



**TERNA ENERGY**

**Industrial Commercial Technical Societe Anonyme**

85 Mesogeion Ave., 115 26 Athens, Greece

Societe Anonyme Reg. No. 318/06/B/86/28

G.E.MI. Number 000312701000

**SEMI-ANNUAL FINANCIAL REPORT**

**for the period ended as at June 30th 2022**

**(1 January - 30 June 2022)**

**According to article 5 of Law 3556/2007 and relevant executive decisions of Hellenic Market  
Commission Board of Directors**

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

(According to article 5, par. 2, Law 3556/2007)

The following representatives:

1. George Peristeris, Chairman of the Board of Directors
2. Emmanuel Maragoudakis, Chief Executive Officer
3. George Spyrou, Executive Member of the Board of Directors

WE HEREBY DECLARE AND CERTIFY

To the best of our knowledge, we notify that:

- i) The hereby interim financial statements of six-month period of the Company TERN A ENERGY SOCIETE ANONYME INDUSTRIAL COMMERCIAL TECHNICAL COMPANY (the "Company") for period from January 1<sup>st</sup> 2022 to June 30<sup>th</sup> 2022, has been prepared according to the applicable International Financial Reporting Standards (IFRS), adopted by the European Union and applied in the Interim Financial Reporting (International Accounting Standard 34) present truly and fairly the assets and liabilities, the equity as at 30/06/2022 and the comprehensive financial results of the Company for the first six-month period of 2022 as well as of the companies included in the consolidation in aggregate, according to par. 3 – 5 of article 5 of Law 3556/2007, and
- ii) The six-month Board of Directors Report presents in a true and fair view the information required according to par. 6 of article 5 of Law 3556/2007.

**Athens, 28/9/2022**

**Confirming the above**

**Chairman of the BoD**

**Chief Executive Officer**

**Executive Member  
of the BoD**

**George Peristeris**

**Emmanouil Maragoudakis**

**George Spirou**

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**II. SIX-MONTH MANAGEMENT REPORT OF THE BOARD OF DIRECTORS OF “TERNA ENERGY SOCIETE ANONYME INDUSTRIAL COMMERCIAL TECHNICAL COMPANY” ON THE CONSOLIDATED AND SEPARATE FINANCIAL STATEMENTS OF THE COMPANY FOR THE PERIOD 01/01/2021 – 30/06/2022**

The hereby, Six-month Report of the Board of Directors, pertaining to the interim period from January 1st to June 30th 2022, has been prepared and is in compliance with the provisions of Law 4548/2018 and Article 5 of Law 3556/2007, as they are currently in force, and the relevant executive decisions of the Hellenic Capital Market Commission Board of Directors (article 4 of decision number 8/754/14.4.2016 of the Board of Directors of the Hellenic Capital Market Commission).

The financial statements have been prepared in accordance with the International Financial Reporting Standards adopted by the European Union and, in particular, in accordance with IAS 34.

**Introduction**

The current report briefly presents the financial information for the six-month reporting period, as well as the most significant events that took place (before and after the reporting date of the Financial Statements). It also describes the main risks and uncertainties that the Group may face during the second half of 2021 and, finally, lists the significant transactions that took place between the issuer and its affiliates.

**A. Financial Developments & Performance for the Reporting Period**

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

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

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

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

Briefly, the main measures taken include:

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

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

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

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

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

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

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

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

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(Amounts in Euro thousand unless stated otherwise)

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results in the Greek Government estimating the growth of the economy at 5.3% for 2022, reducing the estimate for 2023 to 2.1%.

TERNA ENERGY Group, committed to its development strategy and implementation of its vision, constantly improves and modernizes its structures and operating systems, carefully selects the executives the market is in need of, trains its people in modern digital systems and in the obligation to comply with the provisions of the corporate governance system, the other provisions of the Internal Operation Regulations, as well as the regulations, imposed by the competent institutions of the State on the relations of companies with the members of their Board of Directors. Moreover, reacting quickly and sensitively to its human resources, it took all the necessary measures, set up a special committee to deal with the coronavirus and made sure that ALL its employees should have absolute protection and care against COVID-19 and its mutations. The Committee systematically monitors the development of the pandemic, is directly updated on any critical factors of its spread and guides the necessary actions to be taken by the Management and every employee in the entire Group to facilitate minimizing the risks of the phenomenon and its impact on the course of the company's operations.

This tactic and the nature of the Group's operations have protected it from the relevant risks and have allowed the Management to continue its development course without being directly affected by the spread of the virus. Keeping staff at readiness and limiting their communication to a few external partners, combined with the lack of contact with large groups of customers / consumers give the Group the opportunity to focus on its goals and not be directly and greatly influenced by the development of the pandemic phenomenon. For these reasons, TERNA ENERGY Group continues to invest in the production of energy through Renewable Energy Sources (RES), fully focused on achieving its objective of 3,200 MB of installed capacity up until the end of year 2025 and of exceeding 6,400 MW up until the end of year 2029.

Despite the uncertain environment due to geopolitical developments, TERNA ENERGY's financial performance is expected to strengthen steadily in the coming quarters, as new important investments gradually enter the completion phase.

TERNA ENERGY Group has, as of 30/06/2022, more than 1,400 MW of power from RES electricity generation units, which are in operation, under construction or ready for construction in Greece, Central and Eastern Europe. Including the pumped storage projects in the area of Amfilochia, the power is expected to exceed 2,000 MW. Specifically, the total installed capacity of the Group in Greece and abroad amounts to 895.3 MW. According to what the Chairman of the Board of Directors, Mr. Georgios Peristeris, noted at the annual Ordinary General Meeting of the company's shareholders on June 22, 2022, the Group has secured production licenses and is developing new wind projects with a total capacity of 2,200 MW, photovoltaic parks are being developed and planned (land and floating) with a total capacity of 1,700 MW, while systems of hybrid projects and storage projects (mainly pumped storage) with a total capacity of approximately 3,750 MW are being promoted, as well as approximately 200 MW projects of other technologies (hydroelectric, biogas, biomass, etc.). The Group is constantly exploring investment opportunities outside of Greece, e.g. in countries of the Balkans and Central Europe, where it considers the possibility of developing new RES projects, with a total capacity of more than 1 GW.

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In particular:

a) In the energy sector the installed capacity settled as follows:

	TOTAL	GREECE	POLAND	BULGARIA
WIND PARKS	866.4	734.4	102	30
HYDROELECTRIC	17.8	17.8		
PHOTOVOLTAIC	8.5	8.5		
BIOMASS	2.6	2.6		
<b>TOTAL</b>	<b>895.3</b>	<b>763.3</b>	<b>102</b>	<b>30</b>

b) in the waste management sector on 29/01/2021 the Public Private Partnership (PPP) project "Integrated Waste Management of the Peloponnese Region" between PERIVALLONTIKI PELOPONNISOU SA entered into force, which was amended on 31/01/2022 in order to contractually envisage the possibility of starting waste management at the time of completion of each Management Unit's construction and respectively OSDA Unit. Therefore, on 18/03/2022 a relevant certificate was issued by the Independent Auditor of the project with which the operation of the Transitional Management Unit of Arcadia and the Waste Transfer Station of Argolis began, while on 25/08/2022, following the issuance of a relevant certificate by the Independent Auditor, the Waste Transfer Station of Corinthia was set into operation, while the construction of the Transitional Management Units of Messinia and Laconia and further the construction of the OSDA Units is in progress. This project is implemented with the main aim of providing modern waste management services targeting at protecting the environment, ensuring public health and providing multiple benefits to local communities as development cells of the circular economy.

c) the Construction segment refers mainly to the construction of new RES production units, the installation of waste management units and other facilities that the Group has undertaken based on PPP contracts relating to Public-Private Partnership Agreements.

For the six-month period that ended on 30/06/2022 the consolidated sales of the Group from continued activities accounted for €276.7 mm compared to € 139.6mm of the first six-month period in 2021, posting an increase of 98.2%. The increase in the electric energy trading both in Greece and the Balkans mainly contributed to the total enhancement of revenues as well as the rise in sales of produced electric energy. EBITDA from continued activities of the Group amount to € 86.5mm compared to € 68.3mm in the respective six-month period of the previous year, pointing an increase of 26.6%, mainly as a consequence of setting into operation new wind parks in Greece. Earnings before taxes from continued activities amounted to € 49.9mm, increased by 36.3% compared € 36.6mm in the corresponding six-month period of the previous year 2021. The net earnings for the year from continued activities attributed to the company's shareholders rose to € 33.7mm increased by 18.2% compared to the six-month period of the previous year (2021: € 28.5mm). The increase of net earnings for the period from continued operations allocated to parent company's shareholders by € 5.2mm is mainly due to the fact that new RES units are now in full operation, which in the corresponding period of the

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year 2021 were in trial operation. Net earnings from continued operations excluding results from financial instruments valued at fair value and income from insurance claims amounted to € 31.2mn, rising by 8.0% compared to the compared to the corresponding six-month period of the previous year. Finally, Earnings before interest, taxes, financing, investment results and depreciation (EBITDA) from continuing operations excluding income from insurance claims and expenses related to the program of free distribution of shares amounted to € 95.7mn, increased by 40.7% compared to the corresponding six-month period of the previous year.

With regard to the results of the individual segments from continuing operations:

- The **energy segment** reported sales of € 122.4mm, posting an increase of 24.3% compared to the 1st semester of 2021, while the operating profitability (EBITDA) amounted € 75.2mm, noting an increase of 11.6% compared to the corresponding six-month period of 2021. The respective increase is attributed mainly to the setting of new Wind Parks into normal operation.
- The segment of **trade in electric energy** realized sales of € 120.9mm, noting an enhancement of 354.5% compared to the 1st semester of 2021. The operating profits (EBITDA) of the segment amounted to € 6.1mm, compared to operating losses of (0.5) mm euro in the respective six-month period of 2021. The changes in the figures of this activity are mainly due to the conditions that prevail in the electricity market in general, a consequence of geopolitical developments
- The turnover of TERNA ENERGY **construction activity** amounted to € 92.4mm increased by 516.0% compared to the corresponding six-month period of 2021 mainly due to the construction development activity of new Wind Parks in South Evia as well as the construction of waste management units in the Peloponnese Region. From the total turnover amount of 27.69mm euro concerned customers outside the Group. EBITDA of the construction segment amounted to € 9.1mm compared to € 1.6mm losses in the corresponding six-month period of 2021. In particular, the construction work backlog, amounted to € 69.1mm at the end of the six-month period of 2022 out of which amount of € 66.0mm concerns concession segment projects.
- Finally, the revenues of the **concession segment** reached € 9.2mm compared to amount of € 8.1mm in the corresponding period of 2021 noting an increase of 13.6% attributed mainly to the improvement of production volumes of the waste treatment units after the initiation of the trial operation of WMU in Arcadia. The operating profits (EBITDA) stood at € 0.8mm compared to € 0.7mm in the corresponding six-month period of 2021.

The Group's financial position remains satisfactory as cash and cash equivalent stood at € 472.8mm out of which amount of € 74.1mm concerns restricted deposits related to the company's borrowing obligations of the Group and amount of € 7.2mm is related to other obligations. The borrowing liabilities amounted to €1,076.7mm thus bringing the net debt position (loan liabilities minus cash available minus restricted deposits related to loan liabilities) on 30/06/2022 at the level of € 611.1mm compared to € 528.0mm on 31/12/2021. It is to be noted that the Group's cash and cash equivalent include refunds of € 3 million related to grants received due to cancellation of construction or expiry of the deadlines regarding the decisions on several wind farms. The aforementioned amounts will be refunded as soon as the relevant procedures of the authorized departments



of the Ministry of Development have been completed and have been excluded from all restricted and non-restricted cash for the above calculation.

On 30/06/2022, TERNA ENERGY Group investments amounted to a total of € 119.3 million. The Group's on-going investing activities generate the conditions for stabilization of increased flows of revenue and profitability on a long-term basis.

## **B. Significant events within the first six-month period of the current fiscal year**

The following significant events took place in the first six-month period of 2022:

- **Waste Management in the Peloponnese Region**

On 14/02/2022, started waste management in the Peloponnese region was launched. A new era for waste management in the Peloponnese Region was marked by the arrival of the first waste trucks of the Municipality of Tripoli at the Management Unit in Palaiohouni, which took place on 14/02/2022 and will serve Arcadia, Corinthia and Argolis. For the first time, Peloponnese's waste is not directed to landfills or uncontrolled sites, burdening the environment and threatening public health, but is promoted to proper and safe management in the modern new unit that started operating in Arcadia.

The transitional management will last up to 14 months and after the start of the integrated management, it will be the most modern waste management unit in the country and one of the most modern ones in Europe. Among the multiple advantages of the new unit is the fact that the Landfill (XYTY) is located close to the unit, which allows to minimize the transport requirements of waste and residuals.

The launch of Transitional Waste Management was made possible by the recent signing of the modified Public-Private Partnership Agreement (PPP) for the Integrated Waste Management of the Peloponnese Region, between the Peloponnese Region and Environmental Peloponnese, a member company of the TERNA ENERGY Group.

When the project is fully operational, landfill will be prevented and at least 65% of biodegradable materials will be utilized, 50,000 tons of liquid waste will be diverted from landfills, and green energy will be generated to serve the needs of 6,000 households, while avoiding release of 24,000 tons of carbon dioxide into the atmosphere.

Under the project, a number of 800 jobs will be created during the construction period and of 200 permanent jobs during the operating period (27 years). These do not include the indirect job positions that will be generated (transport, marketing of recyclables, accommodation of personnel, environmental school excursions, etc.).

In total, it is about an investment of 152 million euros (62.5 million originating from a NSRF (National Strategic Reference Framework) related subsidy), which provides for the construction and operation of the following:

- three (3) Transitional Management Units (TMU) and three (3) Waste Treatment Units (WTU) with a total capacity of 200,000 tons / year
- three (3) Landfills (XYTY)

- two (2) Waste Transfer Stations (WTS)

The above units TMU, WTU and XYTY, have been located in Arcadia, Messinia and Laconia and the WTS in Corinth and Argolida, so that the waste materials can be collected along a distance of less than 50 km from the capitals of the prefectures of the Region, and therefore helping to minimize transport costs and time requirements from the Municipalities.

The project utilizing state-of-the-art technology implements most of the Regional Waste Management Plan (RWMP or PESDA) of Peloponnese, operates in parallel and in addition to the Local Recycling Plans at the source of the Municipalities and applies the best circular economy practices.

- **Amendment of the PPP Contract for the Integrated Waste Management of Peloponnese Region**

The signing of the amended Contractual Agreement facilitates the Transitional Management period in the units of the project that have already been completed (Transitional Management Unit in Paleochouni, County of Arcadia and Transshipment Station in Nea Kios, County of Argolida), providing modern waste management services with the environmental protection as core priority and ensuring that public health requirements are met, offering at the same time multiple benefits to local communities which function as vital parts of the circular economy.

The above development marks the beginning of the end with regard to the various environmental issues plaguing the Peloponnese Region for over 30 years, covering not only the current EU directives but also prospective ones, as the implementation of the project achieves high environmental benefits through the largest Integrated Waste Management PPP scheme currently under development in Greece.

- **Decisions of the Ordinary General Meeting as of 22/06/2022**

On 22/06/2022, an Ordinary General Meeting of the Shareholders of TERNA ENERGY SA was held, attended by 247 Shareholders holding 89,469,694 shares and voting rights, namely 77.48% on the Share Capital and the following decisions were taken:

- Approved with 89,448,194 votes in favor (99.98% of those present) and 21,500 abstentions (0.02% of those present), in their entirety, the Financial Statements (separate and consolidated) for the year 2021 as registered on the website of the Company and the Athens Exchange and were reflected in detail in the Annual Financial Report, the relevant Report of the Board of Directors and the Report of the Certified Auditor-Accountant.
- Approved with 89,448,194 votes in favor (99.98% of those present) and 21,500 abstentions (0.02% of those present), the proposition of the Board of Directors for the distribution of profits and reserves of total amount in Euro 39,390,730.60, namely 0.34€ per share, in accordance with article 162, par.3 of I.4548/2018. This amount will be increased with the dividend corresponding to the treasury shares owned by the Company.

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- Approved with 82,305,883 votes in favor (91.99% of those present), 7,142,311 against (7.98% of those present) and 21,500 abstentions (0.02% of those present), the payment of compensation to the BoD members, from the profits after tax of the Company pursuant to articles 109 and 110 of Law 4548/2018 and article 14 of the Company's Articles of Association, total amount of €1,370,000.
- Approved with 89,448,194 votes in favor (99.98% of those present), and 21,500 abstentions (0.02% of those present), the Annual Activity Report of the Audit Committee for the corporate year 01.01.2021-31.12.2021.
- The General Meeting with 88,941,654 votes in favor (99.41% of those present), and 357,510 against (0.40% of those present) and 170,530 abstentions (0.19% of those present) approved the overall management of the fiscal year 2021 by the Members of the Board of Directors and specifically of Messrs Georgios Peristeris, Georgios Perdikaris (up until 23/6/21), Emmanouil Maragoudaki, Georgios Spyrou, Michail Gourzis, Emmanouil Moustakas, (until 23/6/2021), Georgios Kouvaris, (until 23/6/2021), Gagik Apkarian (until 23/6/2021), Georgios Mergou, Aristoteli Spilioti, (from 23/6/2021) Nikolaou Voutichti (from 23/6/2021), Andrea Tapantzis (from 23/6/2021), Sofia Kounekaki-Emframoglou (from 23/6/2021), Tatiana Karapanagioti (from 23/6/2021) and Marina Sarkisian Ochanesoglou (from 23/6/2021).
- The General Meeting, with 88,971,405 votes in favor (99.44% of those present), and 327,759 against (0.37% of those present) and 170,530 abstentions (0.19% of those present) exempted the Auditor from any liability or compensation arising from the exercise of his duties for the year 2021.
- The General Meeting accepted, with 75,158,228 votes in favor (84.00% of those present), and 14,289,966 against (15.97% of those present) and 21,500 abstentions (0.02% of those present) the proposal of the Board of Directors for the approval of the Remuneration Report of the members of the Board of Directors of the Company for the year 2021 in accordance with article 112 of Law 4548/2018, according to which remuneration was paid to the members of the Board of Directors during the year 2021 in accordance with the Remuneration Policy approved by the General Assembly of 23.06.2021.
- Elected by votes 88,903,535 in favor (99.37 % of those present) 544,659 against (0.61 % of those present) and 21,500 abstentions (0.02 % of those present), the auditing company GRANT THORNTON for the auditing of the Separate and Consolidated Financial Statements of 2022 and remuneration based on corresponding of 2021 after any adjustment according to the needs of the audit.

### • Distribution of earnings and reserves of the Company

It was announced according to article 4.1.3.4 of the Regulation of the Athens Exchange, Greece, that with the approval of the Ordinary General Meeting of the Company of June 22, 2022, TERNA ENERGY ABETE decided to distribute earnings and reserves of a total amount of Euro 39,390,730.60, i.e. €0.34 per share, in accordance with article 162, paragraph 3 of Law 4548/2018. The above amount is subject to a withholding tax of 5%, in accordance with article 24 of Law 4646/2019 and therefore the shareholders will receive a total net amount of Euro 37,421,194.07, i.e. a net amount of Euro 0.323000 per share. Furthermore, this amount will be increased with the dividend corresponding to 379,181 treasury shares held by the Company. Therefore, the shareholders

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will receive a total gross amount of Euro 0.341116437 per share, i.e. a total net amount of Euro 0.324060615 per share. The dividend was deposited to the beneficiaries on July 11, 2022.

- **New investments in wind parks and photovoltaic parks for production of electric energy**

On April 14, 2022, the Company proceeded with the acquisition of all the shares of the companies KEY Iliaki Energeiaki IKE and KASTRAKI Iliaki Energeiaki IKE. These companies develop Photovoltaic Stations in the wider area of the Regional Unit of Thessaly. Specifically, among the acquired companies, KEY Iliaki Energeiaki IKE is in the licensing phase and is developing a Photovoltaic Station with a capacity of 50 MW, while KASTRAKI Iliaki Energeiaki IKE is in the licensing phase and developing four Photovoltaic Stations with a total capacity of 172.3 MW. On the same day, a preliminary purchase agreement was signed for all the corporate shares which are to be licensed for a 50 MW Photovoltaic Plant in the Regional Unit of Arta. Furthermore, the Company proceeded to the signing of a pre-purchase agreement of 70% of shares of a company which is developing a cluster of eight wind farms with a total capacity of 230.7 MW in the region of Aitolokarnania.

- **New Photovoltaic parks with a total capacity of 140 MW to be developed in Bulgaria**

On April 19, 2022, TERNA ENERGY Group proceeded to the signing of an agreement for the possible future acquisition of a company in Bulgaria which is expected to be licensed for the construction and operation of a Photovoltaic Plant with a capacity of approximately 140 MW. The transfer process is expected to be completed by the end of 2023.

- **Bonus shares' distribution plan of the Company**

The Extraordinary General Meeting of 16 December 2020 of TERNA ENERGY SA approved the distribution of up to two million five hundred thousand (2,500,000) new shares to be issued with capitalization of share premium reserve to Executive Members of the Board of Directors and senior management of the Company due to their contribution to the achievement of financial goals, the implementation of new projects as well as to the increase of the Company's profitability within the three-year period 01.01.2021 - 31.12.2023. The Board of Directors was authorized to further determine the beneficiaries, the way to exercise the right and the conditions of the program, as well as to regulate all relevant procedural issues for the implementation of the decision.

The Board of Directors of the Company at its meeting of 19.03.2021, in implementation of the above decision of the Extraordinary General Meeting of Shareholders, accepted the recommendation of the Nominations and Remuneration Committee regarding the Revision of the Remuneration Policy, the Review of the Plan Implementation Period (extension of the Plan by one year, i.e. ending on 31.12.2024 – the extension of the duration of the plan, in combination with its inclusion in the Remuneration Policy was approved by the Regular General Meeting of the Company's Shareholders on 23.06 .2021), the conditions for the implementation of the Plan, as well as the Criteria – Objectives of the Plan (refer to the fulfilment of performance conditions not related to the market - namely project construction objectives, EBITDA, etc.), as well as regarding the Distribution of the shares by Criterion - Objective. At the same meeting, the Board of Directors reserved to decide further on the selection criteria of the beneficiaries, the distribution of the shares to the beneficiaries and on the vesting

criteria per beneficiary at a new meeting after a new relevant proposal by the Nominations and Remuneration Committee.

At the meeting of January 26, 2022, the Board of Directors proceeded with the selection of the beneficiaries of the bonus-share distribution scheme as well as the allocation percentages in accordance with the recommendation of the Nominations and Remuneration Committee.

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

From 01/07/2022 until the date of approval of the attached financial statements, the following important events occurred:

- Acquisition and establishment of New Companies

As part of the implementation of its Investment Plan, the Company proceeded to the acquisition of all of TEKAL AIOLIKI GP's shares which develops a Wind Park of 21.5MW power in the Pieria Regional Unit.

The company with the corporate name TERNA ENERGY PUMPING-STORAGE I MAE which is the special purpose vehicle for the construction and operation of the pumping- savings projects in the Regional Unit of Aitolokarnania.

- Payment of the first instalment for the enhancement of the Pumping-storage Station in Western Greece (Amfilochia).

The payment of the first instalment, amounting to one 100 mm Euro of the investment aid through the State Investment Plan was conducted, for the project "Sub-Project 1. Pumping-storage Station in Western Greece (Amfilochia), of 680MW power" that has been included in the Recovery and Resilience Fund.

### **D. Prospects**

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

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

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

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

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

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

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

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

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

### **E. Risks and uncertainties**

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

The Group, in order to deal with the financial risks and to limit their negative impact on its financial results, monitors the fluctuations of the variables that affect cost and sales and uses the appropriate products, as the case may be.

The main risks and uncertainties related to the Group's operations are as follows:

#### **i. Credit risk**

The Group examines its receivables on an on-going basis and incorporates the arising data in its credit control.

The total of the energy segment receivables relates to the broader domestic (including ENEX, DAPEEP and DEDDIE) and foreign Public Sector, while the same is the case regarding the main part of the construction segment receivables. The activities of the electricity trading sector, which are carried out between individuals, are subject to credit risk.

Given the nature of its operations, the Group is not, as a rule, exposed to significant credit risk from trade receivables except delays in collections from DAPEEP, which have been significantly reduced by the application of Law 4254/14 as well as the extraordinary levy imposed, for the financial year 2020, for encountering the side effects of the coronavirus pandemic, to the producers of electricity from Renewable Energy Sources (RES)

stations, and particularly for those which have been put into normal or test operation until 31 December 2015 (Government Gazette 245 / 09.12.2020). In other transactions with individuals, the Group operates with the aim of limiting credit risk and securing its claims.

The credit risk in respect of cash and cash equivalent and other receivables is low, since the parties to transaction are banks of high-quality capital structure, the State or the entities of the broader Public Sector or strong business groups.

Finally, the Group Management estimates that all the aforementioned financial assets, for which the necessary depreciations have been made, are of high credit quality.

## **ii. Foreign Exchange Risk**

Apart from Greece, the Group operates in Eastern Europe and, therefore, it may be exposed to foreign exchange risk, potentially arising from the exchange rate of Euro against other currencies. This type of risk may arise only from trade transactions in foreign currency, from financial investments in foreign currency, as well as from net investments in foreign entities. To limit this risk, the Group uses the cash surpluses generated in local currency. During the operational phase, all related costs and revenues are made in local currency, thus excluding any possibility of generating currency exchange differences.

To address this risk, the Group's financial management department systematically monitors exchange rate fluctuations and ensures that they do not adversely affect its cash flows.

Regarding the Company's transactions with foreign entities, such transactions primarily take place with European Groups, where Euro is the settlement currency and, therefore, such transactions are not exposed to foreign exchange risk.

## **iii. Interest Rate Risk**

The Group's policy is to minimize its exposure to cash flow interest rate risk with regards to its long-term financing.

In this context, long-term loans received by the Group either bear a fixed interest rate or are hedged for almost the entire duration. Thus, 41.79% of the Group's long-term borrowing refers to fixed interest rate loans, 27.51% refers to floating-rate loans that have been hedged through derivatives with which future fixed rate payments are exchanged against floating rate collections, while 30.70% in floating rate loans on a case by case basis euribor or wibor.

The Group's total short-term bank loans are in euro under floating interest rates linked to euribor. Short-term loans are primarily received as bridge financing during the phase of implementation and construction of the Group's investments (Wind parks). These loans are expected to be repaid within one year, while new short-term loans are expected to be received to finance the construction of new wind parks. Therefore, the Group is exposed

to interest rate risk arising from short-term debt and the part of long-term debt that is under floating interest rates.

The Group is not exposed to other interest rate risks.

**iv. Market risk analysis**

The Group's financial assets are not exposed to market risk

**v. Liquidity risk analysis**

The Group's liquidity is considered satisfactory, as apart from the effective cash and cash equivalents, currently operating wind farms generate satisfactory cash flows on an on-going basis. Net cash flows in 2022 from continuing operating activities amounted to €70m compared to €93m in 2021. The Group manages its liquidity needs by applying a cautious cash flow planning, by carefully monitoring the balance of long-term financial liabilities as well as by systematically managing the payments which take place on a daily basis. The liquidity needs are monitored at different time zones, on a daily and weekly basis, as well as on the basis of a moving 30-day period. The liquidity needs for the next 6 months and the next year are defined monthly.

The Company maintains cash and cash equivalents in banks, in order to cover its liquidity needs for periods up to 30 days. The capital for mid-term liquidity needs is released from the Company's term deposits.

**vi. Other risks and uncertainties**

The Group remains exposed to short-term fluctuations of wind and hydrologic data, a fact, which, however does not affect the long-term efficiency of its projects, as prior to the implementation of the investments extensive studies take place with regards to the long-term behavior of such factors.

The construction sector of TERNA ENERGY is subject to significant fluctuations, both with regards to turnover and with regards to the profitability of each construction project, because the construction activity, particularly of specialized companies such as TERNA ENERGY, entails increased volatility that is mainly related to the ongoing renewal of the backlog of construction agreements towards third parties, which are mainly Public entities.

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

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



the nature of the activity and given that the selling price follows the purchase cost, there is typically no problem of a substantial influence of the consequences of Russia's invasion of Ukraine.

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

**(b) Wind and hydrological data fluctuations**

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, as long as 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.

**(c) Risks Related to the Impact of the COVID-19 Pandemic;**

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

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

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

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

**F. Alternative Performance Measurement Indicators (“APMI”)**

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

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The Group utilizes Alternative Performance Measurement Indicators ("APMI") in its financial, operational and strategic planning decisions, as well as in evaluating and publishing its performance. These APMI serves to better understanding the Group's financial and operating results as well as its financial position when describing the Company's performance, the following indicators are used:

Alternative indicators should always be considered in conjunction with the financial results prepared in accordance with IFRSs and in no case should they replace them. The following indicators are used when describing the Group's performance by sector:

**EBIT (Earnings before Interest & Taxes):** It is a ratio by which the Company's Management assesses its operating performance. It is defined as: Turnover, - Cost of sales, - Administrative & distribution expenses, - Research & development expenses, +/- Other Income / (Expenses) and other Gains / (Losses) determinants of EBIT. The other Income / (Expenses) determinants are defined as Other Income (Expenses), not including Foreign exchange valuation differences, Impairment / (Recovery of impairment) of assets as presented in Note 21.

**EBITDA (Earnings before Interest Taxes Depreciation & Amortization):** The ratio is calculated as Earnings before Interest & Tax (EBIT) adding the total depreciation of tangible and intangible assets and deducting grants depreciations. The greater the indicator is, the more efficient the operation of the Company becomes. The EBITDA is defined as EBIT adding assets depreciation, less grants depreciation.

**"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 carried forward, less cash and cash equivalents (excluding the amounts of grants to be repaid) less restricted deposits relating to borrowing.

**"Gross Profit Margin"** is a ratio by which the Company's Management assesses the return level and is defined as Gross Profit to Turnover.

**"Loan Liabilities to Total Capital Employed"** is an indicator, that the Management assesses the Group's financial leverage. Loan Liabilities are the total of Short-term Loans, Long-term Loans and Long-term Loans payable the following year. Total Capital Employed is defined as the total of equity, loan liabilities, lease liabilities, grants reduced by the amount of cash available that is not subject to any restriction or commitment, beyond the commitments associated with the borrowing.

The following tables configures the ratios "EBIT", "EBITDA", "Net debt / (Surplus)", "Gross Profit Margin" and "Loan Liabilities to Total Capital Employed":

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Operating segments	Construction	Electricity from RES	Electricity trading	Waste management	E-Ticket	Intersegment consolidation eliminations	Consolidated total
<b>30th June 2022</b>							
<b>Revenue</b>							
Sales of products and services	24,268	122,359	120,891	3,080	6,143	-	<b>276,741</b>
Intersegment revenue	68,157	-	-	-	-	(68,157)	-
<b>Total revenue from continuing operations</b>	<b>92,425</b>	<b>122,359</b>	<b>120,891</b>	<b>3,080</b>	<b>6,143</b>	<b>(68,157)</b>	<b>276,741</b>
Cost of sales	(83,511)	(47,667)	(113,800)	(2,865)	(5,193)	64,014	<b>(189,022)</b>
<b>Gross profit from continuing operations</b>	<b>8,914</b>	<b>74,692</b>	<b>7,091</b>	<b>215</b>	<b>950</b>	<b>(4,143)</b>	<b>87,719</b>
Administrative and distribution expenses	(296)	(25,693)	(370)	(229)	(231)	6	(26,813)
Research and development expenses	(113)	(3,519)	-	-	-	-	(3,632)
Other income/(expenses) and other gain/(losses)-EBIT determinants	523	8,013	(699)	13	-	(10)	7,840
<b>Operating results (EBIT) from continuing operations</b>	<b>9,028</b>	<b>53,493</b>	<b>6,022</b>	<b>(1)</b>	<b>719</b>	<b>(4,147)</b>	<b>65,114</b>
Depreciation	(96)	(24,402)	(28)	(70)	(7)	554	<b>(24,049)</b>
Grants' amortization	-	2,685	-	-	-	-	<b>2,685</b>
<b>EBITDA from continuing operations</b>	<b>9,124</b>	<b>75,210</b>	<b>6,050</b>	<b>69</b>	<b>726</b>	<b>(4,701)</b>	<b>86,478</b>
Long-term loans	126	881,581	-	59,757	13,512	-	<b>954,976</b>
Short-term loans	-	40,423	-	-	-	-	<b>40,423</b>
Long-term liabilities carried forward	351	66,770	-	10,612	3,524	-	<b>81,257</b>
Cash and cash equivalents	(35,103)	(295,186)	(39,012)	(17,492)	(7,672)	-	<b>(394,465)</b>
Grants to be rebated	-	3,024	-	-	-	-	<b>3,024</b>
Restricted cash	-	(68,146)	(4,240)	(1,320)	(399)	-	<b>(74,105)</b>
<b>Net debt/(surplus)</b>	<b>(34,626)</b>	<b>628,466</b>	<b>(43,252)</b>	<b>51,557</b>	<b>8,965</b>		<b>611,110</b>

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Operating segments	Construction	Electricity from RES	Electricity trading	Waste management	E-Ticket	Intersegment consolidation	Consolidated total
<b>30th June 2021</b>							
<b>Revenue</b>							
Sales of products and services	6,479	98,453	26,583	1,891	6,188	-	139,594
Intersegment revenue	8,549	-	-	-	-	(8,549)	-
<b>Total revenue from continuing operations</b>	<b>15,028</b>	<b>98,453</b>	<b>26,583</b>	<b>1,891</b>	<b>6,188</b>	<b>(8,549)</b>	<b>139,594</b>
Cost of sales	(13,025)	(43,055)	(26,825)	(1,769)	(5,222)	8,454	(81,442)
<b>Gross profit from continuing operations</b>	<b>2,003</b>	<b>55,398</b>	<b>(242)</b>	<b>122</b>	<b>966</b>	<b>(95)</b>	<b>58,152</b>
Administrative and distribution expenses	(350)	(10,409)	(187)	(175)	(347)	-	(11,468)
Research and development expenses	(49)	(2,543)	-	-	-	-	(2,592)
Other income/(expenses) and other gain/(losses)-EBIT determinants	60	3,697	(69)	28	(2)	6	3,720
<b>Operating results (EBIT) from continuing operations</b>	<b>1,664</b>	<b>46,143</b>	<b>(498)</b>	<b>(25)</b>	<b>617</b>	<b>(89)</b>	<b>47,812</b>
Depreciation	(40)	(23,927)	(16)	(72)	(7)	933	(23,129)
Grants' amortization	-	2,688	-	-	-	-	2,688
<b>EBITDA from continuing operations</b>	<b>1,704</b>	<b>67,382</b>	<b>(482)</b>	<b>47</b>	<b>624</b>	<b>(1,022)</b>	<b>68,253</b>
Long-term loans	126	805,739	-	50,992	15,287	-	872,144
Short-term loans	-	40,425	-	-	-	-	40,425
Long-term liabilities carried forward	180	66,946	-	310	3,530	-	70,966
Cash and cash equivalents	(50,860)	(312,169)	(21,406)	(2,567)	(10,407)	-	(397,409)
Grants to be rebated	-	3,024	-	-	-	-	3,024
Restricted cash	-	(59,401)	(77)	(1,316)	(399)	-	(61,193)
<b>Net debt/(surplus)</b>	<b>(50,554)</b>	<b>544,564</b>	<b>(21,483)</b>	<b>47,419</b>	<b>8,011</b>	<b>-</b>	<b>527,957</b>

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Operating segments	Construction	Electricity from RES	Electricity trading	Waste management	E-Ticket	Intersegment consolidation eliminations	Consolidated total
<b>30th June 2022</b>							
Revenue from continuing operations	92,425	122,359	120,891	3,080	6,143	(68,157)	<b>276,741</b>
Cost of sales from continuing operations	(83,511)	(47,667)	(113,800)	(2,865)	(5,193)	64,014	<b>(189,022)</b>
<b>Gross profit from continuing operations</b>	<b>8,914</b>	<b>74,692</b>	<b>7,091</b>	<b>215</b>	<b>950</b>	<b>(4,143)</b>	<b>87,719</b>
<b>Gross profit margin from continuing operations</b>	<b>9.64%</b>	<b>61.04%</b>	<b>5.87%</b>	<b>6.98%</b>	<b>15.46%</b>	<b>6.08%</b>	<b>31.70%</b>
Operating segments	Construction	Electricity from RES	Electricity trading	Waste management	E-Ticket	Intersegment consolidation eliminations	Consolidated total
<b>30th June 2021</b>							
Revenue from continuing operations	15,028	98,453	26,583	1,891	6,188	(8,549)	<b>139,594</b>
Cost of sales from continuing operations	(13,025)	(43,055)	(26,825)	(1,769)	(5,222)	8,454	<b>(81,442)</b>
<b>Gross profit from continuing operations</b>	<b>2,003</b>	<b>55,398</b>	<b>(242)</b>	<b>122</b>	<b>966</b>	<b>(95)</b>	<b>58,152</b>
<b>Gross profit margin from continuing operations</b>	<b>13.33%</b>	<b>56.27%</b>	<b>(0.91)%</b>	<b>6.45%</b>	<b>15.61%</b>	<b>1.11%</b>	<b>41.66%</b>

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The ratio "Loan Liabilities to Total Capital Employed" at the end of the first six-month period of 2022 and at the end of the fiscal year 2021 was as following:

<b>Amounts in thousand €</b>	<b>30/06/2022</b>	<b>31/12/2021</b>
Short-term loans	40,423	40,425
Long-term loans	954,978	872,144
Long-term liabilities carried forward	81,256	70,966
<b>Loan liabilities</b>	<b>1,076,657</b>	<b>983,535</b>
Total equity	447,900	431,643
Loan liabilities	1,076,657	983,535
Lease liabilities (Long & Short-term portion)	22,712	19,852
Grants	73,982	76,736
<b>Subtotal</b>	<b>1,621,251</b>	<b>1,511,766</b>
<i>Less:</i>		
Cash and cash equivalents	394,465	397,409
Restricted cash related with loans (Note 12)	74,105	61,192
Grants to be rebated (Note 27)	(3,024)	(3,024)
<b>Subtotal</b>	<b>465,546</b>	<b>455,577</b>
<b>Total employed capital</b>	<b>1,155,705</b>	<b>1,056,189</b>
<b>Loan Liabilities / Total employed capital</b>	<b>93%</b>	<b>93%</b>

#### G. Transaction with related parties

The Company's transactions with related parties pursuant to the provisions of IAS 24 have been conducted under normal market conditions. In the first half of 2022, the amounts of sales and purchases as well as balances, of the Company's and Group's assets and liabilities as of 30/06/2022, arising from transactions with related parties are presented in Note 24 of the attached Interim Condensed Financial Statements.

#### H. Transactions with members of the BoD

The total amounts paid to the members of the Board of the Group accounted for 1,953,775 Euros (for the Company: 1,706,394 Euros), of which amount of 1,491,623 Euros (for the Company: 1,370,000 Euros) concerns Board fees, while amount of 462,152 Euros (for the Company: 336,394 Euros) concerns the provision of services.

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### **I. Treasury Shares**

The Company during the period 01/01/2022 - 30/06/2022 purchased treasury shares with a nominal value of € 47,304.30 and market value € 2,077,475. The total number of treasury shares held by the Company on 30/06/2022 amounted to 379,181 shares. These shares represented a percentage of 0.33% of the paid-up share capital of the Company.

Athens, 28/9/2022

On behalf of the Board of Directors,

Georgios Peristeris

Chairman of the Board of Directors

### III. INDEPENDENT AUDITOR'S REPORT

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

To the Board of Directors of "TERNA ENERGY SOCIETE ANONYME COMMERCIAL TECHNICAL COMPANY"

#### **Review Report on Interim Financial Information**

##### **Introduction**

We have reviewed the accompanying condensed separate and consolidated statement of financial position of TERNA ENERGY SOCIETE ANONYME COMMERCIAL TECHNICAL COMPANY as of 30 June 2022 and the related separate and consolidated condensed income statement and statement of comprehensive income, statement of 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 condensed separate and consolidated financial information.

Athens, 28 September 2022

The Certified Auditor Accountant

George P. Panagopoulos

SOEL Reg. No.36471





**IV. CONDENSED INTERIM SEPARATE AND CONSOLIDATED FINANCIAL STATEMENTS FOR THE SIX-MONTH PERIOD ENDED AS AT JUNE 30<sup>th</sup> 2022 (1 January 2022 - 30 June 2022)**

**According to the International Financial Reporting Standards (IFRS) as adopted by the European Union, and,  
in particular, in compliance with IAS 34**

The attached Condensed Interim Separate and Consolidated Financial Statements were approved by the Board of Directors of TERN A ENERGY S.A. as at 28/9/2022 and have been published on the website [www.terna-energy.com](http://www.terna-energy.com) as well as on the Athens Exchange's website.

TERNA ENERGY GROUP

Interim Condensed Financial Statements as of 30<sup>th</sup> June 2022

(Amounts in Euro thousand unless stated otherwise)

**INTERIM CONDENSED CONSOLIDATED AND STANDALONE STATEMENT OF FINANCIAL POSITION AS OF 30<sup>TH</sup> JUNE 2022**

	Note	GROUP		COMPANY	
		30/06/2022	31/12/2021	30/06/2022	31/12/2021
<b>ASSETS</b>					
<b>Non-current assets</b>					
Goodwill		3,994	3,994	-	-
Intangible assets	6	56,786	50,909	2,824	2,857
Tangible assets	8	1,077,711	983,391	72,871	73,645
Right-of-use assets	7	22,539	19,535	15,393	12,158
Investment in subsidiaries		-	-	424,734	416,851
Investment in joint ventures		4,259	4,259	4,706	4,706
Investment in associates		59	59	-	-
Other long-term receivables	9	4,987	4,963	139,048	124,380
Receivables from derivatives		18,709	1,409	378	-
Financial Assets – Concessions	10	83,390	61,353	-	-
Investments in equity interests		2,833	2,583	2,833	2,583
Deferred tax assets	20	9,928	8,041	3,426	2,000
<b>Total non-current assets</b>		<b>1,285,195</b>	<b>1,140,496</b>	<b>666,213</b>	<b>639,180</b>
<b>Current assets</b>					
Inventories		13,224	10,889	10,680	8,690
Trade receivables	11	75,476	76,208	118,826	135,249
Receivables from contracts with customers		15,130	2,795	20,091	9,251
Prepayments and other receivables	11	170,614	135,531	46,487	55,417
Income tax receivables		6,755	4,691	4,937	3,265
Other short-term investments		5,468	1,762	-	-
Receivables from derivatives	15	1,218	137	-	-
Cash and cash equivalents	12	394,465	397,409	119,739	100,536
<b>Total current assets</b>		<b>682,350</b>	<b>629,422</b>	<b>320,760</b>	<b>312,408</b>
<b>TOTAL ASSETS</b>		<b>1,967,545</b>	<b>1,769,918</b>	<b>986,973</b>	<b>951,588</b>
<b>EQUITY AND LIABILITIES</b>					
Share capital	19	34,757	34,757	34,757	34,757
Share premium	19	209,870	209,870	209,870	209,870
Reserves	19	71,861	63,071	17,284	17,469
Retained earnings		119,982	113,191	42,024	50,385
<b>Total equity attributable to the shareholders of the parent</b>		<b>436,470</b>	<b>420,889</b>	<b>303,935</b>	<b>312,481</b>
Non-controlling interest		11,431	10,754	-	-
<b>Total equity</b>		<b>447,901</b>	<b>431,643</b>	<b>303,935</b>	<b>312,481</b>

TERNA ENERGY GROUP

Interim Condensed Financial Statements as of 30<sup>th</sup> June 2022

(Amounts in Euro thousand unless stated otherwise)

**INTERIM CONDENSED CONSOLIDATED AND STANDALONE STATEMENT OF FINANCIAL POSITION AS OF 30<sup>TH</sup> JUNE 2022**

	Note	GROUP		ENTITY	
		30/06/2022	31/12/2021	30/06/2022	31/12/2021
<b>Long-term liabilities</b>					
Long-term loans	13	954,977	872,144	385,847	389,790
Lease liabilities	14	21,477	18,701	14,771	11,783
Liabilities from derivatives	15	9,166	2,162	9,166	158
Provision for staff indemnities	16	232	204	204	179
Other provisions	16	18,284	18,071	4,896	4,954
Grants	17	73,982	76,736	15,769	16,398
Long term liabilities from contracts with		2,825	703	2,826	703
Deferred tax liabilities	20	43,431	37,137	-	-
Other long-term liabilities		16,839	10,549	16,839	10,549
<b>Total long-term liabilities</b>		<b>1,141,213</b>	<b>1,036,407</b>	<b>450,318</b>	<b>434,514</b>
<b>Short-term liabilities</b>					
Suppliers	18	91,858	138,326	62,227	77,007
Short-term loans	13	40,423	40,425	40,423	40,425
Long-term liabilities carried forward	13	81,256	70,966	16,818	14,318
Lease liabilities	14	1,235	1,151	808	694
Liabilities from derivatives	15	5,399	6,659	5,222	5,726
Liabilities from contracts with customers		6,241	3,371	53,128	54,554
Accrued and other short-term liabilities	18	135,554	31,119	53,689	11,551
Income tax payable	20	16,465	9,851	405	318
<b>Total short-term liabilities</b>		<b>378,431</b>	<b>301,868</b>	<b>232,720</b>	<b>204,593</b>
<b>Total liabilities</b>		<b>1,519,644</b>	<b>1,338,275</b>	<b>683,038</b>	<b>639,107</b>
<b>TOTAL LIABILITIES AND EQUITY</b>		<b>1,967,545</b>	<b>1,769,918</b>	<b>986,973</b>	<b>951,588</b>

**Note:**

The accompanying notes form an integral part of the condensed interim consolidated and separate six-month financial statements.

TERNA ENERGY GROUP

Interim Condensed Financial Statements as of 30<sup>th</sup> June 2022

(Amounts in Euro thousand unless stated otherwise)

**INTERIM CONDENSED CONSOLIDATED AND STANDALONE STATEMENT OF COMPREHENSIVE INCOME FOR THE PERIOD 01/01 - 30/06/2022**

	Note	GROUP		COMPANY	
		01/01 - 30/06/2022	01/01 - 30/06/2021	01/01 - 30/06/2022	01/01 - 30/06/2021
<b>Continuing operations</b>					
Revenue		276,741	139,594	157,270	42,599
Cost of sales		(189,022)	(81,442)	(142,823)	(34,896)
<b>Gross profit</b>		<b>87,719</b>	<b>58,152</b>	<b>14,447</b>	<b>7,703</b>
Administrative and distribution expenses		(26,813)	(11,468)	(20,352)	(5,162)
Research and development expenses		(3,632)	(2,592)	(3,546)	(2,590)
Other income/(expenses)	21	8,723	4,367	1,937	1,181
<b>Operating results</b>		<b>65,997</b>	<b>48,459</b>	<b>(7,514)</b>	<b>1,132</b>
Financial income	22	3,740	2,780	2,981	2,345
Financial expenses	22	(20,035)	(14,860)	(9,486)	(8,234)
Gains from financial instruments measured at fair value		210	-	210	-
Revenue from participating interest and other	22	-	-	41,675	27,677
Share of results of associates and joint ventures		-	214	-	-
<b>profit before tax from continuing operations</b>		<b>49,912</b>	<b>36,593</b>	<b>27,866</b>	<b>22,920</b>
Income tax expense	20	(14,571)	(7,473)	(1,333)	646
<b>Net profit for the year from continuing operations</b>		<b>35,341</b>	<b>29,120</b>	<b>26,533</b>	<b>23,566</b>
<b>Discontinued operations</b>					
<b>Net losses for the year from discontinued operations</b>		<b>-</b>	<b>(94,383)</b>	<b>-</b>	<b>-</b>
<b>Net (losses)/profit for the year from continuing operations</b>		<b>35,341</b>	<b>(65,263)</b>	<b>26,533</b>	<b>23,566</b>
<b>Other comprehensive income</b>					
<b>Items subsequently reclassified in the Income Statement</b>					
Foreign exchange translation differences from					
- Gains from the present FY		314	713	-	-
- Reclassification to Income Statement		-	706	-	-
Cash flows hedges					
-(Losses)/gains from the present FY		11,531	(38,642)	(8,335)	(242)
- Reclassification to Income Statement		-	39,219	-	-
Corresponding income tax		(2,651)	(612)	1,834	53
<b>Total</b>		<b>9,194</b>	<b>1,384</b>	<b>(6,501)</b>	<b>(189)</b>
<b>Items not subsequently reclassified in the Income Statement</b>					
Losses from valuation of participating interest at fair value		(79)	(257)	(79)	(257)
Actuarial losses from defined benefit plans		-	(16)	-	(16)
Corresponding income tax		17	(192)	17	(194)
<b>Total</b>		<b>(62)</b>	<b>(465)</b>	<b>(62)</b>	<b>(467)</b>
<b>Other comprehensive (loss)/income for the year</b>		<b>9,132</b>	<b>919</b>	<b>(6,563)</b>	<b>(656)</b>
<b>Total comprehensive (loss)/income for the year</b>		<b>44,473</b>	<b>(64,344)</b>	<b>19,970</b>	<b>22,910</b>

TERNA ENERGY GROUP

Interim Condensed Financial Statements as of 30<sup>th</sup> June 2022

(Amounts in Euro thousand unless stated otherwise)

**INTERIM CONDENSED CONSOLIDATED AND STANDALONE STATEMENT OF COMPREHENSIVE INCOME FOR THE PERIOD 01/01 - 30/06/2022**

	Note	GROUP	
		01/01 -30/06/2022	01/01 -30/06/2021
<b>Net profit/(losses) for the year attributed to:</b>			
Shareholders of the parent from:			
- continuing operations		33,651	28,457
- discontinued operations		-	(94,383)
<b>Total</b>		<b>33,651</b>	<b>(65,926)</b>
Non-controlling interests from:			
- continuing operations		1,690	663
<b>Total</b>		<b>1,690</b>	<b>663</b>
<b>Net Earnings/(losses) after taxes from continuing and discontinued</b>		<b>35,341</b>	<b>(65,263)</b>
<b>Total comprehensive income/(loss) for the year attributed to:</b>			
Shareholders of the parent from:			
- continuing operations		42,783	29,375
- discontinued operations		-	(94,383)
<b>Total</b>		<b>42,783</b>	<b>(65,008)</b>
Non-controlling interests from:			
- continuing operations		1,690	664
<b>Total</b>		<b>1,690</b>	<b>664</b>
<b>Total comprehensive income</b>		<b>44,473</b>	<b>(64,344)</b>
<b>Basic Earnings per share (in Euro) attributed to shareholders of the</b>			
- from continuing operations	19	0,2913	0,24589
- from discontinued operations		0	-0,81554
<b>- from continuing and discontinued operations</b>	<b>19</b>	<b>0,2913</b>	<b>-0,56965</b>
<b>Weighted average number of shares</b>			
Basic	19	115,518,730	115,730,932

**Note:**

*The accompanying notes form an integral part of the condensed interim consolidated and separate six-month financial statements.*

TERNA ENERGY GROUP

Interim Condensed Financial Statements as of 30<sup>th</sup> June 2022

(Amounts in Euro thousand unless stated otherwise)

**INTERIM CONDENSED CONSOLIDATED AND STANDALONE STATEMENT OF CASH FLOWS FOR THE PERIOD 01/01 - 30/06/2022**

	Note	GROUP		COMPANY	
		01/01 - 30/06/2022	01/01 - 30/06/2021	01/01 - 30/06/2022	01/01 - 30/06/2021
<b>Cash flows from operating activities</b>					
<b>Profit before tax from continuing operations</b>		49,912	36,593	27,866	22,920
<i>Adjustments for reconciliation of net flows from operating activities</i>					
Amortization/depreciation of intangible, tangible and right-of-use assets	6, 7, 8	24,049	23,129	3,791	3,454
Grants' amortization	17	(2,685)	(2,688)	(629)	(629)
Impairment		1	(50)	-	(50)
Provisions	16	(140)	66	(144)	52
Interest and related income	22	(3,740)	(2,780)	(2,981)	(2,345)
Interest and other financial expenses	22	20,035	14,860	9,486	8,234
Results from intangible and tangible assets, investment property and right-of-use assets		(42)	(179)	-	-
Revenue from participating interest and other investments	22	-	-	(41,675)	(27,677)
Results from derivatives		(210)	-	(210)	-
Proportion in profit after income tax on associates and joint ventures		-	(214)	-	-
Foreign currency exchange differences		(1,052)	(288)	-	-
Other adjustments		13,132	-	13,132	-
<b>Operating profit before changes in working capital</b>		<b>99,260</b>	<b>68,449</b>	<b>8,636</b>	<b>3,959</b>
<b>(Increase)/Decrease in:</b>					
Inventories		(2,328)	(2,596)	(1,990)	(2,258)
Trade receivables and receivables from contracts with customers		(11,563)	46,993	5,583	(9,258)
Prepayments and other short term receivables		(35,005)	(27,227)	(1,831)	(22,090)
<b>Increase/(Decrease)\ in:</b>					
Suppliers and liabilities from contracts with customers		(21,092)	72	(15,339)	18,391
Accrued and other short term liabilities		64,783	(1,754)	2,373	(1,518)
Other long term receivables and liabilities		(16,257)	11,997	2,161	1,174
Income tax paid		(8,255)	(3,073)	(2,489)	(363)
<b>Net cash (outflows)/inflows from operating activities-continuing operations</b>		<b>69,543</b>	<b>92,861</b>	<b>(2,896)</b>	<b>(11,963)</b>
Cash flows from operating activities - discontinued		-	(28,581)	-	-
<b>Net cash (outflows)/inflows from operating activities</b>		<b>69,543</b>	<b>64,280</b>	<b>(2,896)</b>	<b>(11,963)</b>

TERNA ENERGY GROUP

Interim Condensed Financial Statements as of 30<sup>th</sup> June 2022

(Amounts in Euro thousand unless stated otherwise)

**INTERIM CONDENSED CONSOLIDATED AND STANDALONE STATEMENT OF CASH FLOWS FOR THE PERIOD 01/01 - 30/06/2022**

	Note	GROUP		ENTITY	
		01/01 - 30/06/2022	01/01 - 30/06/2021	01/01 - 30/06/2022	01/01 - 30/06/2021
<b>Cash flows from investing activities</b>					
Acquisition of tangible and intangible fixed assets	6, 8	(138,860)	(67,773)	(3,388)	(2,261)
Disposal of tangible and intangible fixed assets	6, 8	989	2,584	-	-
Interest and related income collected		293	271	318	437
Payments for acquisition of companies less subsidiaries' cash and cash equivalents		(723)	(265)	(2,177)	-
Disposal of interest in subsidiaries minus cash and cash equivalents of subsidiaries de-consolidated		-	(8,031)	-	-
Payments for acquisition or increase in participating interest in associates and joint ventures		-	(140)	-	(140)
Payments for acquisition of shares, bonds and other securities		(3,699)	(2,264)	(329)	(281)
Disposal of shares, bonds and other securities		-	-	-	249
Dividends received		-	-	40,674	-
Issued loans		-	-	-	(24,965)
Proceeds from issued loans		-	-	-	4,000
<b>Net cash (outflows)/inflows from investing activities-continuing operations</b>		<b>(142,000)</b>	<b>(75,618)</b>	<b>35,098</b>	<b>(22,961)</b>
<b>Net cash (outflows)/inflows from investing activities</b>		<b>(142,000)</b>	<b>(75,618)</b>	<b>35,098</b>	<b>(22,961)</b>
<b>Cash flows from financing activities</b>					
Acquisition of treasury shares	19	(2,077)	(2,709)	(2,077)	(2,709)
Proceeds from changes in participating interest		-	-	172	3,026
Proceeds from long term loans	13	133,100	59,516	10,164	12,870
Payments for long term loans	13	(42,689)	(45,859)	(14,803)	(7,033)
Lease liability payments	14	(1,347)	(1,177)	(888)	(725)
Proceeds from short term loans	13	-	10,000	-	10,000
Dividends paid		-	(536)	-	(536)
Interest paid		(18,558)	(15,236)	(5,567)	(5,172)
<b>Net cash (outflows)/inflows from financing activities-continuing operations</b>		<b>68,429</b>	<b>3,999</b>	<b>(12,999)</b>	<b>9,721</b>
Cash flows from financing activities - discontinued		-	26,313	-	-
<b>Net cash (outflows)/inflows from financing activities</b>		<b>68,429</b>	<b>30,312</b>	<b>(12,999)</b>	<b>9,721</b>
<b>Net (decrease)/increase in cash and cash equivalents from continuing operations</b>		<b>(4,028)</b>	<b>21,242</b>	<b>19,203</b>	<b>(25,203)</b>
<b>Net decrease in cash and cash equivalents from discontinued operations</b>		<b>-</b>	<b>(2,268)</b>	<b>-</b>	<b>-</b>
<b>Net (decrease)/increase in cash and cash equivalents</b>		<b>(4,028)</b>	<b>18,974</b>	<b>19,203</b>	<b>(25,203)</b>
Effect of exchange rate changes on cash & cash equivalents		1,084	774	-	-
<b>Opening cash and cash equivalents</b>	12	<b>397,409</b>	<b>290,907</b>	<b>100,536</b>	<b>59,825</b>
<b>Closing cash and cash equivalents</b>	12	<b>394,465</b>	<b>310,655</b>	<b>119,739</b>	<b>34,622</b>

**Note:**

The accompanying notes form an integral part of the condensed interim consolidated and separate six-month financial statements.



TERNA ENERGY GROUP

Interim Condensed Financial Statements as of 30<sup>th</sup> June 2022

(Amounts in Euro thousand unless stated otherwise)

**INTERIM CONDENSED STATEMENT OF CHANGES IN EQUITY OF THE GROUP (01/01 - 30/06/2021)**

	Note	Share capital	Share premium	Reserves	Retained Earnings	Subtotal	Non-controlling interests	Total
<b>1 January 2021</b>		<b>34,757</b>	<b>209,870</b>	<b>58,442</b>	<b>181,323</b>	<b>484,392</b>	<b>11,277</b>	<b>495,669</b>
Adjustments due to retrospective application of change in IAS 19 accounting		-	-	(64)	489	425	-	425
<b>1 January 2021, Adjusted balance</b>		<b>34,757</b>	<b>209,870</b>	<b>58,378</b>	<b>181,812</b>	<b>484,817</b>	<b>11,277</b>	<b>496,094</b>
Net losses for the year from continuing operations		-	-	-	(65,926)	(65,926)	663	(65,263)
<b>Other comprehensive income</b>								
Foreign exchange translation differences from incorporation of foreign		-	-	1,419	-	1,419	-	1,419
Gains/(losses) from valuation of participating interest at fair value (not reclassified in the Statement of Comprehensive Income)		-	-	(455)	-	(455)	-	(455)
Cash flows hedges		-	-	(35)	-	(35)	1	(34)
Actuarial losses from defined benefit plans		-	-	(10)	-	(10)	-	(10)
<b>Other comprehensive income for the year (after tax)</b>		<b>-</b>	<b>-</b>	<b>919</b>	<b>-</b>	<b>919</b>	<b>1</b>	<b>920</b>
<b>Total comprehensive losses for the year</b>		<b>-</b>	<b>-</b>	<b>919</b>	<b>(65,926)</b>	<b>(65,007)</b>	<b>664</b>	<b>(64,343)</b>
Share capital increase of subsidiary		-	-	-	-	-	39	39
Formation of reserves		-	-	5,325	(5,325)	-	-	-
Distribution of dividends		-	-	-	(19,695)	(19,695)	(488)	(20,183)
Treasury shares		-	-	(2,709)	-	(2,709)	-	(2,709)
Change in the percentage of a consolidated subsidiary		-	-	-	208	208	(273)	(65)
<b>Transactions with shareholders</b>		<b>-</b>	<b>-</b>	<b>2,616</b>	<b>(24,812)</b>	<b>(22,196)</b>	<b>(722)</b>	<b>(22,918)</b>
<b>Total equity 30th June 2021</b>		<b>34,757</b>	<b>209,870</b>	<b>61,913</b>	<b>91,074</b>	<b>397,614</b>	<b>11,219</b>	<b>408,833</b>

**Note:**

The accompanying notes form an integral part of the condensed interim consolidated and separate six-month financial statements.

TERNA ENERGY GROUP

Interim Condensed Financial Statements as of 30<sup>th</sup> June 2022

(Amounts in Euro thousand unless stated otherwise)

**INTERIM CONDENSED STATEMENT OF CHANGES IN EQUITY OF THE GROUP (01/01 - 30/06/2022)**

	Note	Share capital	Share premium	Reserves	Retained Earnings	Subtotal	Non-controlling interests	Total
<b>1 January 2022</b>		<b>34,757</b>	<b>209,870</b>	<b>63,071</b>	<b>113,191</b>	<b>420,889</b>	<b>10,754</b>	<b>431,643</b>
Net profit for the year from continuing operations		-	-	-	33,651	33,651	1,690	35,341
<b>Other comprehensive income</b>								
Foreign exchange translation differences from incorporation of foreign		-	-	314	-	314	-	314
Gains/(losses) from valuation of participating interest at fair value (not reclassified in the Statement of Comprehensive Income)		-	-	(62)	-	(62)	-	(62)
Cash flows hedges		-	-	8,880	-	8,880	-	8,880
<b>Other comprehensive income for the year (after tax)</b>		-	-	<b>9,132</b>	-	<b>9,132</b>	-	<b>9,132</b>
<b>Total comprehensive income for the year</b>		-	-	<b>9,132</b>	<b>33,651</b>	<b>42,783</b>	<b>1,690</b>	<b>44,473</b>
Formation of reserves	19	-	-	14,567	(1,435)	13,132	-	13,132
Distribution of dividends	19	-	-	-	(34,572)	(34,572)	-	(34,572)
Treasury shares	19	-	-	(2,077)	-	(2,077)	-	(2,077)
Change in the percentage of a consolidated subsidiary	4	-	-	6	1,127	1,133	(1,013)	120
Distribution of reserves	19	-	-	(4,818)	-	(4,818)	-	(4,818)
Transfers-Other movements		-	-	(8,020)	8,020	-	-	-
<b>Transactions with shareholders</b>		-	-	<b>(342)</b>	<b>(26,860)</b>	<b>(27,202)</b>	<b>(1,013)</b>	<b>(28,215)</b>
<b>Total equity 30th June 2022</b>		<b>34,757</b>	<b>209,870</b>	<b>71,861</b>	<b>119,982</b>	<b>436,470</b>	<b>11,431</b>	<b>447,901</b>

**Note:**

The accompanying notes form an integral part of the condensed interim consolidated and separate six-month financial statements.

TERNA ENERGY GROUP

Interim Condensed Financial Statements as of 30<sup>th</sup> June 2022

(Amounts in Euro thousand unless stated otherwise)

**INTERIM CONDENSED STATEMENT OF CHANGES IN EQUITY OF THE COMPANY (01/01 - 30/06/2021)**

	Note	Share capital	Share premium	Reserves	Retained Earnings	Subtotal
<b>1 January 2021</b>		<b>34,757</b>	<b>209,870</b>	<b>21,491</b>	<b>58,087</b>	<b>324,205</b>
Adjustments due to retrospective application of change in IAS 19 accounting policy (Note 2.6.3)*		-	-	(73)	431	<b>358</b>
<b>1 January 2021, Adjusted balance</b>		<b>34,757</b>	<b>209,870</b>	<b>21,418</b>	<b>58,518</b>	<b>324,563</b>
Net profit for the year		-	-	-	23,566	<b>23,566</b>
<b>Other comprehensive income</b>						
Gains/(losses) from valuation of participating interest at fair value (not reclassified in the Statement of Comprehensive Income)		-	-	(455)	-	<b>(455)</b>
Cash flows hedges		-	-	(189)	-	<b>(189)</b>
Actuarial gains from defined benefit plans		-	-	(12)	-	<b>(12)</b>
<b>Other comprehensive income for the year (after tax)</b>		<b>-</b>	<b>-</b>	<b>(656)</b>	<b>-</b>	<b>(656)</b>
<b>Total comprehensive income for the year</b>		<b>-</b>	<b>-</b>	<b>(656)</b>	<b>23,566</b>	<b>22,910</b>
Formation of reserves		-	-	1,661	(1,661)	-
Distribution of dividends		-	-	-	(19,695)	<b>(19,695)</b>
Treasury shares		-	-	(2,709)	-	<b>(2,709)</b>
<b>Transactions with shareholders</b>		<b>-</b>	<b>-</b>	<b>(1,048)</b>	<b>(21,356)</b>	<b>(22,404)</b>
<b>30th June 2021</b>		<b>34,757</b>	<b>209,870</b>	<b>19,714</b>	<b>60,728</b>	<b>325,069</b>

**Note:**

The accompanying notes form an integral part of the condensed interim consolidated and separate six-month financial statements.

TERNA ENERGY GROUP

Interim Condensed Financial Statements as of 30<sup>th</sup> June 2022

(Amounts in Euro thousand unless stated otherwise)

**INTERIM CONDENSED STATEMENT OF CHANGES IN EQUITY OF THE COMPANY (01/01 - 30/06/2022)**

	Note	Share capital	Share	Reserves	Retained	Total
<b>1 January 2022</b>		<b>34,757</b>	<b>209,870</b>	<b>17,469</b>	<b>50,385</b>	<b>312,481</b>
Net profit for the year		-	-	-	26,533	26,533
<b>Other comprehensive income</b>						
Gains/(losses) from valuation of participating interest at fair value (not reclassified in the Statement of Comprehensive Income)		-	-	(62)	-	(62)
Cash flows hedges		-	-	(6,501)	-	(6,501)
<b>Other comprehensive income for the year (after tax)</b>		-	-	<b>(6,563)</b>	-	<b>(6,563)</b>
<b>Total comprehensive income for the year</b>		-	-	<b>(6,563)</b>	<b>26,533</b>	<b>19,970</b>
Formation of reserves	19	-	-	13,272	(140)	13,132
Distribution of dividends	19	-	-	-	(34,572)	(34,572)
Treasury shares	19	-	-	(2,077)	-	(2,077)
Change in the percentage of a consolidated subsidiary	4	-	-	-	(180)	(180)
Distribution of reserves	19	-	-	(4,818)	-	(4,818)
Transfers-Other movements		-	-	1	(1)	-
<b>Transactions with shareholders</b>		-	-	<b>6,378</b>	<b>(34,893)</b>	<b>(28,515)</b>
<b>30th June 2022</b>		<b>34,757</b>	<b>209,870</b>	<b>17,284</b>	<b>42,025</b>	<b>303,936</b>

**Note:**

The accompanying notes form an integral part of the condensed interim consolidated and separate six-month financial statements.

## NOTES AND DISCLOSURES TO THE FINANCIAL STATEMENT

### 1. GROUP'S GENERAL INFORMATION

TERNA ENERGY S.A. Group of companies (hereinafter "the Group" or "TERNA ENERGY") is a Greek Group of companies operating in the sectors of renewable energy sources, construction, trading of electric energy and concessions. The key operations of the Group pertain to construction and exploitation of installations of renewable sources of wind and hydroelectric energy, photovoltaic parks as well as other renewable energy sources (RES).

TERNA ENERGY holds Class 6 contractor certificate and its operations in the construction sector include construction of private and public projects as a main contractor or subcontractor or through joint ventures. Based on the effective legislation, it can undertake (public (based on Law 4412/2016) private or self-financed projects), regardless of budgeting, depending on the technical and financial criteria set every time, independently or through a joint venture.

TERNA ENERGY has succeeded the Technical Constructions Company (ETKA S.A.), established in 1949 (Government Gazette 166/21.06.1949), which TERNA ENERGY S.A. absorbed in 1999 and which was established in 1997 (Government Gazette 6524/11.09.1997). TERNA ENERGY is domiciled in Athens, Greece, 85 Mesogeion Ave. The Company has been listed on ATHEX since 2007.

The Group's operations are mainly performed in Greece, while the Group has also a strong presence in the Balkans and Eastern Europe. The Group's operations focus on the following operating segments:

- **Constructions:** almost exclusively, contracts regarding technical works.
- **Electric energy from RES:** production of electricity through wind farms, solar and hydroelectric energy and biomass.
- **Trade:** trade in electric energy.
- **Concessions:** construction and operation of public sector works (Unified Automatic Collection System and municipal waste treatment facility) in exchange for their long-term exploitation rendering services to the public.

The companies of TERNA ENERGY Group included in the consolidated Financial Statements and their tax non-audited FYs are analytically recorded in Note 4 to the Financial Statements.

The parent company of TERNA ENERGY is GEK TERNA S.A., which is also listed on the Athens Exchange. On 30/06/2022 GEK TERNA S.A. held 37,298% (31/12/2021: 37.298%) of TERNA ENERGY's issued share capital and

voting rights. The Financial Statements of TERNA ENERGY Group are consolidated in the Financial Statements of GEK TERNA S.A. under the full consolidation method, as in accordance with the requirements of IFRS 10, it has been assessed that GEK TERNA exercises control over TERNA ENERGY SA.

The accompanying Interim Condensed Consolidated and Standalone Financial Statements for the six-month period ended as at June 30<sup>th</sup>, 2022, were approved by the Board of Directors on 28/9/2022.

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

### **2.1 Basis for the Presentation of financial statements**

The Condensed Interim Standalone and Consolidated Financial Statements as of June 30<sup>th</sup>, 2022, which cover the six-month period from January 1<sup>st</sup> to June 30<sup>th</sup> 2022 have been prepared according to the International Financial Reporting Standards (IFRS), which were published by the International Accounting Standards Board (IASB) and according to their interpretations, which have been published by the International Financial Reporting Interpretations Committee (IFRIC) and have been adopted by the European Union until June 30<sup>th</sup> 2022. The Financial Statements for the six-month period ended as at June 30<sup>th</sup> 2021 have been prepared in compliance with the provisions of the International Accounting Standard (IAS) 34 "Interim Financial Reporting". The Group applies all the International Accounting Standards (IAS), International Financial Reporting Standards (IFRS) and their Interpretations, which apply to the Group's operations. The relevant accounting policies, whose summary is presented in Note 2.6, have been applied consistently in all the presented periods.

### **Going Concern**

When the Management defines the appropriate basis for the preparation of the consolidated and standalone financial statements, it should examine whether the Group is able to continue as a going concern in the near future. The Group's Management estimates that the Company and its subsidiaries hold sufficient resources, which ensure their ability to operate as a Going Concern in the foreseeable future.

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

### **2.2 Basis of measurement**

The accompanying Condensed Interim Consolidated and Standalone Financial Statements as of June 30<sup>th</sup>, 2022, have been prepared according to the principle of historical cost, apart from financial derivatives, liability for contingent consideration and investments in equity instruments which are being measured at fair value.

### **2.3 Presentation currency**

The presentation currency is Euro (the currency of the Group's parent Headquarters) and all the amounts are presented in thousand Euro unless otherwise mentioned.

### **2.4 Comparability**

The comparative figures of the Interim Condensed Financial Statements have not been restated with the exception of Opening Balances related to the change in the accounting policy based on IAS 19, the application of which took place in 2021.

### **2.5 Use of estimates**

The preparation of the Financial Statements according to IFRS requires the use of estimates and judgments on the application of the Company's accounting policies. Judgments, assumptions and estimates of the Management affect the amount of valuation of several asset and liability items, the amount recognized during the year regarding specific income and expenses as well as the presented estimates of contingent liabilities. Assumptions and estimates are assessed on an on-going basis according to historic experience and other factors, including expectations of future event outcomes, considered reasonable given the current conditions. The estimates and assumptions relate to the future and, consequently, the actual results may differ from the accounting calculations.

The areas that require the highest degree of judgment as well as the areas in which estimates and assumptions have a significant effect on the Interim Condensed Consolidated Financial Statements are presented in Note 3 of the Annual Consolidated and Standalone Financial Statements for the year ended 31/12/2021.

### **Uncertainty over Estimates**

In particular, the Management examined the special circumstances that could have a significant impact on the business operations of the RES operating segment and the risks which the Group is exposed to (see analytically Note 3 to the accompanying Interim Condensed Financial Statements as of 30/06/2022).

#### *Estimates during calculation of the value in use of non-current assets*

In the electricity sector from RES, in Greece, Central and Eastern Europe, there was no interruption or other negative impact on the operation of the facilities that the Group exploits. In accordance with the accounting policies followed and the requirements of IAS 36, the Group performs impairment test on the assets at the end of each annual reporting period. The impairment test, in accordance with the requirements of IAS 36, may be carried out earlier, when there are indications of possible impairment loss. From the relevant impairment test carried out on 30/06/2022, and focusing on both external and internal factors, there was no need to recognize impairment losses in the Interim Condensed Financial Statements as of 30 June 2022. It is noted that the

Management will continue to monitor the developments for the remaining of the year and adjust its estimates accordingly if required.

*Provisions for credit losses according to IFRS 9*

Regarding the Group's revenue collections, the Group has not identified significant discrepancies regarding the course of collections in each key operating segment, to the extent they could constitute an indication of significant delays in the collections of each operating segment. In this context, there was no need to recognize additional credit loss provisions in accordance with the requirements of IFRS 9.

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

The Condensed Interim Financial Statements for the six-month period ended as at 30/06/2022 comprise limited scope of information as compared to that presented in the annual Financial Statements. The accounting policies, based on which the Financial Statements were prepared, are consistent with those used under the preparation of the annual Financial Statements for the year ended as at 31/12/2021, except for the changes to Standards and Interpretations in force since 01/01/2022 (see Notes 2.6.1 and 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 31/12/2021 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**

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

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

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

- **Amendments to IFRS 3 Business Combinations** update a reference in IFRS 3 to the Conceptual Framework for Financial Reporting without changing the accounting requirements for business combinations.



- **Amendments to IAS 16 Property, Plant and Equipment** prohibit a company from deducting from the cost of property, plant and equipment amounts received from selling items produced while the company is preparing the asset for its intended use. Instead, a company will recognize such sales proceeds and related cost in profit or loss.
- **Amendments to IAS 37 Provisions, Contingent Liabilities and Contingent Assets** specify which costs a company includes when assessing whether a contract will be loss-making.
- **Annual Improvements 2018-2020** make minor amendments to IFRS 1 First-time Adoption of International Financial Reporting Standards, IFRS 9 Financial Instruments, IAS 41 Agriculture and the Illustrative Examples accompanying IFRS 16 Leases.

The Group will examine the impact of all the above on its Financial Statements. The amendments to IAS 16 "Property, Plant and Equipment" will be applied in the future, in the Group's Financial Statements, given that according to normal practice, there are revenues arising from the trial operation of electricity generation units. With regard to the other amendments, no impact is expected.

#### **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 until 30/06/2021**

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

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

In February 2021, the IASB issued narrow-scope amendments that pertain to accounting policy disclosures. The objective of these amendments is to improve accounting policy disclosures so that they provide more useful information to investors and other primary users of the financial statements. More specifically, companies are required to disclose their material accounting policy information rather than their significant accounting policies. The Group will examine the impact of the above on its Financial Statements, though it is not expected to have any. The above have been adopted by the European Union with effective date on 01/01/2023.

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

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

Statements, though it is not expected to have any. The above have been adopted by the European Union with effective date on 01/01/2023.

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

In January 2020, the IASB issued amendments to IAS 1 that affect requirements for the presentation of liabilities. Specifically, they clarify one of the criteria for classifying a liability as non-current, the requirement for an entity to have the right to defer settlement of the liability for at least 12 months after the reporting period. The amendments include: (a) specifying that an entity’s right to defer settlement must exist at the end of the reporting period; (b) clarifying that classification is unaffected by management’s intentions or expectations about whether the entity will exercise its right to defer settlement; (c) clarifying how lending conditions affect classification; and (d) clarifying requirements for classifying liabilities an entity will or may settle by issuing its own equity instruments. Furthermore, in July 2020, the IASB issued an amendment to defer by one year the effective date of the initially issued amendment to IAS 1, in response to the Covid-19 pandemic. The Group 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.

**Amendments to IAS 12 “Income Taxes: Deferred Tax related to Assets and Liabilities arising from a Single Transaction” (effective for annual periods starting on or after 01/01/2023)**

In May 2021, the IASB issued targeted amendments to IAS 12 to specify how companies should account for deferred tax on transactions such as leases and decommissioning obligations – transactions for which companies recognize both an asset and a liability. In specified circumstances, companies are exempt from recognizing deferred tax when they recognize assets or liabilities for the first time. The amendments clarify that the exemption does not apply and that companies are required to recognize deferred tax on such transactions. The Group will examine the impact of the above on its Financial Statements, though it is not expected to have any. The above have been adopted by the European Union with effective date on 01/01/2023.

**Amendments to IFRS 16 “Leases: Lease Liability in a Sale and Leaseback” (effective for annual periods starting on or after 01/01/2024)**

In September 2022, the IASB issued narrow-scope amendments to IFRS 16 “Leases” which add to requirements explaining how a company accounts for a sale and leaseback after the date of the transaction. A sale and leaseback is a transaction for which a company sells an asset and leases that same asset back for a period of time from the new owner. IFRS 16 includes requirements on how to account for a sale and leaseback at the date the transaction takes place. However, IFRS 16 had not specified how to measure the transaction when reporting after that date. The issued amendments add to the sale and leaseback requirements in IFRS 16, thereby supporting the consistent application of the Accounting

Standard. These amendments will not change the accounting for leases other than those arising in a sale and leaseback transaction. The Group 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. RISK MANAGEMENT**

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

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

#### **(a) Special reference in the war conflict in the region of Ukraine**

TERNA ENERGY Group closely monitors the geopolitical developments in Ukraine which in any case do not have a direct impact on its figures and performance. More specific, in the operating segment "Electricity from Renewable Energy Sources due to the fact that the majority of A/Ps have a fixed selling price, the important costs are the depreciation of the equipment and the borrowing cost which refers to loans with fixed interest and its effect is insignificant. In the operational segment of "Concessions" no significant impact is expected due to the structure of the contracts governing these operations. Finally, in the operating segment "Trading of electric energy", due to the nature of the activity and given that the selling price follows the purchase cost, there is typically no problem of a substantial influence of the consequences of Russia's invasion of Ukraine.

However, from the above events, new risks may arise. The Management of the Group, taking into account the existing uncertainty in the broader economic climate, tries to assess in a timely manner any indirect consequences for the Group.

#### **(b) Special reference to the impact of the coronavirus pandemic (COVID-19)**

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

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

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

The pandemic of COVID-19 and its mutations continues to affect the global economy with ever-decreasing intensity. The Group has no direct impact on its activities from the pandemic. However, even after the containment of the COVID-19 pandemic, a group may face difficulties in its economic activity, results, financial position and prospects, as a result of the genetic impact of the pandemic on the global economy.

#### 4. CONSOLIDATED COMPANIES AS OF 30/06/2022

The following table presents the consolidated companies of TERNA ENERGY as at 30/06/2022, their domicile, business activity, the Company's direct and indirect participating interest in their share capital, method of consolidation and tax non-audited years.

##### 4.1 Group Structure

The following companies are being consolidated in the Company's Financial Statements via the proportional consolidation method.

ENTITY	DOMICILE	DIRECT PARTICIP. %	INDIRECT PARTICIP. %	TOTAL PARTICIP. %	CONSOLIDATION METHOD	INDIRECT PARTICIPATION SUBSIDIARY	TAX NON-AUDITED YEARS
<b>CONSTRUCTION &amp; CONSESSION SEGMENT – JOINT VENTURES</b>							
J/V GEK TERNA – TERNA ENERGY (INSTALLATION & OPERATION ATs)	Greece	50.00	-	50.00	Proportional consolidation	-	2016-2021
ILIAKI PIKROLIMNIS S.A.	Greece	51.00	-	51.00	Proportional consolidation	-	2020-2021
ILIAKA VAKOUFIA SINGLE PERSON IKE	Greece	-	51.00	51.00	Proportional consolidation	ILIAKI PIKROLIMNIS S.A.	2020-2021
KILKIS P/V SINGLE PERSON IKE	Greece	-	51.00	51.00	Proportional consolidation	ILIAKI PIKROLIMNIS S.A.	2020-2021

##### 4.2 Group Structure

The Group's structure as of 30/06/2022, is presented as follows:

**TERNA ENERGY GROUP**

 Interim Condensed Financial Statements as of 30<sup>th</sup> June 2022

(Amounts in Euro thousand unless stated otherwise)

ENTITY	DOMICILE	DIRECT PARTICIP. %	INDIRECT PARTICIP. %	TOTAL PARTICIP. %	CONSOLIDATION METHOD	INDIRECT PARTICIPATION SUBSIDIARY	TAX NON-AUDITED YEARS
<b><i>HOLDING &amp; FINANCING- SUBSIDIARIES</i></b>							
TERNA ENERGY M.A.E FINANCE	Greece	100.00	-	100.00	Full	-	2016-2021
TERNA ENERGY OVERSEAS LTD	Cyprus	100.00	-	100.00	Full	-	2016-2021
TERNA ENERGY USA HOLDING CORPORATION	USA	-	100.00	100.00	Full	TERNA ENERGY TRANSATLANTIC sp.z.o.o.	2011-2021
TERNA ENERGY TRANSATLANTIC sp.z.o.o.	Poland	-	100.00	100.00	Full	TERNA ENERGY OVERSEAS LTD	2015-2021
TERNA ENERGY TRADING LTD	Cyprus	-	100.00	100.00	Full	TERNA ENERGY OVERSEAS LTD	2015-2021
GALLETTE LTD	Cyprus	-	100.00	100.00	Full	ENERGEIAKI SERVOUNIOU S.A.	2015-2021
<b><i>RES ENERGY SEGMENT - SUBSIDIARIES</i></b>							
AIOLIKI PANORAMATOS DERVENOCHORION S.A.	Greece	100.00	-	100.00	Full	-	2016-2021
PPC RENEWABLES - TERNA ENERGY SA	Greece	51.00	-	51.00	Full	-	2016-2021
ENERGIAKI SERVOUNIOU SA	Greece	100.00	-	100.00	Full	-	2016-2021
IWECO HONOS LASITHIOU CRETE SA.	Greece	100.00	-	100.00	Full	-	2016-2021
TERNA ENERGY EVROU SA	Greece	100.00	-	100.00	Full	-	2016-2021
AIOLIKI RACHOULAS DERVENOCHORION S.A.	Greece	100.00	-	100.00	Full	-	2016-2021
ENERGIAKI DERVENOCHORION S.A.	Greece	100.00	-	100.00	Full	-	2016-2021
AIOLIKI MARMARIOY EVIAS S.A.	Greece	100.00	-	100.00	Full	-	2016-2021
TERNA ENERGY SA & CO ENERGEIAKI PETRION EVIAS G.P.	Greece	99.00	1.00	100.00	Full	IWECO HONOS LASITHIOU CRETE SA.	2016-2021
ENERGIAKI DYSTION EVIAS S.A.	Greece	100.00	-	100.00	Full	-	2016-2021
AIOLIKI KARISTIAS EVIAS S.A.	Greece	99.00	1.00	100.00	Full	IWECO HONOS LASITHIOU CRETE SA.	2016-2021
ENERGY KAFIREOS EVIAS G.P.	Greece	99.00	1.00	100.00	Full	IWECO HONOS LASITHIOU CRETE SA.	2016-2021
ENERGIAKI STYRON EVIAS S.A.	Greece	100.00	-	100.00	Full	-	2016-2021
ENERGIAKI NEAPOLEOS LAKONIAS S.A.	Greece	100.00	-	100.00	Full	-	2016-2021
AIOLIKI MALEAS LAKONIAS. S.A	Greece	100.00	-	100.00	Full	-	2016-2021
TERNA ENERGY SA & CO ENERGEIAKI VELANIDION LAKONIAS G.P.	Greece	99.00	1.00	100.00	Full	IWECO HONOS LASITHIOU CRETE SA.	2016-2021
AEOLIKI EAST GREECE S.A.	Greece	100.00	-	100.00	Full	-	2016-2021
AEOLIKI PASTRA ATTICA S.A.	Greece	99.00	1.00	100.00	Full	IWECO HONOS LASITHIOU CRETE SA.	2016-2021
ENERGIAKI PELOPONNESE S.A.	Greece	100.00	-	100.00	Full	-	2016-2021
AIOLIKI PROVATA TRAINOYPOLEOS	Greece	100.00	-	100.00	Full	-	2016-2021
AIOLIKI DERVENI TRAINOYPOLEOS S.A.	Greece	100.00	-	100.00	Full	-	2016-2021
ENERGIAKI FERRON EVROU S.A.	Greece	100.00	-	100.00	Full	-	2016-2021
TERNA ENERGEIAKI AVETE & SIA ENERGEIAKI ARI SAPPON G.P	Greece	99.00	1.00	100.00	Full	IWECO HONOS LASITHIOU CRETE SA.	2016-2021
TERNA ENERGEIAKI AVETE & SIA AIOLIKI POLIKASTROY G.P	Greece	99.00	1.00	100.00	Full	IWECO HONOS LASITHIOU CRETE SA.	2016-2021

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(Amounts in Euro thousand unless stated otherwise)

ENERGIKI XIROVOUNIOY S.A.	Greece	100.00	-	100.00	Full	-	2016-2021
AIOLIKI ILIOKASTROU S.A.	Greece	-	100.00	100.00	Full	TERNA ENERGY EVROU SA	2016-2021
EUROWIND S.A.	Greece	-	100.00	100.00	Full	ENERGIKI SERVOVOUNIOU SA	2016-2021
DELTA AXIOU ENERGEIAKI S.A.	Greece	80.00	-	80.00	Full	-	2016-2021
TERNA ENERGY AVETE VECTOR WIND PARKS GREECE-WIND PARK TROYLOS G.P.	Greece	90.00	-	90.00	Full	-	2016-2021
TERNA ENERGY THALASSIA WIND PARKS S.A.	Greece	85.00	-	85.00	Full	-	2016-2021
TERNA ENERGY WIND PARKS XIROKAMPOS AKRATAS S.A.	Greece	77.00	-	77.00	Full	-	2016-2021
VATHYCHORI PERIVALLONTIKI S.A.	Greece	-	100.00	100.00	Full	TERNA ENERGY OVERSEAS LTD VATHYCHORI PERIVALLONTIKI S.A.	2016-2021
VATHYCHORI ENA PHOTOVOLTAIC S.A.	Greece	-	100.00	100.00	Full	-	2016-2021
ALISTRATI ENERGEIAKI LTD	Greece	80.00	-	80.00	Full	-	2016-2021
DIRFYS ENERGEIAKI S.A.	Greece	51.00	-	51.00	Full	-	2016-2021
TERNA ENERGY AI-GIORGIS S.A.	Greece	99.40	0.60	100.00	Full	IWECO HONOS LASITHIOU CRETE SA.	2016-2021
TERNA AIOLIKI XEROVOUNIOU S.A.	Greece	-	100.00	100.00	Full	AIOLIKI PANORAMATOS DERVENOXORION S.A.	2016-2021
TERNA AIOLIKI AITOLOAKARNANIAS S.A.	Greece	-	100.00	100.00	Full	AIOLIKI MALEAS LAKONIAS S.A.	2016-2021
TERNA AIOLIKI AMARYNTHOU S.A.	Greece	-	100.00	100.00	Full	ENERGIKI SERVOVOYNIYOU	2016-2021
TERNA ILIAKI PANORAMATOS S.A.	Greece	100.00	-	100.00	Full	-	2016-2021
TERNA ILIAKI PELOPONNESE S.A.	Greece	100.00	-	100.00	Full	-	2016-2021
TERNA ILIAKI VIOTIAS S.A.	Greece	100.00	-	100.00	Full	-	2016-2021
AIOLIKI CENTRAL GREECE S.A.	Greece	100.00	-	100.00	Full	-	2016-2021
VATHYCHORI DYO ENERGEIAKI S.A.	Greece	-	100.00	100.00	Full	TERNA ENERGY OVERSEAS LTD	2016-2021
TERNA ENERGY OMALIES S.A.	Greece	100.00	-	100.00	Full	-	2016-2021
EVOIKOS ANEMOS S.A.	Greece	70.00	-	70.00	Full	-	2020-2021
KEY ILIAKI ENERGEIAKI IKE	Greece	100.00	-	100.00	Full	-	2020-2021
KASTRAKI ILIAKI ENERGEIAKI IKE	Greece	100.00	-	100.00	Full	-	2020-2021
HAOS INVEST 1 EAD	Bulgaria	-	100.00	100.00	Full	TERNA ENERGY OVERSEAS LTD	2016-2021
ECO ENERGY DOBRICH 2 EOOD	Bulgaria	-	100.00	100.00	Full	TERNA ENERGY OVERSEAS LTD	2016-2021
ECO ENERGY DOBRICH 3 EOOD	Bulgaria	-	100.00	100.00	Full	TERNA ENERGY OVERSEAS LTD	2016-2021
ECO ENERGY DOBRICH 4 EOOD	Bulgaria	-	100.00	100.00	Full	TERNA ENERGY OVERSEAS LTD	2016-2021
EOLOS NORTH sp.z.o.o.	Poland	-	100.00	100.00	Full	TERNA ENERGY OVERSEAS LTD	2015-2021
EOLOS NOWOGRODZEC sp.z.o.o.	Poland	-	100.00	100.00	Full	TERNA ENERGY OVERSEAS LTD	2015-2021
EOLOS POLSKA sp.z.o.o.	Poland	-	100.00	100.00	Full	TERNA ENERGY OVERSEAS LTD	2015-2021
EOLOS EAST sp.z.o.o.	Poland	-	100.00	100.00	Full	TERNA ENERGY OVERSEAS LTD	2015-2021
JP GREEN sp.z.o.o.	Poland	-	100.00	100.00	Full	TERNA ENERGY OVERSEAS LTD	2015-2021
WIRON sp.z.o.o.	Poland	-	100.00	100.00	Full	TERNA ENERGY OVERSEAS LTD	2015-2021

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BALLADYNA sp.z.o.o.	Poland	-	100.00	100.00	Full	TERNA ENERGY OVERSEAS LTD	2015-2021
EOLOS DEVELOPMENT Sp.z o.o	Poland	-	100.00	100.00	Full	TERNA ENERGY OVERSEAS LTD	2021
AEGIS RENEWABLES, LLC	U.S.A.	-	100.00	100.00	Full	TERNA ENERGY USA HOLDING CORPORATION	2011-2021
MOUNTAIN AIR HOLDINGS, LLC	U.S.A.	-	100.00	100.00	Full	TERNA ENERGY USA HOLDING CORPORATION	2011-2021
MOHAVE VALLEY ENERGY LLC	U.S.A.	-	100.00	100.00	Full	TERNA ENERGY USA HOLDING CORPORATION	2016-2021
TERNA RENEWABLE ENERGY PROJECTS LLC	U.S.A.	-	100.00	100.00	Full	TERNA ENERGY USA HOLDING CORPORATION	2016-2021
TERNA DEN LLC	U.S.A.	-	100.00	100.00	Full	TERNA ENERGY USA HOLDING CORPORATION	2016-2021
FLUVANNA INVESTMENTS LLC	U.S.A.	-	100.00	100.00	Full	TERNA ENERGY USA HOLDING CORPORATION	2016-2021
FLUVANNA HOLDINGS LLC	U.S.A.	-	100.00	100.00	Full	TERNA ENERGY USA HOLDING CORPORATION	2016-2021
FLUVANNA I INVESTOR, INC	U.S.A.	-	100.00	100.00	Full	TERNA ENERGY USA HOLDING CORPORATION	2017-2021
FLUVANNA INVESTMENTS 2, LLC	U.S.A.	-	100.00	100.00	Full	TERNA ENERGY USA HOLDING CORPORATION	2018-2021
CI-II BEARKAT QPFP, LLC	U.S.A.	-	100.00	100.00	Full	TERNA ENERGY USA HOLDING CORPORATION	2016-2021
CI-II BEARKAT HOLDING B, LLC	U.S.A.	-	100.00	100.00	Full	TERNA ENERGY USA HOLDING CORPORATION	2016-2021
SPONSOR BEARKAT I HOLDCO, LLC	U.S.A.	-	100.00	100.00	Full	TERNA ENERGY USA HOLDING CORPORATION	2017-2021
TERNA HOLDCO INC	U.S.A.	-	100.00	100.00	Full	TERNA ENERGY USA HOLDING CORPORATION	2016-2021
<b>ENERGY PRODUCTION FROM RES OPERATING SEGMENT – JOINT VENTURES</b>							
EN.ER.MEL. S.A.	Greece	50.00	-	50.00	Equity	-	2016-2021
<b>RES ENERGY SEGMENT - ASSOCIATES</b>							
CYCLADES ENERGY CENTER S.A.	Greece	-	45.00	45.00	Equity	IWECO CHONOS S.A.	2016-2021
HARMONY ENERGY COMMUNITY	Greece	12.50	-	12.50	Equity	-	2019-2021
AMALTHIA ENERGY COMMUNITY	Greece	-	14.28	14.28	Equity	IWECO CHONOS S.A.	2019-2021
<b>ELECTRIC ENERGY TRADING SEGMENT - SUBSIDIARIES</b>							
OPTIMUS ENERGY AE	Greece	51.00	-	51.00	Full	-	2017-2021
TERNA ENERGY TRADING EOOD	Bulgaria	-	100.00	100.00	Full	TERNA ENERGY TRADING LTD	2016-2021

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TETRA DOOEL SKOPJE	FYROM	-	100.00	100.00	Full	TERNA ENERGY TRADING LTD	2020-2021
TERNA ENERGY TRADING D.O.O	Serbia	-	100.00	100.00	Full	TERNA ENERGY TRADING LTD	2015-2021
TERNA ENERGY TRADING SHPK	Albania	-	100.00	100.00	Full	TERNA ENERGY TRADING LTD	2018-2021
<b>CONCESSIONS SEGMENT - SUBSIDIARIES</b>							
HELLAS SMARTICKET S.A.	Greece	35.00	-	35.00	Full	-	2015-2021
PERIVALLONTIKI PELOPONNESE S.A.	Greece	100.00	-	100.00	Full	-	2015-2021
AEIFORIKI EPIRUS MAEES	Greece	100.00	-	100.00	Full	-	2017-2021
<b>CONCESSIONS SEGMENT – JOINT VENTURES</b>							
WASTE CYCLO S.A.	Greece	51.00	-	51.00	Equity	-	2015-2021
<b>OPERATING CONSTRUCTION SEGMENT – JOINT VENTURES</b>							
J/V TENERGY-INDIGITAL-AMCO	Greece	70.00	-	70.00	Equity	-	2020-2021

The percentages of voting rights of TERNA ENERGY SA in all the above participations coincide with the percentage the Company holds on the share capital of the companies.

The company HELLAS SMARTICKET S.A. ("HST") is fully consolidated as a subsidiary, as the Group exercises control over it in accordance with the requirements of IFRS 10.

### 4.3 Changes in the Group Structure within the Year 2022

- On 15<sup>th</sup> of April 2022, the Group acquired an additional percentage of 10% of subsidiary's shares TERNA ENERGY TRADING LTD for the amount of € 1, changing the participation percentage in the aforementioned to 100%. As a consequence of the above transactions, the Group now, through TERNA ENERGY TRADING LTD, owns the total corporate shares of the subsidiaries TERNA ENERGY TRADING EOOD, TETRA DOOEL SKOPJE, TERNA ENERGY TRADING D.O.O and TERNA ENERGY TRADING SHPK.
- On 14<sup>th</sup> April, the parent company of the Group, TERNA ENERGY SA, acquired all the corporate shares of the companies KEY ILIAKI ENERGEIAKI IKE, KASTRAKI ENERGEIAKI IKE.

The above companies develop Photovoltaic Stations in the wider area of the Regional Unit of Thessaly. Specifically, among the acquired companies, KEY Iliaki Energy PC is in the licensing phase and is developing one (1) Photovoltaic Station with a capacity of 50 MW, while KASTRAKI Iliaki Energy PC is in the licensing phase and is developing four (4) Photovoltaic Stations with a total capacity of 172.3 MW.

The purpose of these acquisitions is the subsequent implementation of new investments by the Group in the production of energy from renewable sources. When examining the requirements of IFRS 3, it was found that the acquired assets and the liabilities of the above company do not constitute a "business" as defined in IFRS 3 and therefore do not fall within the scope of this Standard, but the specific transactions were accounted for as



acquisition of assets. The accounting policy for recognizing the transaction is described in explanatory Note 4.21 of the Annual Consolidated and Corporate Financial Statements of 31/12/2021. The cost of the acquisition was allocated to the individual identifiable assets and liabilities based on their relative fair values at the date of the acquisition, while no goodwill arises from this type of transaction.

The total price of the acquisition of the above companies, based on the terms of the Agreement for the Sale and transfer of corporate shares, will depend on the successful outcome of securing the required permits for the installation of the electricity generation units from photovoltaic panels, and was estimated at € 6,892 thousand in total for both companies, using an appropriate discount rate of 8.31%. The fair value of the liability for the contingent consideration will be measured at each reporting date and until the estimated date of its final measurement and payment, i.e. until 31/12/2023.

In detail, the data related to the acquisition of the above companies are presented as follows:

<b>KEY ILIAKI ENERGEIAKI IKE</b>	<b>Fair values at the acquisition of entity</b>
Intangible assets και Right-of-use assets	1,530
Prepayments and other receivables	3
Cash and cash equivalents	10
<b>TOTAL ASSETS</b>	<b>1,543</b>
<b>Liabilities</b>	
Suppliers και Liabilities from contracts with customers	7
<b>Total liabilities</b>	<b>7</b>
<b>Fair Value of acquired net assets</b>	<b>1,536</b>
Cash paid as of 30/06/2022 (a)	79
Minus: Cash received (b)	-10
<b>Total Cash outflow as of 30/06/2022 (a) - (b)</b>	<b>69</b>

The estimated cash settled consideration including the cash of the acquired company amounted to € 1,527 thousand from which an amount of € 69 thousand was paid in cash and € 1,458 thousand is recognized as Contingent consideration liability (discounted value).

<b>KASTRAKI ILIAKI ENERGEIAKI IKE</b>	<b>Fair values at the acquisition of entity</b>
Intangible assets και Right-of-use assets	4,943
Property, plant and equipment	29
Other long-term receivables	232
Prepayments and other receivables	56

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Cash and cash equivalents	99
<b>TOTAL ASSETS</b>	<b>5,359</b>
<b>Liabilities</b>	
Accrued and other short-term liabilities	3
<b>Total liabilities</b>	<b>3</b>
<b>Fair Value of acquired net assets</b>	<b>5,356</b>
Cash paid as of 30/06/2022 (a)	753
Minus: Cash received (b)	-99
<b>Total Cash outflow as of 30/06/2022 (a) - (b)</b>	<b>654</b>

The estimated cash settled consideration including the cash of the acquired company amounted to € 5,256 thousand from which an amount of € 654 thousand was paid in cash and € 4,602 thousand is recognized as Contingent consideration liability (discounted value).

From this acquisition, the Group has recognized intangible assets (photovoltaic production unit licenses), amounting to € 6,172 thousand. The fair value of the intangible assets has been based on an independent valuer's report. During the period from the date of acquisition of the companies until June 30, 2022, no results related to these companies have been realized.

- On 20/05/2022 the liquidation of the company VALUE PLUS LTD was completed, which was based in Cyprus and had no substantial productive activity since it has completed its purpose.

## 5. SEGMENT REPORTING

Under the provisions of IFRS 8, an operating sector is a component of an entity: a) that engages in business activities from which it may earn revenues and incur expenses (including revenues and expenses relating to transactions with other components of the same entity), and, b) whose operating results are regularly reviewed by the entity's chief operating decision maker to make decisions about resources to be allocated to the segment and assess its performance.

The term "chief operating decision maker" defines the function of the Group, which is to allocate resources to and assess the performance of the operating segments of an entity. For the application of IFRS 8, this function is assigned to the Board of Directors.

The Management separately monitors the operating results of the Group's individual operating segments in order to make the necessary decisions, allocate the available resources and evaluate their performance.

For management reporting purposes, the Group is organized in the following operating segments:

- i. **Constructions:** The segment refers to development of wind farms and other units for electricity production from renewable energy sources, and also to the construction of the necessary infrastructure (roads, substations, interconnection with the national electric energy grid). Furthermore, the construction segment of the Group undertakes construction of the infrastructure assigned to special purpose companies of the Group in the form of Public-Private Partnerships. Finally, the construction segment of the Group renders services to third parties mainly in small scale infrastructure works under the capacity of the main contractor or subcontractor, or through joint ventures.
- ii. **Electricity from RES:** The segment mainly concerns production of electricity through wind energy. The portfolio also includes a number of photovoltaic projects, hydroelectric projects, and related energy projects with the use of biomass at various development stages.
- iii. **Trade in electric energy:** The segment refers to trade in electric energy and includes as follows: Supply and sale of electric energy from and to the neighboring markets and the markets of Southeastern Europe/Development of the network of subsidiaries in the Balkan area with the objective of accessing the respective markets of electric energy/Participation in tenders for acquisition of rights for cross-border electric energy transmission. Acquisition of such rights is a requirement for the transmission of electric energy among the neighboring countries/ Continuing operations and analysis of options offered in the international markets of electric energy (on a daily, monthly and annual basis).
- iv. **Concessions:** The segment concerns operation of infrastructure and public sector projects (such as Unified Automatic Collection System and the municipal waste treatment facility in Epirus Region) in exchange for long-term operation of the above projects through provision of services to the public.

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Operating segments	Construction	Electricity from RES	Trade in electric energy	Waste management	E-Ticket	Intersegment Consolidation write-offs	Consolidated Total
<b>30th June 2022</b>							
<b>Continuing operations</b>							
<b>Revenue</b>							
Sales of products and services	24,268	122,359	120,891	3,080	6,143	-	<b>276,741</b>
Intersegment revenue	68,157	-	-	-	-	(68,157)	-
<b>Total revenue from continuing operations</b>	<b>92,425</b>	<b>122,359</b>	<b>120,891</b>	<b>3,080</b>	<b>6,143</b>	<b>(68,157)</b>	<b>276,741</b>
Cost of sales	(83,511)	(47,667)	(113,800)	(2,865)	(5,193)	64,014	<b>(189,022)</b>
<b>Gross profit from continuing operations</b>	<b>8,914</b>	<b>74,692</b>	<b>7,091</b>	<b>215</b>	<b>950</b>	<b>(4,143)</b>	<b>87,719</b>
Administrative and distribution expenses	(296)	(25,693)	(370)	(229)	(231)	6	(26,813)
Research and development expenses	(113)	(3,519)	-	-	-	-	(3,632)
Other income/(expenses) and other gain/(losses)-EBIT determinants	523	8,013	(699)	13	-	(10)	7,840
<b>Operating results (EBIT) from continuing operations</b>	<b>9,028</b>	<b>53,493</b>	<b>6,022</b>	<b>(1)</b>	<b>719</b>	<b>(4,147)</b>	<b>65,114</b>
Other income/(expenses) and other gain/(losses)- non-EBIT determinants	-	927	(44)	-	-	-	883
<b>Operating results from continuing operations</b>	<b>9,028</b>	<b>54,420</b>	<b>5,978</b>	<b>(1)</b>	<b>719</b>	<b>(4,147)</b>	<b>65,997</b>
Financial income	617	293	-	912	1,918	-	<b>3,740</b>
Financial expenses	(72)	(17,840)	(91)	(1,819)	(276)	63	<b>(20,035)</b>
Gains/(Losses) from financial instruments measured at fair value	-	210	-	-	-	-	<b>210</b>
<b>Profit before tax from continuing operations</b>	<b>9,573</b>	<b>37,083</b>	<b>5,887</b>	<b>(908)</b>	<b>2,361</b>	<b>(4,084)</b>	<b>49,912</b>
Income tax expense	(1,103)	(12,022)	(1,223)	270	(493)	-	<b>(14,571)</b>
<b>Net profit for the year from continuing operations</b>	<b>8,470</b>	<b>25,061</b>	<b>4,664</b>	<b>(638)</b>	<b>1,868</b>	<b>(4,084)</b>	<b>35,341</b>
Depreciation	(96)	(24,402)	(28)	(70)	(7)	554	<b>(24,049)</b>
Grants' amortization	-	2,685	-	-	-	-	<b>2,685</b>

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Operating segments	Construction	Electricity from RES	Trade in electric energy	Waste management	E-Ticket	Intersegment Consolidation write-offs	Consolidated Total
<b>30th June 2022</b>							
Segment assets (except of investments)	64,099	1,654,199	151,215	106,240	36,000	(48,527)	<b>1,963,227</b>
Investment in associates and joint ventures	-	4,318	-	-	-	-	<b>4,318</b>
<b>Total assets</b>	<b>64,099</b>	<b>1,658,517</b>	<b>151,215</b>	<b>106,240</b>	<b>36,000</b>	<b>(48,527)</b>	<b>1,967,545</b>
<b>Segment liabilities</b>	<b>19,941</b>	<b>1,295,904</b>	<b>106,121</b>	<b>75,704</b>	<b>21,976</b>	<b>-</b>	<b>1,519,646</b>
Long-term loans	126	881,581	-	59,757	13,512	-	<b>954,976</b>
Short-term loans	-	40,423	-	-	-	-	<b>40,423</b>
Long-term liabilities carried forward	351	66,770	-	10,612	3,524	-	<b>81,257</b>
Cash and cash equivalents	(35,103)	(295,185)	(39,012)	(17,492)	(7,672)	-	<b>(394,464)</b>
Grants to be rebated (Note 21)	-	3,024	-	-	-	-	<b>3,024</b>
Restricted cash (Note 21)	-	(68,146)	(4,240)	(1,320)	(399)	-	<b>(74,105)</b>
<b>Net debt/(surplus)</b>	<b>(34,626)</b>	<b>628,467</b>	<b>(43,252)</b>	<b>51,557</b>	<b>8,965</b>	<b>-</b>	<b>611,111</b>
Lease liabilities	5,255	17,413	37	-	7	-	<b>22,712</b>
Capital expenditures for the year	-	123,791	1	28	-	(4,556)	<b>119,264</b>

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	Construction	Electricity from RES	Trade in electric energy	Waste management	E-Ticket	Intersegment Consolidation write-offs	Consolidated Total
<b>Operating segments</b>							
<b>30th June 2021</b>							
<b>Continuing operations</b>							
<b>Revenue</b>							
Sales of products and services	6,479	98,453	26,583	1,891	6,188	-	139,594
Intersegment revenue	8,549	-	-	-	-	(8,549)	-
<b>Total revenue from continuing operations</b>	<b>15,028</b>	<b>98,453</b>	<b>26,583</b>	<b>1,891</b>	<b>6,188</b>	<b>(8,549)</b>	<b>139,594</b>
Cost of sales	(13,025)	(43,055)	(26,825)	(1,769)	(5,222)	8,454	(81,442)
<b>Gross profit from continuing operations</b>	<b>2,003</b>	<b>55,398</b>	<b>(242)</b>	<b>122</b>	<b>966</b>	<b>(95)</b>	<b>58,152</b>
Administrative and distribution expenses	(350)	(10,409)	(187)	(175)	(347)	-	(11,468)
Research and development expenses	(49)	(2,543)	-	-	-	-	(2,592)
Other income/(expenses) and other gain/(losses)-EBIT determinants	60	3,697	(69)	28	(2)	6	3,720
<b>Operating results (EBIT) from continuing operations</b>	<b>1,664</b>	<b>46,143</b>	<b>(498)</b>	<b>(25)</b>	<b>617</b>	<b>(89)</b>	<b>47,812</b>
Other income/(expenses) and other gain/(losses)- non-EBIT determinants	-	655	(8)	-	-	-	647
<b>Operating results from continuing operations</b>	<b>1,664</b>	<b>46,798</b>	<b>(506)</b>	<b>(25)</b>	<b>617</b>	<b>(89)</b>	<b>48,459</b>
Financial income	245	222	-	610	1,703	-	2,780
Financial expenses	(42)	(13,840)	(14)	(632)	(342)	10	(14,860)
Share of results from associate companies and joint ventures	-	214	-	-	-	-	214
<b>Profit before tax from continuing operations</b>	<b>1,867</b>	<b>33,394</b>	<b>(520)</b>	<b>(47)</b>	<b>1,978</b>	<b>(79)</b>	<b>36,593</b>
Income tax expense	(610)	(6,659)	77	191	(472)	-	(7,473)
<b>Net profit for the year from continuing operations</b>	<b>1,257</b>	<b>26,735</b>	<b>(443)</b>	<b>144</b>	<b>1,506</b>	<b>(79)</b>	<b>29,120</b>
Depreciation	(40)	(23,927)	(16)	(72)	(7)	933	(23,129)
Grants' amortization	-	2,688	-	-	-	-	2,688

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	Constructio n	Electricity from RES	Trade in electric energy	Waste managemen t	E-Ticket	Intersegmen t Consolidatio n write-offs	Consolidated Total
<b>Operating segments</b>							
<b>Discontinued operations</b>							
Turnover and other income from discontinued operations	-	32,132	-	-	-	-	<b>32,132</b>
Net losses for the year from discontinued operations	-	(94,383)	-	-	-	-	<b>(94,383)</b>
<b>Net (losses)/profit for the year from continuing and discontinued operations</b>	<b>1,257</b>	<b>(67,648)</b>	<b>(443)</b>	<b>144</b>	<b>1,506</b>	<b>(79)</b>	<b>(65,263)</b>
	Construction	Electricity from RES	Trade in electric energy	Waste managemen t	E-Ticket	Intersegment Consolidation write-offs	Consolidate d Total
<b>Operating segments</b>							
<b>31<sup>st</sup> December 2021</b>							
Segment assets (except of investments)	79,970	1,542,667	90,428	53,874	43,104	(44,443)	<b>1,765,600</b>
Investment in associates and joint ventures	-	4,318	-	-	-	-	<b>4,318</b>
<b>Total assets</b>	<b>79,970</b>	<b>1,546,985</b>	<b>90,428</b>	<b>53,874</b>	<b>43,104</b>	<b>(44,443)</b>	<b>1,769,918</b>
<b>Segment liabilities</b>	<b>17,283</b>	<b>1,180,388</b>	<b>55,362</b>	<b>56,205</b>	<b>29,037</b>	<b>-</b>	<b>1,338,275</b>
Long-term loans	126	805,739	-	50,992	15,287	-	<b>872,144</b>
Short-term loans	-	40,425	-	-	-	-	<b>40,425</b>
Long-term liabilities carried forward	180	66,946	-	310	3,530	-	<b>70,966</b>
Cash and cash equivalents	(50,860)	(312,169)	(21,406)	(2,567)	(10,407)	-	<b>(397,409)</b>
Grants to be rebated (Note 21)	-	3,024	-	-	-	-	<b>3,024</b>
Restricted cash (Note 21)	-	(59,401)	(77)	(1,316)	(399)	-	<b>(61,193)</b>
<b>Net debt/(surplus)</b>	<b>(50,554)</b>	<b>544,564</b>	<b>(21,483)</b>	<b>47,419</b>	<b>8,011</b>	<b>-</b>	<b>527,957</b>
Lease liabilities	1,876	17,925	43	-	8	-	<b>19,852</b>
Capital expenditures for the year	27	229,112	3	227	3	(11,997)	<b>217,375</b>

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<b>Geographical segments (continuing operations)</b>	<b>Greece</b>	<b>Eastern Europe</b>	<b>USA</b>	<b>Consolidated Total</b>
<b>30/06/2022</b>				
Turnover	186,751	89,292	698	<b>276,741</b>
Non-current assets	1,176,108	106,575	2,512	<b>1,285,195</b>
Capital expenditure	119,072	1	190	<b>119,263</b>
<b>30/06/2021</b>				
Turnover	110,348	29,002	244	<b>139,594</b>
<b>31/12/2021</b>				
Non-current assets	1,025,661	111,876	2,959	<b>1,140,496</b>
Capital expenditure	217,102	19	254	<b>217,375</b>

The turnover in the energy segment, from continuing operations, due to its nature, depends on the legislative framework which is locally in effect with regard to the energy administrators, in both the domestic market and in Bulgaria, Poland.

During the period 01/01/ 2022 - 30/06/2022, an amount of € 70.74 million (25.4%) [01/01/2021 - 30/06/2021: € 71.78 million (51.4%)] of the Group's turnover came from an external customer (Customer A) of the electricity sector.

## 6. INTANGIBLE ASSETS

The summary movement of the intangible fixed assets of the Group and the Company is as follows:

	<b>GROUP</b>		<b>COMPANY</b>	
	<b>2022</b>	<b>2021</b>	<b>2022</b>	<b>2021</b>
<b>Net book value 1st of January</b>	<b>50,909</b>	<b>50,301</b>	<b>2,857</b>	<b>2,283</b>
Additions	208	400	208	332
Disposals/Write offs	(74)	-	-	-
Amortization	(729)	(604)	(241)	(148)
Change due to take over of subsidiary	6,473	-	-	-
Foreign exchange differences	(1)	1	-	-
<b>Net book value 30th of June</b>	<b>56,786</b>	<b>50,098</b>	<b>2,824</b>	<b>2,467</b>

The intangible assets of the Group mainly include licenses for production, installation, and operation of power stations as well as intervention and use rights of areas with forest character, where the Wind Parks are being established with worth of € 55,432 thousand (30/06/2021: € 47,410 thousand). The additions for the first half of 2022 mainly include production licenses for the installation of new RES units of € 6,172 thousand, which are



related to the acquisition of the companies KEY ILIAKI ENERGEIAKI IKE & KASTRAKI ILIAKI ENERGEIAKI IKE (see detailed Note 4.3).

## 7. RIGHT-OF-USE ASSETS

The summary movement of the Group's and the Company's right-of-use assets is as follows:

### Group's right-of-use assets

	GROUP		COMPANY	
	2022	2021	2022	2021
<b>Net book value 1st of January</b>	<b>19,535</b>	<b>11,677</b>	<b>12,158</b>	<b>4,114</b>
Additions and changes due to modification of existing contract	3,757	4,186	3,699	4,073
Depreciation	(627)	(513)	(464)	(254)
Depreciation capitalized on assets	(78)	(22)	-	-
Foreign exchange differences	(48)	33	-	-
<b>Net book value 30th of June</b>	<b>22,539</b>	<b>15,361</b>	<b>15,393</b>	<b>7,933</b>

Depreciation of the Group's right-of-use assets for the period 01/01 - 30/06/2022 has been recorded in Cost of sales for € 284 thousand (€ 259 thousand in the period 01/01 - 30/06/2021), in Administrative and Distribution expenses by € 274 thousand (€ 186 thousand in the period 01/01 - 30/06/2021), in Research and Development expenses by € 68 thousand (€ 67 thousand in the period 01/01 - 30/06/2021) and in the Other income / (expenses) by € 1 thousand (€ 1 thousand in the period 01/01 - 06/30/2021).

Accordingly, the depreciation of the Company's right-of-use assets for the period 01/01 - 30/06/2022 have been recorded in Cost of sales for € 175 thousand (€ 45 thousand in the period 01/01 - 30/06/2021), in Administrative and Distribution expenses by € 220 thousand (€ 135 thousand in the period 01/01 - 30/06/2021), and in Research and Development expenses by € 67 thousand (€ 67 thousand in the period 01/01 - 30/06/2021) and in the Other income / (expenses) by € 1 thousand (€ 1 thousand in the period 01/01 - 30/06/2021).

## 8. TANGIBLE ASSETS

The summary movement of the tangible fixed assets of the assets of the Group and the Company, is as follows:

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	GROUP		COMPANY	
	2022	2021	2022	2021
<b>Net book value 1st of January</b>	<b>983,391</b>	<b>1,346,966</b>	<b>73,645</b>	<b>75,586</b>
Additions	116,098	68,108	2,311	1,648
Borrowing cost	2,958	109	-	8
Disposals/Write offs	(873)	(2,547)	-	-
Dismantling provision	-	92	-	-
Depreciation from discontinued operations	-	(11,915)	-	-
Depreciation	(22,615)	(21,999)	(3,085)	(3,059)
Change due to take over of subsidiary	29	-	-	-
Reductions from loss of control of subsidiaries	-	(536,560)	-	-
Foreign exchange differences	(1,277)	18,040	-	-
<b>Net book value 30th of June</b>	<b>1,077,711</b>	<b>860,294</b>	<b>72,871</b>	<b>74,183</b>

The additions of the Group for the first half of 2022 mainly concern additions of the category "Fixed assets in course of construction" amounting to € 63,510 thousand related to the construction of wind farms with a total capacity of 327 MW in Evia which belong to TERNA ENERGY OMALIES MAE, ENERGEIAKI KAFIREOS EVIAS SA and AIOLIKI KARYSTIAS EVIAS SA.

Additionally, the Group's additions for the period include an amount of € 46,550 thousand which concerns advances to the Company's suppliers from the construction segment, which for the Group are classified as advances for the acquisition of fixed assets.

The amount of € 1,077,711 thousand of the account of the tangible assets of the Group as at 30/06/2022 mainly concerns: (a) "Assets under construction" amounting to € 327,552 thousand for the Group and € 13,803 thousand for Company and (b) "Technological and mechanical equipment" amounting to € 674,039 thousand for the Group and € 50,289 thousand for the Company, which includes Wind Farm wind turbines that have been pledged to credit institutions to secure long-term loans.

The Group and the Company, for the needs of financing their new projects, establish a fictitious pledge on their equipment as well as real encumbrances (usually a mortgage note) on their real estate assets to secure the lenders.

## 9. OTHER LONG-TERM RECEIVABLES

The account Other Long-term Receivables as at 30/06/2022 and 31/12/2021 is analyzed as follows:

	GROUP		COMPANY	
	30/06/2022	31/12/2021	30/06/2022	31/12/2021
Loans to subsidiaries of the Group and other related companies	5	5	135,170	120,464
Guarantees granted	2,902	2,603	1,797	1,835
Other long-term receivables	2,892	3,167	2,893	2,893
Impairments	(812)	(812)	(812)	(812)
<b>Total</b>	<b>4,987</b>	<b>4,963</b>	<b>139,048</b>	<b>124,380</b>

The Company participates in bond loan issues of subsidiaries. These loans are being repaid either through bank loans or through premature repayments at their maturity date and carry an interest rate within the range of 3.25% - 4%. During the first half of 2022, the Company did not grant new loans to subsidiaries and the presented change was due to reclassifications of items between the long-term and short-term part of the existing loans (see Note 11).

## 10. FINANCIAL ASSETS – CONCESSIONS

The Group constructs and operates three concession contracts:

**A. Unified Automatic Fare Collection System:** On 29/12/2014, a public and private partnership agreement (PPP) for the study, financing, installation, maintenance and technical management of a Unified Automatic Fare Collection System was signed between the OASA (Athens Transport) Group and the subsidiary Company "HST SA" for the companies of the OASA Group. The total duration of the contract is 12 years and 6 months. The construction and installation was completed in 2017, and during the first half of 2017, the operation started, which is expected to last 10 years and 4 months. During the project, the company performs additional construction works on the fare collection system in the OASA line extensions.

**B. Urban Waste Treatment Plant of the Region of Epirus:** On 21/07/2017 a public and private partnership agreement (PPP) was signed between the EPIRUS REGION and the subsidiary company "AEIFORIKI EPIRUS MONOPROSOPI SPECIAL PURPOSE SOCIETE ANONYME", for the implementation of the project for the Urban Waste Treatment Plant of the Region of Epirus. The contract is executed in two periods, the period of project and the service period and is of a duration of 27 years. The construction of the project was completed in the 1st quarter of 2019 when the start of the service period was performed.

In particular, on 27/03/2019, the project "Municipal Solid Waste Treatment Plant of Epirus Region" (hereinafter MEA Epirus) commenced commercial operation. The project was implemented by Epirus Region and "Aeiforiki of Epirus" (a 100% subsidiary of TERNA ENERGY company), with the contribution of the Public & Private Partnerships (PPP) Special Secretariat. With Waste Treatment Plant of Epirus, an important part of the Regional Waste Management Plan (PESDA) of Epirus Region has been implemented, in compliance with the National Waste Management Plan (ESDEA) AND European legislation. The maximum annual capacity of MEA Epirus is 105,000 tn. MEA Epirus will be recycling a total of 17,000 tons of appropriate materials and will be producing 10,800 KWh/year of Green Energy, capable of covering the needs of 3,000 families, saving 12,000 tons of CO<sub>2</sub>.

**C. Urban Waste Treatment Plant of Peloponnese Region:** On 14/06/2018, a public and private partnership agreement was signed between the Peloponnese Region and the subsidiary company "PERIVALLONTIKI PELOPONNESE SINGLE MEMBER S.A. for the implementation of the project for the "Integrated Urban Waste Treatment Plant of the Peloponnese Region" for construction and operation of waste management plants comprising three (3) Waste Treatment Units (WTUs) and an equal number of (Landfills) in Arcadia, Messinia and Laconia, as well as two (2) Waste Transfer Stations (WTS) in Korinthia and Argolida. The Partnership Agreement includes study, licensing, financing, construction, insurance, operation and maintenance of the Project for the next 28 years. The construction term of the waste management plants/units is 24 months, and from the 10<sup>th</sup> month after the contract enters into force, and until the completion of the construction of the above Units, a transitional waste management process will start on a single date for all Waste Management Units that will be constructed, in order to alleviate the major problem of waste management in the Peloponnese Region.

The partnership agreement entered into force on 29/01/2021 and was amended on 31/01/2022 in order to contractually provide for the possibility of starting waste management at the time of completion of the construction of each Transitional Management Unit and respectively IWMS Unit. Therefore, on 18/03/2022 a relevant certificate was issued by the Independent Auditor of the project with which the operation of the Transitional Management Unit of Arcadia and the Waste Transfer Station of Argolis began, while on 25/08/2022, following the issuance of a relevant certificate by the Independent Auditor, the Waste Transfer Station of Corinthia was put into operation, while the construction of the Transitional Management Units of Messinia and Laconia and further the construction of the IWMS Units is in progress. This project is implemented with the main aim of providing modern waste management services targeting at protecting the environment, ensuring public health and providing multiple benefits to local communities as development cells of the circular economy.

Detailed information on the accounting policy followed and the concessions mentioned above is presented in Note 4 of the Annual Financial Statements of the Group for the year ended December 31<sup>st</sup>, 2021.

The analysis of the movement of the generated Financial Assets from Concessions as well as the revenue per category are analyzed as follows:

	Unified Automated System for Ticket Collection	Installation of civil waste processing Epirus Region	Installation of civil waste processing Peloponnese Region	Total
<b>Financial Assets - Concessions</b>				
<b>Opening balance as at 1 January 2021</b>	<b>22,179</b>	<b>17,652</b>	<b>7,121</b>	<b>46,952</b>
Increase/(decrease) in financial asset	(2,381)	(1,773)	13,418	9,264
Reversion of discounting	3,631	1,254	266	5,151
Impairment	(1)	(4)	(9)	(14)
<b>Closing balance as at 31st December 2021</b>	<b>23,428</b>	<b>17,129</b>	<b>20,796</b>	<b>61,353</b>
<b>Opening balance as at 1 January 2022</b>	<b>23,428</b>	<b>17,129</b>	<b>20,796</b>	<b>61,353</b>
Increase/(decrease) in financial asset	(3,282)	(765)	22,637	18,590
Reversion of discounting	1,918	650	879	3,447

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<b>Closing balance as at 31st December 2022</b>	<b>22,064</b>	<b>17,014</b>	<b>44,312</b>	<b>83,390</b>
<b>Analysis of revenues per category of year</b>				
Revenue from construction services	1,099	–	5,412	6,511
Revenue from operation services	3,964	1,891	–	5,855
Reversion of discounting	1,703	610	245	2,558
<b>Total</b>	<b>6,766</b>	<b>2,501</b>	<b>5,657</b>	<b>14,924</b>
<b>Analysis of revenues per category of year</b>				
Revenue from construction services	–	–	23,303	23,303
Revenue from operation services	5,135	2,512	909	8,556
Reversion of discounting	1,918	650	879	3,447
<b>Total</b>	<b>7,053</b>	<b>3,162</b>	<b>25,091</b>	<b>35,306</b>

## 11. TRADE RECEIVABLES, RECEIVABLES FROM CONTRACTS WITH CUSTOMERS, PREPAYMENTS AND OTHER RECEIVABLES

### Trade Receivables & Receivables from Contracts with Customers

The changes in trade receivables and receivables from contracts with customers by € 11,603 thousand in comparison to the year 2021, is due to the fact of seasonality affecting the production process mainly in the energy and construction business segments of the Group. These changes vary within normal limits.

### Prepayments and other financial receivables

Prepayments and other receivables of the Group and the Company as of June 30, 2022 and December 31, 2021, are analyzed as follows:

### Prepayments and other financial receivables

	<b>GROUP</b>		<b>COMPANY</b>	
	<b>30/06/2022</b>	<b>31/12/2021</b>	<b>30/06/2022</b>	<b>31/12/2021</b>
Short-term part of receivables from long-term intra-group loans and leases	–	–	7,876	19,920
Restricted cash	81,343	66,191	13,149	8,337
Other intra-group receivables / receivables from other related parties	423	879	5,475	5,367
Other receivables	7,610	845	705	758
Impairments	(1)	(1)	–	–
<b>Total</b>	<b>89,375</b>	<b>67,914</b>	<b>27,205</b>	<b>34,382</b>

**Prepayments and other non-financial receivables**

	GROUP		COMPANY	
	30/06/2022	31/12/2021	30/06/2022	31/12/2021
Prepayments to suppliers	33,180	17,423	11,267	14,455
Prepayments to social security funds	214	204	178	175
VAT for return-offsetting	35,962	38,875	1	-
Receivables from other taxes other than income tax	89	90	-	-
Prepaid expenses and other transitory asset accounts	10,317	9,546	7,835	6,405
Receivables from grants	1,479	1,479	-	-
<b>Total</b>	<b>81,241</b>	<b>67,617</b>	<b>19,281</b>	<b>21,035</b>
<b>Total prepayments and other receivables</b>	<b>170,616</b>	<b>135,531</b>	<b>46,486</b>	<b>55,417</b>

On 30/06/2022, in the item "Short-term component of long-term intragroup loans and finance leases" of the Company, an amount of € 7,701 thousand is included, which concerns the short-term part of receivables from long-term intragroup loans. The item "Other intra-group receivables / receivables from related parties" of the Company, includes amounts of € 4,705 thousand related to approved dividends of subsidiary companies, which, until June 30, 2022, had not been collected (Note 9).

Furthermore, the account "Prepayments to suppliers" of the Group includes an amount of € 31,315 thousand, which concerns advances paid by the subsidiary company OPTIMUS SA to the cooperating electricity producers in the context of their representation on the Energy Exchange (ENEX). It is noted that for the Group, the advances for new wind farms are advances for the acquisition of fixed assets. Therefore, at a consolidated level, they are classified under item "Property, plant and equipment" (see Note 8).

The recorded amounts in the item "Receivables from VAT" are mainly due to the VAT (to be returned or to be offset) which derives from the construction of new projects by the Group's subsidiaries.

Finally, grant receivables relate to investments in Wind Farms which are expected to be collected upon final approval of the completion of the relevant investment plans (see Note 17).

**12. CASH AND CASH EQUIVALENTS**

The cash and cash equivalents of the Group and the Company as of June 30, 2022 and December 31, 2021, are analyzed as follows:

GROUP		COMPANY	
30/06/2022	31/12/2021	30/06/2022	31/12/2021

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Cash in hand	5	2	-	-
Sight deposits	394,460	394,361	119,739	100,536
Time deposits	-	3,046	-	-
<b>Total</b>	<b>394,465</b>	<b>397,409</b>	<b>119,739</b>	<b>100,536</b>

The Group's cash and cash equivalents includes amounts for return, of € 3,024 thousand (2020: € 3,024 thousand), which relate to grants received by the subsidiary companies, due to cancellation of construction or expiration of the time limits set by the decisions of inclusion of certain Wind Parks. The above amount of the grant to be returned has not been reimbursed until the date of approval of the attached financial statements, as the relevant audit by the competent services has not been completed.

In addition, the Group and the Company maintain on 30/06/2022 restricted deposits, amounting to € 81,343 thousand and € 13,149 thousand respectively (31/12/2021: € 66,191 thousand for the Group and € 8,337 thousand for the Company), which are held in specific bank accounts to service their short-term operational and financial obligations. These restricted deposits are classified under the item "Advances and other receivables" (Note 11). Of the above restricted deposits, those directly related to the borrowing/debt amount to € 74,105 thousand for the Group and € 11,229 thousand for the Company on 30/06/2022.

On 30.06.2022, the Group's Cash and Cash Equivalents also included the unallocated amount of €10.7 million from the issuance of the €150 million TSO (see Table of Raised TSO Capital of the Interim Condensed Financial Statements of the company TERNA ENERGY MAEX).

### 13. BORROWINGS

Changes in short-term and long-term borrowings of the Group and the Company as at 30/06/2022 and 30/06/2021 are summarized as follows:

	GROUP		COMPANY	
	30/06/2022	30/06/2021	30/06/2022	30/06/2021
<b>Long-term loans</b>				
<b>Opening balance</b>	<b>872,144</b>	<b>857,232</b>	<b>389,790</b>	<b>343,792</b>
New loans	133,100	100,076	10,164	12,870
Loan repayment	(8,066)	(7,164)	(8,700)	-
Capitalization of interest	3,189	(785)	498	552
Transfer between long-term and short-term loan	(44,992)	(38,648)	(5,905)	9,747
Interest for the year from discontinued operations (see Note 7.1.5.2)	-	1,954	-	-
Reductions from loss of control of subsidiaries (see Note 7.1.4)	-	(196,875)	-	-
Foreign exchange differences	(398)	5,655	-	-

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<b>Closing balance (a)</b>	<b>954,977</b>	<b>721,445</b>	<b>385,847</b>	<b>366,961</b>
<b>Long-term liabilities carried forward</b>				
<b>Opening balance</b>	<b>70,966</b>	<b>69,364</b>	<b>14,318</b>	<b>31,467</b>
Loan repayment	(34,623)	(38,695)	(6,103)	(7,033)
Capitalization of interest	(21)	(119)	2,698	2,140
Transfer between long-term and short-term loan	44,992	38,648	5,905	(9,747)
Interest for the year from discontinued operations (see Note 7.1.4, 7.3.5)	-	5,142	-	-
Reductions from loss of control of subsidiaries	-	(6,083)	-	-
Foreign exchange differences	(58)	127	-	-
<b>Closing balance (b)</b>	<b>81,256</b>	<b>68,384</b>	<b>16,818</b>	<b>16,827</b>
<b>Short-term loans</b>				
<b>Opening balance</b>	<b>40,425</b>	<b>27,487</b>	<b>40,425</b>	<b>10,013</b>
New loans	-	24,054	-	10,000
Loan repayment	-	(3,726)	-	-
Capitalization of interest	(2)	(464)	(2)	143
Interest for the year from discontinued operations (see Note 7.1.5)	-	393	-	-
Reductions from loss of control of subsidiaries (see Note 7.1.4)	-	(28,264)	-	-
Foreign exchange differences	-	713	-	-
<b>Closing balance (c)</b>	<b>40,423</b>	<b>20,193</b>	<b>40,423</b>	<b>20,156</b>
<b>Total loans (a) +(b) +(c)</b>	<b>1,076,656</b>	<b>810,022</b>	<b>443,088</b>	<b>403,944</b>

The Group's long-term loans mainly concern financing its business activities and mainly pertain to financing construction and operation of installations in relation to renewable energy sources as well as to waste management facility installations. The Group's short-term loans pertain to bank borrowings received at regular intervals and renewable in proportion to the needs. Collected amounts are mainly used in order to cover liquidity needs during the Wind Farms construction period of the Group's energy sector.

All loans are recognized at amortized cost. The Group estimates that the fair value of the above loans does not significantly differ from their carrying amount.

To secure the Group loans, Wind Farms generators are collateralized, as well as cash while insurance contracts, receivables from the sale of electric energy to ENEX, DAPEEP or DEDDIE and debt securities (subsidiaries' bonds owned by the parent company and subsidiaries' shares) are pledged to banks. In the context of this form of financing, the Group's companies maintain a series of restricted bank accounts, which serve the above liabilities. The submitted collaterals exceed the amount of the Group's loan liabilities.

As at 30/06/2022, the total borrowings include amounts of subordinated loans (non-recourse debt to the parent company) of € 461,776 thousand, while the amounts of loans with the right of recourse to the parent company



(recourse debt) amount to € 614,880 thousand. The loans guaranteed by the parent company include the common bond loan of TERNA ENERGY FINANCE SPSA issued in 2019, with a total unamortized value on 30 June 2022 of € 148,241 thousand.

Regarding the Group's long-term debt, with a total unamortized value of € 1,036,232 thousand (long-term loan liabilities plus long-term loan liabilities payable in the next financial year): (a) 97.67% has been contracted in Greece and is in Euro, (b) 2.02% has been contracted in Poland and is in PLN and (c) 0.31% has been contracted in Bulgaria and is in EUR. Of the total long-term debt at the end of the period under consideration, the Group's fixed-rate loans make up 41.79%, the floating-rate loans that have been hedged through derivatives with which future fixed-rate payments are exchanged against floating-rate receivables represent 27.51%, while the remaining part of 30.70% concerns floating interest loans based on euribor or wibor depending on the case.

The weighted average interest rate of the Group's long-term debt for the periods ended 30/06/2022 and 30/06/2021 was 3.12% and 3.20% respectively. The weighted average interest rate on short-term debt settled at 3.35% and 3.35% for the years 2022 and 2021, respectively.

The total interest on the above loans for the periods ending on 30/06/2022 and 30/06/2021 settled at €17,110 thousand and €12,387 thousand respectively for the Group, and at €8,192 thousand and €7,328 thousand respectively (see Note 22).

The Company's long-term loans also include the loans received from its subsidiaries, with unamortized value of €318,519 thousand as of June 30, 2022.

The significant changes in the loan obligations of the Group and the Company for the six-month period that ended on 30/06/2022 are presented below.

### **New Borrowings**

Within the financial year 2022, a new loan of € 133,100 thousand was undertaken in the Group of which amount of € 18,900 thousand was granted from financial institutions while the remaining amount of € 114,200 thousand was granted from the parent company of GEK TERNA SA Group. The proceeds were allocated to the funding of investments in subsidiaries' wind parks as well as to the construction of the urban waste treatment facilities in the Peloponnese Region, and specifically:

- For the wind farms "MILIA", "TSOUKA-MANDRAGIARA", "TSOUKA-SKOURA", "DOUGZA-ANTIAS", "MOURIZA-MEGALI PETRA-VRANOULI" and "VIOS-KALAMAKI-BATHRIZA" of the subsidiary ENERGIKI KAFIREOS SA, a bond loan with nominal value of € 29,200 thousand was drawn on to cover its cash flow needs, based on the loan agreements signed within the year 2022. These loan agreements expire in July 2024. The interest rate was determined with a fixed margin.
- For the wind farms "OMALIES I", "OMALIES II", "KORAKOVRACHOS I", "KORAKOVRACHOS II", "DEXAMENES II", "MILZA", "PRARO", "MOLIZEZA", "KALAMAKI I" and "KALAMAKI II" of the subsidiary ENERGIKI OMALIES MAE, a bond loan with nominal value of € 85,000 thousand was drawn on in order to cover its cash flow

needs, based on the loan agreements signed within the year 2022. These loan agreements expire in July 2024. The interest rate was determined with a fixed margin.

- For the financing needs of the subsidiary company PERIVALLONTIKI PERLOPONNESE SA in the context of implementation of construction in the urban waste treatment facilities of Peloponnese Region, a bond loan with a nominal value of € 18,900 thousand was granted. The duration of the loan was set at 20 years, ending in 2041. The interest rate was set at 6-month Euribor plus margin.

The Group has the obligation to comply with specific financial ratios relating to bond loans. As at 30 June 2022, the Group was in full compliance with the required limits of these ratios, according to the provisions of the respective loan agreements.

#### 14. LEASE LIABILITIES

The movement of lease liabilities for the period ended June 30, 2022 is presented as follows:

	GROUP		COMPANY	
	30/06/2022	30/06/2021	30/06/2022	30/06/2021
<b>Opening balance</b>	<b>19,853</b>	<b>11,782</b>	<b>12,477</b>	<b>4,416</b>
Additions and changes due to modification of existing contract	3,629	3,942	3,578	3,830
Repayments under lease agreements	(1,219)	(933)	(766)	(481)
Financial cost for the year	441	277	290	122
Interest capitalized on assets	63	44	-	8
Foreign exchange differences	(55)	35	-	-
<b>Closing balance</b>	<b>22,712</b>	<b>15,147</b>	<b>15,579</b>	<b>7,895</b>

The Group and the Company, for the period 01/01/2022 - 06/30/2022, recognized expenses from short-term leases for the amount of € 832 thousand and € 1,435 thousand respectively, while there were no leases of low value fixed assets.

#### 15. FINANCIAL DERIVATIVES

In the context of managing and minimizing financial risks, the Group has entered into interest rate swaps. Interest rate swaps aim at hedging the risk of negative fluctuations in future cash outflows arising from interest on loan contracts entered into within the course of operations, mainly in RES electricity generation sector in Greece. Considering the purpose of these derivatives, i.e. cash flow hedges, hedge accounting was used and their fair value was measured.

The Group and the Company financial derivatives as at 30/06/2022 and 31/12/2021 are analyzed as follows:

	GROUP		COMPANY	
	30/06/2022	31/12/2021	30/06/2022	31/12/2021
<b>Liabilities from derivatives</b>				
- Cash flow hedging				
Interest Rate Swaps	200	3,657	23	720
Fixed for floating swap contracts	14,365	5,164	14,365	5,164
<b>Total liabilities from derivatives</b>	<b>14,565</b>	<b>8,821</b>	<b>14,388</b>	<b>5,884</b>
<i>Long-term liabilities from derivatives</i>	<i>9,166</i>	<i>2,162</i>	<i>9,166</i>	<i>158</i>
<i>Short-term liabilities from derivatives</i>	<i>5,399</i>	<i>6,659</i>	<i>5,222</i>	<i>5,726</i>
	GROUP		ENTITY	
	30/06/2022	31/12/2021	30/06/2022	31/12/2021
<b>Receivables from derivatives</b>				
- Cash flow hedging				
Interest Rate Swaps	19,927	1,546	378	-
<b>Total receivables from derivatives</b>	<b>19,927</b>	<b>1,546</b>	<b>378</b>	<b>-</b>
<i>Long-term receivables from derivatives</i>	<i>18,709</i>	<i>1,409</i>	<i>378</i>	<i>-</i>
<i>Short-term receivables from derivatives</i>	<i>1,218</i>	<i>137</i>	<i>-</i>	<i>-</i>

The aforementioned financial instruments are measured at their fair value (see Note 25).

During the interim period ending June 30, 2022, a total profit of € 210 thousand was recognized from changes in the fair value of Fixed for floating swap contracts. This result is included in the account "Profit/(Loss) from financial instruments valued at fair value". Total changes in fair value recognized in other comprehensive income amounted to profit of € 11,531 thousand (2021: losses of 38,642 thousand).

### 15.1 Forward Interest Rate Swaps

In order to manage the interest rate risk it is exposed to, the Group has entered into forward interest rate swaps.

The objective of interest rate swaps is to offset the risk of adverse cash flows of future cash flows arising from interest on loan contracts entered into as a result of activities, in particular the electricity generation sector. Specifically, interest rate swaps relate to contracts whereby the variable interest rate on the loan is converted to fixed over the entire term of the loan, so that the Group is protected against any increase in interest rates. The fair value of these contracts was estimated by displaying the effective interest rate (euribor) curve as of 30/06/2022 throughout the time horizon of such contracts.

The fair value of these contracts as at 30/06/2022 amounted to a total net Receivable of € 19.727 thousand (with the total nominal value of the contracts amounting to € 262,667 thousand for Greece and Bulgaria). As at 30/06/2022, these derivatives met the requirements for cash flow hedging, in accordance with the provisions of IFRS 9 and from their measurement at fair values a profit of € 20,942 thousand (first half of 2021: loss € 38,642 thousand) was recognized in the item "Cash flow hedging" in the other comprehensive income. These financial liabilities are classified in the fair value hierarchy at level 2 (see Note 25).

## 15.2 Derivatives for hedging changes in energy market prices

### 15.2.1 Fixed for floating swap contract "HERON EN.A" and "HERON EN.A BUSINESS" programs

Within 2021, TERNA ENERGY Group entered into contracts for the sale of production of Renewable Energy Sources (RES) with HERON ENERGY SA for 25 and 20 years as part of their cooperation in the "HERON EN.A" and "HERON EN.A BUSINESS" programs » respectively. According to the said agreements, TERNA ENERGY Group will receive fixed cash flows from the two programs, while paying the fluctuating cash flows (Proxy Market Revenues) to HERON ENERGY (fixed for floating swap contract).

The fair value of these derivatives on 30/06/2022 amounted to a total liability of € 14,365 thousand. On 30/06/2022, the above derivatives met the requirements for cash flow hedging, in accordance with the provisions of IFRS 9. From their measurement at fair value, a loss of € (9,411) thousand for the effective part and a gain of € 210 thousand for the non-effective part was recognized in the item "Cash flow hedging" in the other comprehensive income. This financial liability has been classified in the fair value hierarchy at level 3 (see Note 25).

## 16. OTHER PROVISIONS

Changes in other provisions of the Group and the Company in the six-month period ended as at 30 June 2022 and 30 June 2021 respectively are briefly recorded below as follows:

	GROUP		COMPANY	
	2022	2021	2022	2021
<b>Balance 1st January</b>	<b>18,071</b>	<b>21,346</b>	<b>4,954</b>	<b>4,309</b>
Provision recognized in the income statement	431	439	111	105
Provision recognized in tangible assets	-	92	-	-
Provisions used	(169)	-	(169)	-
Provisions from discontinued operations	-	145	-	-
Reductions from loss of control of subsidiaries	-	(5,133)	-	-
Foreign exchange differences	(49)	180	-	-
<b>Balance 30th June</b>	<b>18,284</b>	<b>17,069</b>	<b>4,896</b>	<b>4,414</b>

The above provisions of the Group are presented in their entirety, as long-term provisions. With the exception of the provision for environmental rehabilitation, all the other provisions are not recorded at discounted amounts as there is no accurate estimate of their payment time.

The companies of the Group's energy sector are under obligation to proceed with environmental rehabilitation in locations, where the Wind Farms, producing electricity, are installed, and following the completion of this phase, based on the effective licenses granted by the states where the Wind Farms have been installed. The

above provision on 30/06/2022 amounted for the Group to € 17,123 thousand (30/06/2021 € 16,174 thousand) and for the Company to € 3,870 thousand (30/06/2021 € 3,654 thousand) and reflects the discounted value of the expenses required for the removal of equipment and restoration of the area in which the equipment used to be installed,, using current technology and materials.

The remaining amount of the provisions is related to provisions for pending legal cases and any tax inspection differences (Note 28).

## 17. GRANTS

Changes in the grants of the Group and the Company as at 30/06/2022 and 30/06/2021 are briefly described as follows:

	GROUP		COMPANY	
	2022	2021	2022	2021
<b>Balance 1st January</b>	<b>76,736</b>	<b>82,140</b>	<b>16,398</b>	<b>17,657</b>
Amortization recognized in the Income	(2,685)	(2,688)	(629)	(629)
Foreign exchange differences	(71)	33	-	-
<b>Balance 30th June</b>	<b>73,980</b>	<b>79,485</b>	<b>15,769</b>	<b>17,028</b>

Grants relate to government grants for the development of Wind Farms and are amortized in the Income Statement for the period they refer to, according to the depreciation rate of granted fixed assets. The above grants are being amortized in the revenue side only to the extent which corresponds to any fully completed and operating wind farms.

The “Grants” include approved though not collected grants, totaling € 1,479 k, classified as “Prepayments and other receivables” (see Note 11). These grants were recognized based on the Group Management’s certainty that all the terms and conditions, facilitating their collecting, are complied with and that eventually the amounts will be received following the completion of the relevant investments.

## 18. SUPPLIERS, ACCRUED AND OTHER LONG-TERM AND SHORT-TERM LIABILITIES

### SUPPLIERS

The accrued and other short-term liabilities of the Group and the Company on 30/06/2022 and 31/12/2021 are analyzed as follows:

	GROUP		COMPANY	
	30/06/2022	31/12/2021	30/06/2022	31/12/2021

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Suppliers	91,858	138,326	62,227	77,007
<b>Total</b>	<b>91,858</b>	<b>138,326</b>	<b>62,227</b>	<b>77,007</b>

Liabilities to suppliers mainly relate to obligations related to the construction and operation of renewable wind and hydroelectric power plants, photovoltaic farms, and other Renewable Energy Sources (RES).

The fluctuations seen in the liabilities to suppliers at the Group and Company level for the six-month period ended 30/06/2022 are mainly due to the construction activity of the Group and more specifically to the construction of the wind farms in the area of South Evia as well as the construction of the PPP project "Integrated Waste Management of the Peloponnese Region".

**ACCRUED AND OTHER LONG-TERM AND SHORT-TERM LIABILITIES**

The item "Other long-term liabilities" of Interim Condensed Financial Statements as of 30/06/2022 amounting to € 16,839 thousand (31/12/2021: € 10,606 thousand) refers to a contingent consideration obligation related to the acquisition of the companies "Terna Energy Omalies MAE", "KEY Iliaki Energeiaki IKE" and "Kastraki Iliaki Energeiaki IKE". This obligation appears discounted utilizing an appropriate discount rate of 6.14% for "Terna Energy Omalies MAE" and 8.03% for "KEY Iliaki Energeiaki IKE" and "Kastraki Iliaki Energeiaki IKE". The fair value of the liability for the contingent consideration will be measured on each reporting date and until the date of its final measurement and payment, i.e. until 31/07/2023 for "Terna Energy Omalies MAE" and 31/12/2023 for the other two companies.

Accrued and other short-term liabilities of the Group and the Company as at 30/06/2022 and 31/12/2021 are analyzed as follows:

	<b>GROUP</b>		<b>COMPANY</b>	
	<b>30/06/2022</b>	<b>31/12/2021</b>	<b>30/06/2022</b>	<b>31/12/2021</b>
<b>Accrued and other short-term financial liabilities</b>				
Liabilities from dividends payable and return of capital	39,619	229	39,619	229
Other liabilities to related parties	141	257	8	136
Employee fees due	460	431	394	384
Accrued expenses	74,032	10,318	5,337	1,327
Sundry creditors	7,105	1,036	2,024	417
<b>Total</b>	<b>121,357</b>	<b>12,271</b>	<b>47,382</b>	<b>2,493</b>
	<b>GROUP</b>		<b>COMPANY</b>	
	<b>30/06/2022</b>	<b>31/12/2021</b>	<b>30/06/2022</b>	<b>31/12/2021</b>
<b>Other short-term non-financial liabilities</b>				
Liabilities from taxes-duties other than income tax	7,799	12,265	3,018	5,593
Social security funds	375	560	290	466
Grants to be returned (Note 12)	3,024	3,024	-	-
Provisions for loss-bearing construction contracts	2,999	2,999	2,999	2,999

<b>Total</b>	<b>14,197</b>	<b>18,848</b>	<b>6,307</b>	<b>9,058</b>
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On 30/06/2022, the "Accrued expenses" account includes liabilities of € 60,899 thousand from accrued transactions from the sale of electric energy of the producers being represented by the Group's company OPTIMUS S.A.. The amount in question with the producers, was settled within July of 2022.

The account "Liabilities from dividends payable and return of capital " includes an amount of € 39,391 thousand which concerns liabilities for dividend distribution in accordance with the June 22, 2022 decision of the Ordinary General Meeting of Shareholders (See Note 19).

## 19. SHARE CAPITAL – EARNINGS PER SHARE AND RESERVES

### SHARE CAPITAL – EARNINGS PER SHARE

As of 30/06/2022, the share capital of the Company amounts to € 34,756,527.00 divided into 115,855,090 common registered voting shares, with a nominal value of € 0.30 each. The share premium amounts to € 209,870 thousand as of 30/06/2022.

### Dividend Distribution

On 22/06/2022 the Ordinary General Meeting decided to distribute profits and reserves of total amount € 39,390,730.60 namely € 0.34 per share in accordance with article 162 par. 3 of Law 4548/2018. The respective amount is subject to a withholding tax of 5%, in accordance with article 24 of Law 4646/2019 and therefore the shareholders are entitled to a total net amount of € 0.323000 per share. This amount will be increased with the dividend corresponding to the 379,181 treasury shares held by the Company. Therefore the shareholders received on 11 July 2022 a total amount € 0.341116437 per share namely total net amount of € 0.324060615 per share.

### Earnings per Share

Basic earnings per share as reported in the Statement of Comprehensive Income of the Interim Condensed Financial Statements as of 30<sup>th</sup> June 2022, were calculated using the weighted average number of common shares, less the weighted average number of treasury shares. No adjustment is made to earnings (numerator). Finally, there are no diluted earnings per share for the Group and the Company, for the six-month period that ended as of 30/06/2022 and for the corresponding comparative six-month period.

### Reserves

The Company's reserves include Statutory Reserve, Treasury Shares Reserve, Foreign Exchange Reserves, Hedging Reserves, Actuarial Gain/(Loss) Reserves, Development and Tax Legislation Reserves and Share based

payments reserves. In the Statement of Changes in Equity of the Interim Condensed Financial Statements as of 30<sup>th</sup> June 2022 of the Group, a transfer from the Reserves account to the Retained earnings account of € 8,020 thousand refer to distribution of reserves among subsidiaries.

### **Share based payment plan**

The Extraordinary General Meeting on 16.12.2020 of TERNA ENERGY SA approved the distribution of up to two million five hundred thousand (2,500,000) new shares to be issued with capitalization of share premium reserve to Executive Members of the Board of Directors and senior management of the Company due to their contribution to the achievement of financial goals, the implementation of new projects as well as to the increase of the Company's profitability within the three-year period 01.01.2021-31.12.2023.

The Board of Directors was authorized to further determine the beneficiaries, the way to exercise the right and the conditions of the plan, as well as to arrange for all relevant procedural issues towards the implementation of the decision.

The Board of Directors of the Company at its meeting of 19.03.2021, in implementation of the above decision of the Extraordinary General Meeting of Shareholders, accepted the recommendation of the Nominations and Remuneration Committee regarding the Revision of the Remuneration Policy, the Review of the Plan Implementation Period (extension of the Scheme by one year, i.e. ending on 31.12.2024 – the extension of the duration of the scheme, in combination with its inclusion in the Remuneration Policy was approved by the Regular General Meeting of the Company's Shareholders on 23.06.2021), the conditions for the implementation of the Plan, as well as the Criteria – Objectives of the Plan (refer to the fulfilment of performance conditions not related to the market - namely project construction objectives, EBITDA, etc.), as well as regarding the Distribution of the shares by Criterion - Objective.

At the meeting of January 26, 2022, the Board of Directors proceeded with the selection of the beneficiaries of the bonus-share distribution plan as well as the allocation percentages in accordance with the recommendation of the Nominations and Remuneration Committee.

For the valuation of the shares linked to the vesting conditions, which do not include a market condition (non market KPIs), the fair value was determined using the Monte Carlo valuation model. The input data in this model is the share price that on the date of acceptance of the bonus shares scheme had settled at 12.82 euro, the exercise price (0.00 euro)/free distribution, the discount rate or the risk-free rate (-0.26%), the average monthly return of the share which stood at 1.62% and the monthly volatility of the share price that amounted to 1.66%. Based on the above the fair value was determined at price range of 15.08 until 22.66.

The results presented in the Statement of Comprehensive Income, for the six-month period that ended on June 30, 2022, were burdened with the amount of € 13,132 thousand in the context of the implementation of the above program.



**20. INCOME TAX**

The tax rate for legal entities in Greece in both the year 2022 and the year 2021 has settled at 22%.

The effective tax rate differs from the nominal. The calculation of the effective tax rate is affected by several factors, the most important of which are non-exemption of specific expenses, depreciation rates differences, arising between the fixed asset's useful life and the rates defined under CL 4172/2013, and the ability of companies to generate tax-exempted discounts and tax-exempted reserves.

Income tax expense is recorded based on the management's best valuation on the weighted average annual tax rate for a full year. For the Group, the weighted tax rate for the six-month period ended on 30/06/2022 was 29.20%, while it was negative for the Company (4.78%). The negative tax rate for the Company has arisen mainly due to income from dividends of subsidiaries, exempted from income tax. In the corresponding comparative period of 2021, the tax rate for the Group was 20.42% and for the Company (2.82%).

Tax return statement is submitted on an annual basis but declared profits or losses remain provisional until the tax authorities inspect the taxpayer's books and records and issue a final audit report. The Company has received an order from the Tax Authorities for a partial tax audit of the fiscal years 2015, 2016, 2017 and 2018 to be conducted by the Audit Authority for Large Enterprises (KEMEP). The Management estimates that the audit is not expected to have a significant impact on the results of the Company and the Group.

The Group annually estimates any contingent liabilities, expected to arise from the audit of past years, making relevant provisions where appropriate. The Group made provisions of € 560 thousand for tax non-inspected years and the Management believes that apart from the provisions made, any potentially arising tax amounts will not have a significant impact on the Group's and Company's equity, results and cash flows. Information regarding tax non-inspected years is presented in Notes 4 and 27 to the Interim Financial Statements.

**21. OTHER INCOME / (EXPENSES)**

The breakdown of the amount of other income/(expenses) as of June 30, 2022 and 2021, respectively, is listed in the table below:

	<b>GROUP</b>		<b>COMPANY</b>	
	<b>01/01 - 30/06/2022</b>	<b>01/01 - 30/06/2021</b>	<b>01/01 - 30/06/2022</b>	<b>01/01 - 30/06/2021</b>
<b>Other income</b>				
Income from sale of waste material	32	11	185	11
Income from leases	14	14	35	35
Income from transfer of expenses	19	17	3,693	2,684
Income from insurance indemnities	3,952	263	211	193
Income from legal damages	2,193	-	491	-
Income from the forfeiture of guarantees received and penalty clauses	-	94	-	-
Grants amortization (Note 27)	2,685	2,688	629	629

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Income from the grants for expenses (expenses included)	-	116	-	116
Other income	97	717	8	240
Recovery of impairment	-	50	-	50
Foreign exchange differences (credit)	884	647	-	-
<b>Total other income from continuing operations</b>	<b>9,876</b>	<b>4,617</b>	<b>5,252</b>	<b>3,958</b>
Total other income from discontinued operations	-	3,485	-	-
<b>Total other income</b>	<b>9,876</b>	<b>8,102</b>	<b>5,252</b>	<b>3,958</b>
	<b>GROUP</b>		<b>COMPANY</b>	
	<b>01/01 -</b>	<b>01/01 -</b>	<b>01/01 -</b>	<b>01/01 -</b>
	<b>30/06/2022</b>	<b>30/06/2021</b>	<b>30/06/2022</b>	<b>30/06/2021</b>
<b>Other expenses</b>				
Fees for engineers, studiers, technical consultants and third parties	-	-	(3,309)	(2,585)
Donations-grants	-	(5)	-	(2)
Non accounted for fixed assets depreciation	(1)	(1)	(1)	(1)
Legal damages and litigation costs	(432)	-	-	-
Other	(710)	(239)	-	(186)
Taxes, fees and insurance contributions of previous years and fines and surcharges related to these	(9)	(5)	(4)	(2)
Impairments/write-offs	(1)	-	-	-
Foreign exchange differences (debit)	-	-	(1)	(1)
<b>Total other expenses from continuing operations</b>	<b>(1,153)</b>	<b>(250)</b>	<b>(3,315)</b>	<b>(2,777)</b>
Total other expenses from discontinued operations	-	(148,845)	-	-
<b>Total other expenses</b>	<b>(1,153)</b>	<b>(149,095)</b>	<b>(3,315)</b>	<b>(2,777)</b>
<b>Total other income/(expenses) from continuing</b>	<b>8,723</b>	<b>4,367</b>	<b>1,937</b>	<b>1,181</b>
Total other income/(expenses) from discontinued	-	(145,360)	-	-
<b>Total other income/(expenses)</b>	<b>8,723</b>	<b>(140,993)</b>	<b>1,937</b>	<b>1,181</b>

The Company's account "Fees for engineers, studiers, technical consultants and third parties" amounting to € 3,309 thousand, includes costs of administrative support of the Company for the period 01/01/2022 - 30/06/2022, which are then passed on to the subsidiaries of the Group. Income from the transfer of these expenses is included in the account "Income from the transfer of expenses".

The movement in account "Income from legal damages" is due to the amount received based on the 23.06.2022 Private Irrevocable Settlement Agreement between the subsidiary company TERNA ENERGY A.I. GIORGIS S.A. and the company "SILVER SUN SHIPPING S.A.".

**22. INCOME FROM PARTICIPATIONS INTEREST AND OTHER FINANCIAL INCOME / (EXPENSES)****INCOME FROM PARTICIPATIONS INTEREST**

The account "Fees from participations and other investments" includes the income from dividends that the Company receives from its subsidiaries. The total income from dividends on 30/06/2022 amounts to € 41,675 thousand (30/06/2021: € 27,677 thousand) of which, until the date of approval of the attached Interim Condensed Financial Statements, an amount of € 40,674 thousand had been collected.

**OTHER FINANCIAL INCOME / (EXPENSES)**

The financial income/(expenses) of the Group and the Company as of June 30, 2022 and 2021, respectively, are analyzed as follows:

	<b>GROUP</b>		<b>COMPANY</b>	
	<b>01/01 - 30/06/2022</b>	<b>01/01 - 30/06/2021</b>	<b>01/01 - 30/06/2022</b>	<b>01/01 - 30/06/2021</b>
Interest on short-term Loans	(675)	(241)	(675)	(240)
Interest on long-term Loans	(16,435)	(12,146)	(7,517)	(7,088)
Interest on lease liability	(441)	(305)	(290)	(122)
Expenses from unwinding of provisions and long-term liabilities	(663)	(757)	(344)	(422)
Commissions, bank charges and other expenses	(1,728)	(1,380)	(660)	(362)
Other financial expenses	(93)	(31)	-	-
<b>Financial expenses from continuing operations</b>	<b>(20,035)</b>	<b>(14,860)</b>	<b>(9,486)</b>	<b>(8,234)</b>
<b>Financial expenses</b>	<b>(20,035)</b>	<b>(14,860)</b>	<b>(9,486)</b>	<b>(8,234)</b>
Interest from sight deposits	259	205	1	2
Interest income from bond and other intercompany loans	-	9	2,684	2,335
Income from unwinding of long-term receivables	3,447	2,558	-	-
Other financial income	34	8	296	8
<b>Financial income from continuing operations</b>	<b>3,740</b>	<b>2,780</b>	<b>2,981</b>	<b>2,345</b>
<b>Financial income</b>	<b>3,740</b>	<b>2,780</b>	<b>2,981</b>	<b>2,345</b>
<b>Net financial results from continuing operations</b>	<b>(16,295)</b>	<b>(12,080)</b>	<b>(6,505)</b>	<b>(5,889)</b>
<b>Net financial results</b>	<b>(16,295)</b>	<b>(12,080)</b>	<b>(6,505)</b>	<b>(5,889)</b>

**23. PERSONNEL NUMBER**

The average headcount of full-time employees, in the first half of 2022, was 407 in the Group and 340 in the Company (341 and 198, respectively, employees in the first half of 2021).

**24. TRANSACTIONS WITH RELATED PARTIES**

The transactions of the Company and the Group with related parties for the period 01/01/2022 - 30/06/2022 and the comparative six-month period 01/01/2021 - 30/06/2021, as well as the other receivables and liabilities arising from such transactions as of 30/06/2022 and 31/12/2021, are as follows:

**The Company's transactions with subsidiaries**

<b>a) Assets</b>	<b>Company</b>	
	<b>30/06/2022</b>	<b>31/12/2021</b>
<b>Amounts in € '000</b>		
Trade receivables	112,393	122,258
Long-term loans	135,170	120,464
Short-term part of receivables from long-term loans	7,701	19,920
Intercompany receivables from cash and other receivables	6,534	5,300
<b>Total</b>	<b>261,798</b>	<b>267,942</b>

  

<b>b) Liabilities</b>	<b>Company</b>	
	<b>30/06/2022</b>	<b>31/12/2021</b>
<b>Amounts in € '000</b>		
Suppliers	1,384	56,210
Long-term loans	314,663	313,199
Long-term liabilities carried forward	3,856	1,061
Other liabilities	52,131	5
<b>Total</b>	<b>372,034</b>	<b>370,475</b>

  

<b>c) Income</b>	<b>Company</b>	
	<b>01/01 - 30/06/2022</b>	<b>01/01 - 30/06/2021</b>
<b>Amounts in € '000</b>		
Income from trading electric energy	17,106	3,290
POC construction material	86,896	10,909
Repairs and maintenance	3,373	3,101
Other services	2,726	1,524
Other income and sales	3,802	3,202
Financial income	2,945	2,335
<b>Total</b>	<b>116,848</b>	<b>24,361</b>

  

<b>d) Expenses</b>	<b>Company</b>	
	<b>01/01 - 30/06/2022</b>	<b>01/01 - 30/06/2021</b>
<b>Amounts in € '000</b>		
Electric energy acquisition cost	13,167	4,653
Fees and other third party expenses	214	35
Other expenses	2	23
Financial expenses	5,608	4,912
<b>Total</b>	<b>18,991</b>	<b>9,623</b>

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e) Revenue from participating interest and other investments	Company	
	01/01 - 30/06/2022	01/01 - 30/06/2021
Amounts in € '000		
Derivative income	41,675	27,677
<b>Total</b>	<b>41,675</b>	<b>27,677</b>

Transactions with other related parties

a) Assets	Group		Company	
	30/06/2022	31/12/2021	30/06/2022	31/12/2021
Amounts in € '000				
Trade receivables	2,013	1,514	2,013	1,430
Loans and Guarantees	5	5	-	-
Prepayments and other receivables	314	277	27	-
<b>Total</b>	<b>2,332</b>	<b>1,796</b>	<b>2,040</b>	<b>1,430</b>

b) Liabilities	Group		Company	
	30/06/2022	31/12/2021	30/06/2022	31/12/2021
Amounts in € '000				
Suppliers	13,652	4,662	13,618	4,455
Long-term loans	254,200	140,000	-	-
Long-term liabilities carried forward	1,286	472	-	-
Other liabilities	6,595	2,843	4,094	599
<b>Total</b>	<b>275,733</b>	<b>147,977</b>	<b>17,712</b>	<b>5,054</b>

c) Income	Group		Company	
	01/01 - 30/06/2022	01/01 - 30/06/2021	01/01 - 30/06/2022	01/01 - 30/06/2021
Amounts in € '000				
Income from construction services	-	593	-	593
Income from trading electric energy	3,527	894	-	-
Other income	35	29	35	29
Financial income	27	9	27	-
<b>Total</b>	<b>3,589</b>	<b>1,525</b>	<b>62</b>	<b>622</b>

d) Expenses	Group		Company	
	01/01 - 30/06/2022	01/01 - 30/06/2021	01/01 - 30/06/2022	01/01 - 30/06/2021
Amounts in € '000				
Electric energy acquisition cost	9,197	53	9,180	-
Fees and other third party expenses	506	1,250	506	697
Other expenses	4,193	159	635	310
Financial expenses	25	4	25	2
<b>Total</b>	<b>13,921</b>	<b>1,466</b>	<b>10,346</b>	<b>1,009</b>

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The most significant transactions and balances of the Company with its subsidiaries as at 30/06/2022 are presented below:

		ASSETS	LIABILITIES	INCOME	EXPENS ES
TERNA ENERGY FINANCE SA	Subsidiary	-	147,673	-	2,654
AIOLIKI PANORAMATOS DERVENOCHORION S.A.	Subsidiary	311	25,513	7,886	617
ENERGIAKI SERVOUNIOU SA	Subsidiary	144	16,167	3,267	447
TERNA ENERGY EVROU SA	Subsidiary	119	38,352	7,745	721
AIOLIKI MARMARIOU EVIAS SA	Subsidiary	17,305	1	587	-
ENERGIAKI DYSTION EVIAS SA	Subsidiary	10,122	21	471	-
AIOLIKI KARYSTIAS EVOIA S.A.	Subsidiary	2,556	-	1,247	-
ENERGEIAKI KAFIREOS EVIAS SA	Subsidiary	20,078	28,197	8,743	-
ENERGIAKI STYRON EVIAS SA	Subsidiary	13,700	-	369	-
ENERGIAKI NEAPOLEOS LAKONIAS S.A.	Subsidiary	3,411	-	479	3
AIOLIKI EASTERN GREECE SA	Subsidiary	13,053	18	634	-
AIOLIKI PASTRA ATTIKIS AE	Subsidiary	97	6,570	5,613	78
ENERGIAKI PELOPONNISOU S.A.	Subsidiary	14,957	-	6,284	6
TERNA ENERGY SA & SIA PROVATA TRAIANOUPPOULEOS	Subsidiary	19,453	45	625	-
AIOLIKI DERVENI TRAIANOUPPOULEOS S.A.	Subsidiary	176	4,614	240	82
ENERGIAKI FERRON EVROU S.A.	Subsidiary	51	11,606	108	187
AIOLIKI ILIOKASTROU S.A.	Subsidiary	184	6,713	128	102
EUROWIND S.A.	Subsidiary	117	17,642	132	302
TERNA ENERGY AI-GIORGIS SA	Subsidiary	1,015	-	7,589	19
TERNA AIOLIKI AMARINTHOU SA	Subsidiary	1,423	1	294	1
PERIVALLONTIKI PELOPONNISOU MAE	Subsidiary	27,712	19,772	19,861	-
AEIFORIKI IPIROU MAEES	Subsidiary	10,612	16	2,212	24
OPTIMUS ENERGY SA	Subsidiary	5,564	4,295	14,429	137
TERNA ENERGY OMALIES MAE	Subsidiary	61,842	-	59,537	-
TETRA DOOEL SKOPJE	Subsidiary	14,532	837	2,780	12,788
PROENTRA D.O.O BEOGRAD	Subsidiary	6,106	103	9	103
		<b>244,640</b>	<b>328,156</b>	<b>151,269</b>	<b>18,271</b>

**Remuneration of Board of Directors members and senior executives of the Company:** The fees of the Board of Directors members and senior executives for the periods 01/01-30/06/2022 and 01/01-30/06/2021 are presented below:

	Group		Company	
	01/01 - 30/06/2022	01/01 - 30/06/2021	01/01 - 30/06/2022	01/01 - 30/06/2021
Fees of Board of Directors	1,492	1,190	1,370	1,080
Remuneration granted to executives who are executive members of the Board of Directors	462	549	336	359
	<b>1,954</b>	<b>1,739</b>	<b>1,706</b>	<b>1,439</b>

The Statement of Comprehensive Income, for the six-month period that ended on 30<sup>th</sup> June 2022, was burdened with the amount of € 13,132 thousand, which concerns the program of the share based payment program (Note 19).

## 25. FAIR VALUE MEASUREMENT

### Measurement of Fair Value of Financial Instruments

Financial assets and financial liabilities measured at fair value in the Group's Statement of Financial Position are classified under the following 3 level hierarchy in order to determine and disclose the fair value of financial instruments per valuation technique:

The Group has adopted the revision of IFRS 7 regarding the fair value hierarchy of the financial instruments at the following levels:

**Level 1:** at fair value based on quoted (unadjusted) prices in active markets for comparable assets or liabilities.

**Level 2:** at fair value, using valuation techniques for which all inputs that significantly affect the fair value, are based (either directly or indirectly) on observable market data.

**Level 3:** at fair value, using valuation techniques, in which the data that significantly affects the fair value, is not based on observable market data.

The Group's and the Company financial assets and financial liabilities measured at fair value as at 30/06/2022 and 31/12/2021, classified in the aforementioned levels of hierarchy, are as follows:

#### 30th June 2022

Financial Assets	Stage 1	Stage 2	Stage 3	Total
Other short-term investments	5,468	-	-	5,468
Investments in equity interests	-	-	2,833	2,833
Receivables from derivatives	-	19,927	-	19,927
<b>Total</b>	<b>5,468</b>	<b>19,927</b>	<b>2,833</b>	<b>28,228</b>
<b>Financial Liabilities</b>				
Liabilities from derivatives	-	200	14,365	14,565
Contingent consideration from acquisition of assets	-	-	16,839	16,839
<b>Total</b>	<b>-</b>	<b>200</b>	<b>31,204</b>	<b>31,404</b>
<b>Net Fair Value</b>	<b>5,468</b>	<b>19,727</b>	<b>(28,371)</b>	<b>(3,176)</b>

#### 31st December 2021

Financial Assets	Stage 1	Stage 2	Stage 3	Total
Other short-term investments	1,761	-	-	1,761
Investments in equity interests	-	-	2,583	2,583
Receivables from derivatives	-	1,546	-	1,546

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<b>Total</b>	<b>1,761</b>	<b>1,546</b>	<b>2,583</b>	<b>5,890</b>
<b>Financial Liabilities</b>				
Liabilities from derivatives	–	3,657	5,164	<b>8,821</b>
Contingent consideration from acquisition of assets	–	–	10,549	<b>10,549</b>
<b>Total</b>	<b>–</b>	<b>3,657</b>	<b>15,713</b>	<b>19,370</b>
<b>Net Fair Value</b>	<b>1,761</b>	<b>(2,111)</b>	<b>(13,130)</b>	<b>(13,480)</b>

There were no changes in the valuation techniques used by the Group during the current reporting period. Within the years 2022 and 2021 there were no transfers of amounts between fair value hierarchy levels 1 and 2.

The level 2 derivative financial instruments relate to forward rate swap contracts, while those of level 3 relate to a fixed for floating swap contract of the HERON EN.A plan and HERON EN.A BUSINESS plan and the possible consideration from the acquisition of assets (see Note 18). To determine the fair value of the above financial instruments, the Group uses appropriate valuation techniques depending on the category of financial instrument. With regard to forward rate swap contracts, their fair value is measured by reference to market interest rate curves, through valuations by credit institutions and in combination with internal valuation using interest rate curves. With regard to the fixed for floating swap contracts of the HERON EN.A plan and HERON EN.A BUSINESS plan, their fair value is determined using future market prices and discounting their estimated future value at present value.

The determination of the fair value of the contingent consideration from acquisition of assets (see Note 4), was determined based on the probability-weighted payout approach, on the date of acquisition. The fair value of the consideration on June 30, 2022 was determined at € 16,839 thousand and was measured at its present value using appropriate discount rates of 6.14% for TERNA ENERGY OMALIES MAE and 8.03% for the companies KEY ILIAKI ENERGEIAKI IKE and KASTRAKI ENERGEIAKI IKE. The fair value of the liability for the contingent consideration is measured at each reporting date and until the date of final measurement and payment. These dates are estimated to be no later than 31/07/2023 for TERNA ENERGY OMALIES MAE and 31/12/2023 for the companies KEY ILIAKI ENERGEIAKI IKE and KASTRAKI ILIAKI IKE.

### Valuations at fair value through Level 3

The movement of financial instruments classified in Level 3 of the Group for the periods ended 2022 and 2021 is presented as follows:



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	30/06/2022			31/12/2021		
	Investments in equity interests	Derivatives	Contingent consideration from acquisition of assets	Investments in equity interests	Derivatives	Contingent consideration from acquisition of assets
<b>Opening balance</b>	<b>2,583</b>	<b>(5,164)</b>	<b>(10,549)</b>	<b>2,752</b>	<b>10,289</b>	<b>(10,290)</b>
- Acquisition	329	(9,201)	(6,892)	375	(5,164)	-
- Payments / Return of capital	-	-	833	(249)	-	-
- (Impairment)	(79)	-	-	(295)	-	-
- Finance cost	-	-	(233)	-	-	(259)
- (Results from discontinued operations (see Note 7.1.5.2))	-	-	-	-	(48,408)	-
- Reductions from loss of control of subsidiaries (see Note 7.3.4)	-	-	-	-	37,554	-
- Foreign exchange differences	-	-	-	-	565	-
<b>Closing balance</b>	<b>2,833</b>	<b>(14,365)</b>	<b>(16,841)</b>	<b>2,583</b>	<b>(5,164)</b>	<b>(10,549)</b>

## 26. EFFECTIVE LIENS

In order to cover financing needs regarding new projects, the Company and the Group issue notional collateral on its current assets as well as liens (usually in the form of mortgages) on its non-current assets as guarantees to the creditors. Additional information regarding such collaterals is presented in Notes 8 and 13.

## 27. CONTINGENT ASSETS AND LIABILITIES

### 27.1 Non audited Tax Years

The Group's tax liabilities are not final as there are non-inspected tax years, which are analyzed in Note 4 to the accompanying Financial Statements. For non-inspected tax years there is the possibility additional taxes and surcharges to be imposed at the time they are inspected and finalized. The Group assesses annually any contingent liabilities that are expected to arise from the tax inspection of past years, making relevant provisions where appropriate. The Group has made provisions for non-inspected tax years of € 560 thousand (31/12/2021: € 560 thousand). Management considers that in addition to the provisions made, any tax amounts that may arise will not have a significant impact on the equity, results and cash flows of the Group and the Company.

Pursuant to relevant tax provisions: a) paragraph 1 of article 84 of law 2238/1994 (non-inspected income tax cases), b) paragraph 1 of article 57 of law 2859/2000 (non-inspected VAT tax cases) and c) paragraph 5 of article 9 of Law 2523/1997 (imposition of penalties for income tax cases), the right of the State to levy tax for the fiscal years up to 2015 has expired on 31 / 12/2021, without prejudice to special or exceptional provisions that may provide for a longer limitation period and subject to the provided conditions.

In addition, in the absence of an existing Stamp Duty Code, the relevant State claim for stamp duty is subject to twenty-year limitation under Article 249 of the Civil Code for cases generated until FY 2013. From 1 / 1.2014 and after the entry into force of Law 4174/2013, the limitation period for the imposition of stamp duty is limited to 5 years, since the procedures for its imposition and collection are now in line with the provisions of the Tax Procedures Code.

The Company has received an order from the Tax Authorities for a partial tax audit of the fiscal years 2015, 2016, 2017 and 2018 to be conducted by the Audit Authority for Large Enterprises (KEMEP). The audit has been completed for the year 2015 and continues for the remaining years. The Management estimates that the audit is not expected to have a significant impact on the financial results of the Company and the Group.

### **Tax Certificate - Tax Compliance Report**

For the years 2011 to 2020, the Group companies operating in Greece and meeting the relevant eligible criteria for the tax audit by the Certified Public Auditors received a Tax Certificate in accordance with paragraph 5 of article 82 of Law 2238/1994 and article 65A par. 1 Law 4174/2013, without substantial differences arising. It is to be noted that according to the circular POL. 1006/2016, the companies that have been subject to the aforementioned special tax audit are not exempted from statutory tax audit by the competent tax authorities. Further, according to the relevant legislation, for the fiscal years 2016 onwards, the audit and the issuance of the Tax Certificate are optional.

For the fiscal year 2021, for the Group companies operating in Greece that have been subject to the optional criteria, they meet the relevant eligibility criteria for auditing the Certified Auditors, this special audit for obtaining the Tax Compliance Report for the fiscal year 2019 is in The relevant tax certificates are foreseen to be issued after the publication of the accompanying Interim Condensed Financial Statements. The Tax Compliance Report will be received upon its final submission by the Certified Auditors to the tax authorities. At the completion of these tax audits, the Management does not expect any significant tax liabilities to arise beyond those that have been recognized in the financial statements of the Group and the Company.

It should be noted that according to POL. 1192/2017, the right of the State to charge tax until the fiscal year 2015 has been limited unless the special provisions of 10 years, 15 years and 20 years of limitation apply.

### **27.2 Commitments from construction contracts**

The outstanding balance of the projects from construction contracts of the Group settles on 30/06/2022 at the amount of € 69.1 million (31/12/2021: € 84.0 million) which includes the outstanding balance (backlog) from concession operational segment contracts of € 66.0 million (31/12/2021: € 66.0 million).

### **27.3 Litigations**

The Company and its consolidated companies are involved (as defendant and plaintiff) in various litigations in the context of their normal operation. The Group makes provisions in the financial statements for outstanding

legal cases when it is probable that an outflow of resources will be required to settle the obligation and that the amount can be estimated reliably.

In this context, the Group recognized as at 30/06/2022 provisions of € 335 thousand (31/12/2021: €335 thousand). The Management, as well as legal consultants, consider that outstanding cases are expected to be settled without significant adverse effects on the consolidated financial position of the Group or the Company, or the results of their operation apart from the provision already made for litigations.

In particular:

#### **Legal claims against the Group/Contingent Liabilities**

##### **TERNA ENERGY S.A.**

- Lawsuit by a total of 19 natural persons against the Company at the Multi-Member Court of First Instance of Athens for the payment of the total amount of € 2,522,500.00 namely for tort law liability €2,332,500.00 and property damage €190,000.00 for moral damage, due to infringement of the plaintiffs' real rights on real estate, due to the Company obtaining a license for the construction of a wind farm in the "Modi" area of Paliokastro in the Municipality of Sitia, Lasithi, Crete. The lawsuit was to be heard on 15.10.2015, when it was postponed at the request of the plaintiffs for 07.12.2017. However, on 15.11.2017 the plaintiffs disclosed a similar lawsuit for the same requested amount, resigning from the previous lawsuit. The new lawsuit was heard on 7-3-2019. Regarding this hearing, Num. 1589/2020 decision was issued, dismissing the lawsuit. The opponents have not filed an appeal and the Company's legal consultants assume that they will not do so.

##### **TERNA ENERGY S.A. and TERNA ENERGY AI GIORGIS S.A.**

- There is a legal lease dispute between an individual and the companies TERNA ENERGY S.A. and "TERNA ENERGY AI GIORGIS S.A.", regarding the lease of the island of Agios Georgios Attica from the other party to TERNA ENERGY. It is to be noted that on the island there is an installation of two wind farms of the subsidiary "TERNA ENERGY AI GIORGIS S.A.", with a total installed capacity of 69 MW. Specifically:
  - Lawsuit filed with date 1/7/2019 at the Athens Single Member Court of First Instance of a natural person against "TERNA ENERGY S.A." and "TERNA ENERGY AI GIORGIS S.A.", which was notified on 31-07-2019 demanding the return of the island of Agios Giorgis, Attica as an alleged rental property allegedly owned by the plaintiff, it was heard on September 6, 2019. Regarding the aforementioned lawsuit, No. 619/2020 decision of the above court was issued, which accepted the lawsuit, and stated that TERNA ENERGY S.A. should return the island of Agios Georgios to the plaintiff or whoever draws rights from it, including "TERNA ENERGY AI GIORGIS SA." (it is understood that TERNA ENERGY S.A. has transferred the Lease to this company, or has subleased a lease to it) and declared the decision temporarily enforceable. On 15.06.2020, "TERNA ENERGY S.A." and "TERNA ENERGY AI GIORGIS S.A." received a court order for voluntary compliance with the above decision, otherwise the court decision would be enforced. The companies "TERNA ENERGY S.A." and

"TERNA ENERGY AI GIORGIS S.A." filed an application for suspension of execution of the above order, requesting an interim injunction, heard on 18 June 2020 and granted on 19 June 2020 until the hearing of the Application for Interim Measures on 28 July 2020, on which the no. 4555/2020 decision was issued that granted the suspension, as well as an appeal against the decision no. 619/2020, on which it was issued the no. 548/2021 decision of the Court of Appeal of Athens, which accepted our appeal, canceled the 619/2020 decision, retried the lawsuit and rejected it in its entirety. The opposing party filed the Appeal from 1-3-2021 and with filing number 1293/132/2021, which was discussed at the Supreme Court in the hearing on September 24, 2021 and the 389/2022 decision of the Supreme Court was issued, which annuls the 548/2021 decision and refers to the Court of Appeal for a retrial, which took place on June 7, 2022. With its decision, the Supreme Court did not address any disputed issue (legal or factual) against the companies and did not create a negative for the continuation of the case precedent with the commitment of the Court of Appeal (e.g. ownership of the island, validity of the lease, etc.), but considered that the Court of Appeal had partly contradictory reasons in its decision (559 no. 19 of the Civil Code) because, on the one hand, it accepted that the judgment has become final that the lease contract is invalid, but on the other hand it also had a thought in reference to the "expiration" of the lease. In any case, with the annulment of decision 548/2021, decision no. 4555/2020 of the Athens Single Member Court of First Instance, by which the execution/enforceability of the no. 619/2020 decision has been suspended. Given the generally positive course of the case to date, our opinion is that even before the Court of Appeal, the companies will be vindicated and their appeal will be accepted.

- On 10.07.2020 the same opponent filed a lawsuit against "TERNA ENERGY S.A." and "TERNA ENERGY AI GIORGIS S.A.", requesting the Application for Precautionary Measures, which was also heard on July 28, 2020, with a request for the termination of the Provisional Order as of 19.06.2020 of the Chairman of the Court of First Instance, Maria Skarpou, granted in respect of as of 16.06.2020 Application for Suspension of Enforcement of the companies "TERNA ENERGY S.A." and "TERNA ENERGY AI GIORGIS S.A." or - alternatively - continuation of validity of the above Interim Order under the condition of payment to the applicant of the amount of € 8,931.67 per month as compensation for the use of its property. Both claims were heard on July 28, 2020 and regarding those claims, no. 4555/2020 decision was issued, accepting the application for precautionary measures of "TERNA ENERGY S.A." and "TERNA ENERGY AI GIORGIS S.A.", focusing on the issue of the installation of the latter, based on the protocols and not any type of lease relationship, speculating that this reason will be accepted in the Court of Appeal. A guarantee was ordered to be submitted in favor of the physical entity in the Deposits and Loans Fund, amounting to € 6,000.

-The same opponent, succeeded in issuing against the Company no. 10898/2019 Payment Order of the Judge of the Single Member Court of First Instance of Athens, pursuant to which and from the order dated as at 4/12/2019 placed under a copy of the first executable inventory of the above payment order, the Company was ordered to pay to the other party a total amount of € 369,389.46 plus legal interest. The Company timely filed (GAK 108200/2019 and EAK 13627/2019) an Application for suspension of execution of the above payment order with a request for a temporary order, regarding which the temporary order as of 10.12.2019 of the Chairman of the Single Member Court of First Instance of Athens was issued, granting - temporarily and until the discussion of the above application on 11.03.2020 and given the course of the hearing - a suspension according to article 632 § 3 of the execution of the above payment order no. 10898/2019 setting the condition of the payment of guarantee by the Company amounting to € 50,000 within 15 working days

from the publication of the temporary order. In this regard, a Letter of Guarantee of the NATIONAL BANK OF GREECE SA no. 633/7404778 / C was issued, which was submitted to the Athens Court of First Instance, drafted under no. 519 / 31-12-2019 Guarantee Report. Moreover, the Company has filed an Interruption Lawsuit against the Payment Order (GAK 108204/2019 and EAK 5972/2019) as above under no. 10898/2019. The application for precautionary measures was heard on 11.03.2020 and the validity of the effective interim injunction was extended until the issuance of the relative decision on it. No. 3804/2020 decision was issued, suspending the Payment Order until the issuance of a final decision regarding the case as of 19.12.2019, without the provision of a guarantee, therefore, we will request in court the return of the above letter of guarantee.

- Finally, the same opponent filed a lawsuit EAK 5258/2020 to the Athens Single Member Court of First Instance with filing date 30.06.2020 against "TERNA ENERGY S.A." and "TERNA ENERGY AI GIORGIS S.A.", disclosed on 20/07/2020, under which, on one hand, it waives the lawsuit as of 13.01.2020 against the same parties and on the other hand, demands compensation of € 235,179.65 due to tort, according to article 914 of the Civil Code, reporting the occupation of the island of Agios Giorgis and loss of income from exploitation of the island by the plaintiff. The lawsuit is being heard under the new Code of Civil Procedure and, therefore, the date of hearing has not been defined yet. It is probable that this lawsuit will be rejected.

#### **AIOLIKI STEREAS ELLADOS SA**

- On July 19th, 2021, the Single-Member Court of First Instance in Karpenisi was notified of an Application for injunction measures dated 12/7/2021 and with filing number 23/2021 by natural persons and others (tot. 22) against the Company, the hearing of which has been set for July 29th, 2021 before the above court, with a request for an Interim Order, the hearing of which was scheduled for July 22nd, 2021. The Interim Order issued on July 22nd, 2021 was revoked on July 29th, 2021 and the Application for Injunction Measures was set for September 10th, 2021, when it was actually discussed. An intervention in favor of TERNA ENERGY SA by AIOLIKI STEREAS ELLADOS SA by the Greek State against the opponents was exercised. The Single Member Court of First Instance in Karpenisi ruled that it was materially incompetent and referred the case to the Magistrates' Court. On 31<sup>st</sup> of May 2022, at the Magistrates' Court of Karpenisi from 24-5-2022 and with filing number 8/2022, a summons was notified regarding the above-mentioned request for injunctive measures of natural persons' occupancy (tot. 21) against the Company, which was discussed on 5-7-2022, without a decision having been issued to date. We anticipate the rejection of the request for the interim measures. In addition, on 22.07.2022, it was notified the action of occupation brought before the Magistrate's Court of Karpenisi from 4-7-2022 and with filing number 11/2022 by the same 21 natural persons against the Company. We anticipate the dismissal of this lawsuit.

#### **AEIFORIKI EPIRUS MAEES**

- Epirus Prefecture, with protocol number 45431/142 / 1.4.2019 letter notified the company of a penalty amount of Euro 690,000 due to failure to make available the Epirus Prefecture Waste Treatment Plant Services at the Scheduled Date, in accordance with the terms of 21/07/2017 Agreement. On 23/07/2019, the 19/07/2019 Arbitration Appeal - Appointment of Arbitrator and Invitation of Arbitration Appointment was

handed to Region of Epirus with which AEIFORIKI EPIRUS MAE seeks to declare that the penalty of 690 was unlawfully imposed and to be repaid to the company with the default interest and the following amounts to be paid: (a) € 989 thousand as compensation for positive losses due to the prolongation of the working period, (b) € 697 thousand as compensation for loss of revenue during the above period, (c) € 325 thousand as compensation for the cost of performing additional control tests for MEA Epirus, (d) € 817 thousand as compensation for loss of income during the first year of operation of MEA Epirus, (e) € 1,048 thousand as compensation for loss of income during the second year of operation of MEA Epirus.

After the completion of the discussions, the Arbitration Court issued on March 10, 2022 the relevant decision according to which it awards in favor of the Group company, AEIFORIKI EPIRUS MAEES, the total amount of € 3,111 thousand with legal interest.

Epirus prefecture brought an action for annulment of the above decision in front of the Athens Court of Appeal which will be discussed on 04/04/2023 as well as a request for suspension which will be discussed on 15/11/2022. Meanwhile, the request of Epirus prefecture for the issuance of a temporary order to suspend the payment of the above amount of € 3,111 thousand until the annulment action is heard and the suspension request was rejected by the competent Court.

Also, Epirus prefecture has carried out reductions on the company's fees amounting to € 155,768.36 for the period September - December 2021 and amount of € 289,912.22 for the period January - July 2022.

Based on No. 98106/31.08.2022 declaratory act of the Coordinator of Decentralized Administration of Epirus - Western Macedonia, the Compulsory Solid Waste Management Association of the Administrative Unit of the Epirus prefecture from the publication of the above decision on 05/09/2022 entered into the rights and the obligations of Epirus prefecture in the project as well as the pending trials, dispute resolution or arbitration procedures are continued automatically by the above Compulsory Association.

#### **AIOLIKI MARMARIOU EVIAS S.A.**

- On 06/11/2020, individuals filed before the Magistrate Court of Karystos, prot. number 17/2020, a Lawsuit against the Company with a request to recognize unlawful actions in the specific areas within the installation polygon of "Karabila" Wind Farm, requesting that these areas should be returned and the contractions on them – removed. On the above, the no. 15/2021 decision of the Magistrate Court of Karystos was issued, which postponed the issuance of a final decision and ordered the conduct of an expert opinion on specific issues and the resumption of the discussion. The company's legal advisors anticipate the rejection of this lawsuit.
- Moreover, on 23-10-2020, an individual person filed before the Single Member Court of First Instance of Chalkida the Lawsuit against the company with a request to recognize a conjuncture of rights by 12.5% and draw the company away from the specific areas within the installation polygon of "Karabila" Wind Farm, requesting compensation for non-pecuniary damage at an amount of € 120,000. The lawsuit was discussed on 17/12/2021 and upon it was issued the no. 96/2022 Decision, which rejected the action and sentenced the plaintiff to pay the defendants' legal costs. An appeal has been filed by the opposing parties, which has yet to be determined. The company's legal advisors anticipate the rejection of this appeal.

#### **ENERGIAKI STYRON EVIAS S.A.**

- On 09/06/2020, individuals filed before the Magistrate Court of Karystos, prot. number 2/11-6-2020, a Lawsuit against the Company with the main request for their recognition as nominees and holders by a percentage  $\frac{3}{4}$  the former and  $\frac{1}{4}$  the latter of a real estate area 193.48 sq.m. in the position DERBA EMPROUTE and WXISTIS of the real estate area DE Styron, Municipality of Karystos. Since this is an occupied forest area, managed by the competent Forest Office as public, the company, which has been legally established in the disputed area by the Karystos Forest Office, has appealed to the Greek State to support it in this lawsuit, which, as we estimate, is not going to succeed. The Greek State intervened in the lawsuit in support of the company. The lawsuit was heard on 17/12/2021. They issued the no. 11/2021 preliminary ruling, which undertook the issuance of a final decision and ordered the conduct of an expert opinion on specific matters. The company's legal advisors anticipate the rejection of this lawsuit.

#### **ENERGIAKI DISTYON EVIAS S.A.**

- Natural persons had filed before the Magistrates Court of Tamineon an application -with filing number 9/2021- for taking Injunction Measures following of Disturbance Events in the Prefecture where the above persons are located, against the Company. The case was heard and discussed on September 28, 2021. On the above case, the Court issued the no. 11/2021 Decision which rejected the filed Application.

Also the above, under point (2), natural persons filed before the Magistrates Court of Tamineon a lawsuit - with filing number 17/1-10-2021- for Disturbance Events against the Company. The Decision no. 45/2022 was issued which rejected the lawsuit.

Natural persons have filed before the Single Member Court of First Instance of Chalkida a lawsuit, from 10/09/2020 with general filing number 2431/2020 and special filing number 273/2020, which is directed against the Greek State and our Company, with a request to be recognized their ownership on the Company's property and have the Company expelled from the specific property. The lawsuit was discussed on 19/11/2021 and a relevant decision is expected. The Lawyers of the Company view that the lawsuit will not be successful.

#### **27.4 Guarantees**

In the course of carrying out its activities, the Group issues bank letters of guarantee in order to assure its counterparties of the fulfillment of obligations arising from the terms of its contracts.

The types and amounts (in thousand Euro) of the letters of guarantee issued by the Group to its counterparties as at 30/06/2022 are analyzed in the following table:

Type of Letter of Guarantee	Amount 30/06/2022	Amount 31/12/2021
Insurance of terms of Interconnection and Construction Contracts	182,020	31,931
Guarantees of payment	25,907	5,702
Tender guarantees	5,096	6,584
Guarantees of warranty execution for Agreements of Private and Public Sector	12,800	21,454
Guarantees of warranty execution for Grants	28,560	28,560
Guarantees of warranty execution for Other Agreements	12,211	12,003
<b>Total</b>	<b>266,594</b>	<b>106,234</b>

## 28. EVENTS AFTER THE REPORTING DATE OF STATEMENT OF FINANCIAL POSITION

From 01/07/2022 until the preparation date of the present report, the following significant events took place:

- **Acquisition and establishment of New Companies**

Within July 2022, the Company proceeded to the acquisition of all TEKAL AIOLIKI GP's shares which develops a Wind Park of 21.5MW power in the Pieria Regional Unit.

Within July 2022, the company with the corporate name TERNA ENERGEIAKI ANTLISIOTAMIEUSI I MAE which is the special purpose vehicle for the construction and operation of the pumping- savings projects in the Regional Unit of Aitoloakarnania.

- **Payment of the first instalment for the enhancement of the Pumping-storage Station in Western Greece (Amfilochia)**

At the end of August 2022, the first instalment has been paid, amounting to one hundred million Euro, of the investment aid through the State Investment Scheme was conducted, for the project "Sub-Project 1. Pumping-storage Station in Western Greece (Amfilochia), of 680MW power" that has been included in the Recovery and Resilience Fund.



## 29. APPROVAL OF FINANCIAL STATEMENTS

The condensed interim Standalone and Consolidated Financial Statements for the six-month period ended 30/06/2022 were approved by the Board of Directors of TERNA ENERGY S.A. on 28/09/2022.

Chairman of the Board of Directors	Chief Executive Officer	Executive Member of the Board of Directors	Chief Financial Officer - Operations	Chief Accountant
George Peristeris	Emmanouil Maragoudakis	Aristotelis Spiliotis	Emmanouil Fafalios	Artan Tzanari
ID No. AB 560298	ID No. AB 986527	ID No. AK 127469	ID No. AK 082011	ID No. AM 587311 License Reg. No A' CLASS 064937