensive income for the year (after tax)</b>	-	-	-	-
<b>Total comprehensive income for the year</b>	-	-	<b>281</b>	<b>281</b>
Formation of reserves	-	30	(30)	-
Transactions with shareholders	-	<b>30</b>	<b>(30)</b>	-
<b>30th June 2023</b>	<b>1.850</b>	<b>106</b>	<b>1.586</b>	<b>3.542</b>

**Note:**

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, 85 Mesogeion Ave., 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, 2023, were approved by the Board of Directors on 21/09/2023.

The accompanying financial statements of the Company are consolidated under full consolidation method in the financial statements of TERNA ENERGY S.A., which is in Greece, listed at ATHEX, and whose participating interest in the Company on 30/06/2023 amounted to 100% (31/12/2022: 100%).

### **2. FRAMEWORK FOR THE PREPARATION OF THE FINANCIAL STATEMENTS**

#### **2.1 Basis for Financial Statements Presentation**

The interim condensed financial statements of the Company as of June 30th, 2023 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, 2023.

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 a significant 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.

### **2.2 Basis of Measurement**

The accompanying financial statements as of June 30<sup>th</sup> 2023, have been prepared according to the principle of historical 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, 2022.

### **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, 2023, 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, 2022, and which are analyzed in explanatory note 3 thereof.

With reference to 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 2022.

## **2.6 New Standards, Interpretations and Amendments of Standards**

The accounting principles applied for the preparation of the financial statements are the same as those applied for the preparation of the annual financial statements of the Company for FY ended as on December 31<sup>st</sup>, 2022, apart from the adoption of several new accounting standards, whose application was mandatory in the European Union for FYs beginning as on January 1st, 2023 (see Notes 2.6.1 και 2.6.2). Therefore, the attached condensed interim six-month financial statements should be read in line with the latest published annual Financial Statements as of 31/12/2022 that include a full analysis of the accounting policies and 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**

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

In February 2021, the IASB issued limited purpose amendments relating to disclosures of accounting policies. The purpose of the amendments is to improve disclosures of accounting policies to provide more useful information to investors and other users of financial statements. In particular, the amendments require disclosure of significant information about accounting policies, rather than disclosure of significant accounting policies. The Company will consider the impact of all of the above on its Financial Statements. The above have been adopted by the European Union with an effective date of 01/01/2023.

#### **Amendments in 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 limited purpose amendments that clarify the difference between a change in accounting estimate and a change in accounting policy. This distinction is important because a change in accounting estimate is applied without retrospective effect and only to future transactions and other future events, as opposed to a change in accounting policy, which is retrospective and applies to past transactions and other past events. The Company will consider the impact of all of the above on its Financial Statements, although it is not expected to have any. The above has been adopted by the European Union with an effective date of 01/01/2023.

#### **Amendments in IAS 12 "Income Taxes: Deferred Taxes 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 entities should treat deferred tax arising from transactions such as leases and release obligations - transactions for which entities simultaneously recognise a receivable and a liability. In certain circumstances, entities are



exempt from recognising deferred tax when they recognise assets or liabilities for the first time. The amendments clarify that this exemption does not apply and entities are required to recognise deferred tax on these transactions. The Company will consider the impact of all of the above on its Financial Statements, although it is not expected to have any. The above has been adopted by the European Union with an effective date of 01/01/2023.

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 to Standards have been issued by the International Accounting Standards Board (IASB) but are either not yet effective or have not yet been adopted by the European Union.

##### **Amendments in IAS 12 "Income Taxes" - International Tax Reform - Pillar II Model Rules (effective immediately and for annual periods beginning on or after 01/01/2023)**

In May 2023, the International Accounting Standards Board (IASB) issued amendments to IAS 12 "Income Taxes" related to the Pillar Two Rules of the International Tax Reform,. The amendments introduced: a) a temporary exemption from the recognition requirements for accounting for deferred taxes arising from the implementation of the International Tax Reform (Pillar II) and b) additional disclosures for affected entities. Entities may apply the temporary exemption immediately, but the disclosures are required for the annual period beginning on or after 1 January 2023. The Company will consider the impact of all of the above on its Financial Statements, although it is not expected to have any. The above have not been adopted by the European Union.

##### **Amendments in IAS 1 'Classification of Liabilities as Current or Long-Term' (effective for annual periods beginning on or after 01/01/2024)**

In January 2020, the IASB issued amendments to IAS 1 that affect the presentation requirements for liabilities. Specifically, the amendments 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) clarification that an entity's right to defer settlement should exist at the reporting date; (b) clarification that the classification of the liability is not affected by management's intentions or expectations regarding the exercise of the right to defer settlement, (c) explain how borrowing conditions affect the classification; and (d) clarify the requirements for classifying liabilities of an entity that is to be or may be settled by issuing its own equity instruments. In addition, in July 2020, the IASB issued an amendment to defer by one year the effective date of the originally issued amendment to IAS 1 as a result of the spread of the Covid-19 pandemic. However, in October 2022, the IASB issued an additional amendment aimed at improving the information that companies provide about long-term debt covenants. IAS 1 requires a company to classify a loan as long-term only if the company can avoid settlement of the loan within 12 months after the reporting date. However, a company's ability to do so often depends on compliance with its covenants. The amendments to IAS 1 specify that covenants that must be met after the reporting date

do not affect the classification of the loan as current or non-current at the reporting date. Instead, the amendments to the Standard require an entity to disclose information about those commitments in the notes to the financial statements. The amendments are effective for annual periods beginning on or after January 1, 2024, with early adoption permitted. The Company will consider the impact of all of the above on its Financial Statements, although it is not expected to have any. The above have not been adopted by the European Union.

**Amendments in IFRS 16 'Leases: Lease Obligation on a Sale and Leaseback' (effective for annual periods beginning on or after 01/01/2024)**

In September 2022, the IASB issued limited purpose amendments to IFRS 16 Leases that add requirements on how an entity accounts for a sale and leaseback ("sale and leaseback") after the transaction date. A sale and leaseback is a transaction in which an entity sells an asset and leases the same asset back for a period of time from the new owner. IFRS 16 includes requirements on the accounting treatment of a sale and leaseback at the date of the transaction. However, the Standard had not specified how to measure the transaction after that date. The amendments issued add to the requirements in IFRS 16 on sale and leaseback, thereby supporting consistent application of the accounting standard. These amendments will not change the accounting treatment for leases other than those arising from a sale and leaseback transaction. The Company will consider the impact of all the above on its Financial Statements, although it is not expected to have any. The above has not been adopted by the European Union.

**Amendments to IAS 7 'Statement of Cash Flows' and IFRS 7 'Financial Instruments: Disclosures': Supplier Financing Arrangements (effective for annual periods beginning on or after 01/01/2024)**

In May 2023, the International Accounting Standards Board (IASB) issued amendments ("Supplier Finance Arrangements"), which amended IAS 7 "Statement of Cash Flows" and IFRS 7 "Financial Instruments: Disclosures". The IASB issued Supplier Financing Arrangements requiring an entity to provide additional disclosures about supplier financing arrangements. The amendments require additional disclosures that supplement the existing disclosures in those two standards. Those disclosures are intended to help users of financial statements (a) assess how supplier financing arrangements affect an entity's liabilities and cash flows, and (b) understand the effect of supplier financing arrangements on liquidity risks and how the entity might be affected if those financial instruments are no longer available. The amendments to IAS 7 and IFRS 7 are effective for the accounting period beginning on or after 1 January 2024. The Company will consider the impact of all the above on its Financial Statements, although it is not expected to have any. The above have not been adopted by the European Union.

**Amendments to IAS 21 "The Effects of Changes in Foreign Exchange Rates: Lack of Exchangeability (effective for annual periods starting on or after 01/01/2025)**

In August 2023, the International Accounting Standards Board (IASB) issued amendments to IAS 21 The Effects of Changes in Foreign Exchange Rates that require entities to provide more useful information in their financial statements when a currency cannot be exchanged into another currency. The amendments introduce a definition of currency exchangeability and the process by which an entity

should assess this exchangeability. In addition, the amendments provide guidance on how an entity should estimate a spot exchange rate in cases where a currency is not exchangeable and require additional disclosures in cases where an entity has estimated a spot exchange rate due to a lack of exchangeability. The amendments to IAS 21 are effective for accounting periods on or after 1 January 2025. The Company will examine the impact of the above on its Financial Statements, though it is not expected to have any. 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 30/06/2023 and 31/12/2022, are analyzed as follows:

	30/06/2023	31/12/2022
Receivables from long-term intercompany loans 2019	146.632	146.632
<b>Total</b>	<b>146.632</b>	<b>146.632</b>

Interest income from the Intra-group Loan 2019 for the six-month period ended 30/06/2023 amounted to € 2.654 thousand (see Note 9) and is included in the “Interest Income” item of the Statement of Comprehensive Income for the six-month period ended 30/06/2023.

#### 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 10), 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 as analyzed in the section 4.1.2 "Reasons for Issuing the CBL and Utilization of Funds" of the Prospectus dated October 10, 2019.

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.

On 30/06/2023, the long-term component of the aforementioned receivable stood at € 146.632 thousand.

## 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).

<b>Prepayments and other financial receivables</b>	<b>30/06/2023</b>	<b>31/12/2022</b>
Short-term part of receivables from long-term intercompany loans 2019	1.041	1.056
<b>Total (a)</b>	<b>1.041</b>	<b>1.056</b>
<b>Prepayments and other non-financial receivables</b>	<b>30/06/2023</b>	<b>31/12/2022</b>
Prepayments to suppliers	2	-
Prepaid expenses and other transitory asset accounts	16	13
<b>Total (b)</b>	<b>18</b>	<b>13</b>
<b>Other short term receivables (a) + (b)</b>	<b>1.059</b>	<b>1.069</b>

## 6. CASH AND CASH EQUIVALENTS

Cash & cash equivalents as at 30/06/2023 and 31/12/2022, are analyzed as follows:

	<b>30/06/2023</b>	<b>31/12/2022</b>
Sight deposits	5.150	4.526
<b>Total</b>	<b>5.150</b>	<b>4.526</b>

## 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. LOANS

As of 30/06/2023 and 31/12/2022, the Company's loans are analyzed as follows:

	<b>30/06/2023</b>	<b>31/12/2022</b>
<b>Long-term loans</b>		
<b>Opening balance</b>	<b>147.808</b>	<b>147.274</b>
Interest in income statement	271	534
<b>Closing balance</b>	<b>148.079</b>	<b>147.808</b>
<b>Long-term liabilities carried forward</b>		
<b>Opening balance</b>	<b>737</b>	<b>758</b>
Interest in income statement	1.961	3.954
Interest paid	(1.972)	(3.976)
<b>Closing balance</b>	<b>726</b>	<b>736</b>
<b>Total</b>	<b>148.805</b>	<b>148.544</b>

### 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 10<sup>th</sup>, 2019.

As of 30/06/2023 to the outstanding amount of CBL 2019 had settled at € 148.805 thousand

The Company and the Guarantor have the obligation to observe specific financial ratios related to the Common Bond Loan. As of December 31, 2021, 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 financial year of 2023 amounted to € 2.231 thousand (Note 10) and are included in the item "Interest and other financial expenses" of the Statement of Comprehensive Income.

## 9. INTEREST REVENUES

The Company's income for semi-annual period ended 30/06/2023 relates to interest income from the Intragroup Loan 2019 amounting to € 2.654 thousand (2022: € 2.654 thousand), granted to the parent company and which is included in the items "Other Long-Term Receivables" and "Other Current Assets" (see Note 4 & 5, respectively).

## 10. INTEREST AND OTHER FINANCIAL EXPENSES

The interest and other financial expenses of the Company for the semi-annual period ended on 30/06/2023 and 30/06/2022, respectively, are analyzed as follows:

	<b>01/01 - 30/06/2023</b>	<b>01/01 - 30/06/2022</b>
Interest and expenses on long-term loans	2.231	2.224
Commissions, bank charges and other expenses	1	-
<b>Financial expenses</b>	<b>2.232</b>	<b>2.224</b>

The interest and expenses of long-term loans of the Company for the financial year 2023 amounting to € 2.231 thousand (2022: 4.469 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 2023 after the enactment of Law 4799/2021, which amended par. 1 of article 58 of Law 4172/2013 is set at 22%.

The effective final tax rate differs from the nominal tax rate. Several factors affect the calculation of the effective tax rate, with the most relevant ones being the non-tax deductibility of certain expenses and the possibility for companies to form tax-free deductions and tax-free reserves.

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

The Company makes an annual assessment of the contingent liabilities expected to arise from the audit of past years, making provisions where necessary.

## 12. EARNINGS PER SHARE

Basic earnings per share for the annual period 01/01/2023 – 30/06/2023 and for the respective comparative period of 2022 were calculated by dividing the net earnings attributed to shareholders of the parent company by the weighted average number of outstanding shares as follows:

	<b>30/06/2023</b>	<b>30/06/2022</b>
Net profit (in €)	281.000	307.423
Average weighted number of shares	1.850.000	1.850.000
Earnings per share (in Euro)	0,1519	0,1662

There are no diluted earnings per share for years 2023 and 2022

## 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 December 31<sup>st</sup>, 2023.

Transactions and balances with related parties for the six-month period ended 30/06/2023 are depicted in the following table. As mentioned in Notes 4, 5 and 9 above, the sales / revenues of the Company relate to the interest from the Bond Loan granted to the parent company TERNA ENERGY SA. The receivables relate to the above-mentioned Bond Loan.

	<b>30/06/2023</b>			
	<b>Purchases/Expenses</b>	<b>Sales/Income</b>	<b>Receivables</b>	<b>Liabilities</b>
Parent Company	1	2.654	147.673	1
<b>Total</b>	<b>1</b>	<b>2.654</b>	<b>147.673</b>	<b>1</b>

	<b>30/06/2022</b>			
	<b>Purchases/Expenses</b>	<b>Sales/Income</b>	<b>Receivables</b>	<b>Liabilities</b>
Parent Company	-	2.654	147.673	-
<b>Total</b>	<b>-</b>	<b>2.654</b>	<b>147.673</b>	<b>-</b>

## 14. CONTINGENT LIABILITIES

### 14.1 Contingent tax obligations

The tax obligations of the Company are not definitive as there are unaudited tax years (2017 to 2022). 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 30/06/2023 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 2021, the Company received a Tax Compliance Report, 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 2022, is in progress and the relevant tax certificate is expected to be issued after the publication of the Financial Statements for the year ended as of 30/06/2023. 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 POLICIES AND PROCEDURES**

The Company is exposed to multiple financial risks such as credit risk and liquidity risk. The Company does not make use of derivative financial instruments to hedge its exposure to particular risk categories.

The interim condensed financial statements does not include all the financial risk management policies and disclosures required in the annual financial statements as at 31 December 2022 and should therefore be read in conjunction with them. There has been no change in risk management policies compared to 31 December 2022.

It should be noted that the Company is operationally supported by its parent company TERNA ENERGY, which fully influences and controls the decisions, management and operation of the Company.

As at 30/06/2023, the Company, has no other business activity, other than its investment in the issued bonds of the Intra-Group Loan, is not active in any market and has no other assets and therefore the ability of the Issuer to fulfil its contractual obligations under the CRO is dependent on the ability of the Guarantor to fulfil its contractual obligations to the Issuer under the loan agreement between them under the terms of the Intra-Group Loan.

In view of the above, the main risks and uncertainties in the Company's activities are directly related to those of the TERA ENERGY Group (hereinafter referred to as 'the Group'). A detailed discussion of the risks and uncertainties is provided in Note 3 of the Condensed Interim Consolidated and Company Financial Statements of TERNA ENERGY ABETE for the period ended 30 June 2023 (as posted on the internet at [www.terna-energy.com](http://www.terna-energy.com) , as well as on the Athens Stock Exchange website).

We briefly mention the main risks and uncertainties in the activities of TERNA ENERGY GROUP , as described in the published interim condensed consolidated financial statements, which are summarized as follows:

### **Credit risk**

All receivables of the energy sector concern the wider Public sector in the domestic (Greek) market (including ENEX, 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 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). The one-time special levy amounted to 6% of electricity revenues for the year 2020. For the Group, the relevant extraordinary contribution amounted to € 5,252 thousand and burdened the financial results of the year 2020.

### **Currency risk**

The Group operates, in addition to Greece, in the United States of America and 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**

The military conflict in the region of Ukraine continues and the chances for resolution remain slim. TERNA ENERGY Group continues to closely monitor the situation, which has not and is not expected to have a direct impact on its figures and performance. Given that the majority of the Wind Parks have a fixed sales price, the significant costs are depreciation of equipment and borrowing costs refer to fixed rate loans, the impact is still insignificant, and this is not expected to change in the foreseeable future. In the operating segment of "Concessions" no significant impact is expected due to the structure of the contracts governing these functions.

Finally, due to the dynamics of these events, new risks may arise. Considering the current uncertainty in the broader economic climate, the Group's management is trying to assess in a prompt manner any indirect effects on the Group.

### **(b) Fluctuations of wind and hydrological data**

Regarding its activity in the energy sector, the Group remains exposed to the short-term fluctuations of wind and hydrological data, without affecting the long-term profitability of its projects, if the implementation of its investments is preceded by extensive studies involving long-term studies of the above factors. From now on, calculation models should incorporate new factors allowing for the occurrence of potential events of force majeure, such as the current epidemic, in order to examine in greater depth, the viability of any projected investment.

Furthermore, the Company is directly exposed to multiple financial risks, such as credit risk and liquidity risk. The Company does not use derivative financial instruments to hedge its exposure to specific categories of risk.

The process followed is as follows:

- (i) Assessment of risks related to the Company's activities and operations,
- (ii) Designing the methodology and selecting appropriate financial products to mitigate the risks; and
- (iii) Execution/implementation, in accordance with the procedure approved by the Management, of the risk control process.

The Company's financial instruments consist of deposits with banks, receivables from granted bond loans to the parent company and liabilities from underwritten bond loans.

### **Foreign exchange risk of the Company**

The Company's functional currency is the Euro. The Company is not exposed to currency risk as all of its transactions are denominated in Euro.

### **Interest rate risk of the Company**

The Company's policy is to minimise its exposure to interest rate cash flow risk in respect of long-term financing. The Company's borrowings relate to the 2019 CER (see Note 10), i.e. they are denominated in Euros and the interest rate is fixed. Therefore, the Company is not exposed to interest rate risk.

### **Credit risk of the Company**

Credit risk is the risk when the counterparty to a financial instrument will cause a loss to the other party by failing to settle the related obligation.

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

There were no significant events after the reporting date of the statement of financial position.

## **17. APPROVAL OF FINANCIAL STATEMENTS**

The Company's interim condensed Financial Statements for the semi-annual period ended as at 30/06/2023 were approved by the Company's Board of Directors on 21/09/2023.

Athens, 21 September 2023

The Chairman of the BoD

CEO

The Chief Accountant

Georgios Mergos

Aristotelis Spiliotis

Artan Tzanari

#### IV. REPORT ON ALLOCATION OF THE CAPITAL PROCEEDS

##### **Report on the Disposal of the Funds Proceeds from the Issuance of a Common Bond Loan of TERNA ENERGY FINANCE S.P.S.A. of € 150.000.000 guaranteed by TERNA ENERGY S.A. for the period 22/10/2019 to 30/06/2023.**

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 10<sup>th</sup>, 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 31/12/2022 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 10<sup>th</sup> 2019.

The utilization of capital proceeds from the Guarantor up to 31/12/2022 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 30/06/2023		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 30/06/2023	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 <sup>1</sup>	-	-	-	146,632 <sup>2</sup>
<b>Total</b>	<b>146,632</b>	<b>Total</b>	<b>146,632</b>	<b>146,632</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>146,632</b>
CBL issue expenses	3,368							
<b>Total Allocated Capital Proceeds</b>	<b>150,000</b>							

<sup>1</sup> 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)

<sup>2</sup> The final allocation of the proceeds will be affected 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 31/12/2022:



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(Amounts in thousands of Euros unless mentioned otherwise)

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 thousands of Euros) Amended in accordance with the Repetitive General Meeting of the Bondholders' Lenders of 25 November 2022 <sup>(1)</sup>							
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 25/11/2022	Capital proceeds within the period from 26/11/2022 to 31/12/2022	Capital proceeds within the period from 22/10/2019 to 31/12/2022	Non-allocated Balance as at 31/12/2022	Note
<b>4th quarter 2019</b>							
Total repayment of Short-term Bank Loan of the Guarantor (used to repay CBL 2017).	60.000	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 "Bearthat I" in Texas, USA	30.632	30.632	-	-	30.632	-	(2)
<b>Total of 4th quarter 2019 (A)</b>	<b>90.632</b>	<b>90.632</b>	-	-	<b>90.632</b>		
<b>Period 22.10.2019-31.3.2023</b>							
<b>Period 2019 - 2022</b>							
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	-	-	45.233	-	(3)
<b>Period until 31.03.2023 <sup>(1)</sup></b>							
Construction of 17 wind farms in Greece, with a total capacity of 327 MW, by subsidiaries of the Guarantor, through an intra-group loan from the Guarantor to the subsidiaries.				10.767	10.767	-	
<b>Total of period 22.10.2019 - 31.3.2023 (B)</b>	<b>56.000</b>	<b>45.233</b>	-	<b>10.767</b>	<b>56.000</b>	-	(4)
<b>Total investments (use of funds by the Guarantor) (A+B)</b>	<b>146.632</b>	<b>135.865</b>	-	-	<b>146.632</b>	-	(5)

## 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 31/12/2021 (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 31/12/2021, 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 31/12/2021, 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 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 31/12/2021, 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 Kyμι-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 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 31/12/2021, 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 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 31/12/2021, 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 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 31/12/2021, 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 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 31/12/2021, 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 a Common Bond Loan with this subsidiary amounting € 400 k to cover the financing of the construction of the aforementioned Wind Farm. As of 31/12/2021, 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 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 31/12/2021, 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 € 2,500 thousand to cover the financing of the construction of the above Wind Farm. Until 31/12/2021, 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. On 28 November 2022, the subsidiary company "TERNA ENERGY OMALIES S.A." entered into a Common Bond Loan with the parent company TERNA ENERGY SA for the amount of € 10.767 thousand, to finance part of the funding of the construction of 327 MW Wind Farms in Karystou with

the total budgeted construction cost estimated at € 272.963 thousand. Up to 31/12/2022, the Guarantor has covered the entire amount of € 10,767 thousand according to the terms of the contract, hence the amount was contributed by the Guarantor to the mentioned subsidiary company, which subsequently effected payments to third parties for a total amount of € 10,767 thousand.

5. The use of the funds raised from the issue of the Common Bond Loan of TERNA ENERGY S.A. has been completed

Athens, 21 September 2023

The Chairman of the BoD	The Vice Chairman of the BoD	Chief Executive Officer	Chief Financial Officer - Operation	The Head Accountant
Georgios Mergos ID No. T 066369	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