TERNA ENERGY FINANCE SINGLE PERSON SOCIETE ANONYME

ANNUAL FINANCIAL REPORT

For the Financial Year 1st January - 31st December 2024

In accordance with Article 4, Law 3556/2007 and the relevant Executive Decisions

Of the Hellenic Capital Market Commission Board of Directors

85 Mesogeion Ave., 115 26 Athens

GENERAL ELECTRONIC COMMERCIAL REGISTRY (GEMI) 140274801000

CONTENTS

I. REPRESENTATIONS OF THE MEMBERS OF THE BOARD OF DIRECTORS

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

The following representatives:

1. George Mergos, Chairman of the Board of Directors
2. Aristotelis Spiliotis, Chief Executive Officer
3. Dimitra Chatziarseniou, Vice-Chairman of the Board of Directors

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

(i) The hereby annual financial statements of the Company TERNA ENERGY FINANCE S.P.S.A. for the annual period from January 1st, 2024 to December 31st, 2024, prepared according to the applicable accounting standards, present truly and fairly the assets and liabilities, the equity and the financial results of the Company, and

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

Athens, 20 March 2025

The Chairman of the Board of Directors	The Chief Executive Officer	The Vice Chairman of the Board of Directors
George Mergos	Aristotelis Spiliotis	Dimitra Chatziarseniou

II. ANNUAL REPORT OF THE BOARD OF DIRECTORS OF TERNA ENERGY FINANCE SINGLE PERSON SOCIETE ANONYME ON THE FINANCIAL STATEMENTS FOR FINANCIAL YEAR 2024

Dear Shareholders,

The present Annual Report of the Board of Directors which concerns the year from 01/01/2024 to 31/12/2024 has been prepared and is fully aligned with the provisions of Law 4548/2018, article 4, par. 2 (c), 6, 7 & 8 of Law 3556/2007 and article 8 of the decision with number 8/754/14.4.2019 of the Board of Directors of the Hellenic Capital Market Commission.

The hereby Report includes financial and non-financial information of the Company for the year ended 31/12/2024 and describes significant events that took place during that period and after the reporting date of the financial statements, as well as their impact on the Company's course and prospects. It also describes the main risks and uncertainties that the Company may face in the coming year. Finally, the significant transactions between the Company and its related parties are presented as well.

The financial statements have been compiled in accordance with the International Financial Reporting Standards and were adopted by the European Union.

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

The Company's operations focus on the following:

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

The Company is supported by its parent company, TERNA ENERGY ABETE, which fully determines and controls the decisions, the management, and the operation of the Company. Substantially, the Company is a financial fund for the implementation of specific investments indicated by TERNA ENERGY ABETE, (sole shareholder of TERNA ENERGY MAEX and guarantor of the Joint Bond Loan). The Company, apart from its investment in the bonds of the intra-group loan issued by TERNA ENERGY ABETE, has no other business activity, is not active in any market and has no other assets.

In the case that TERNA ENERGY ABETE ceases to support the Company in terms of administration and operation or is unable to fulfil its contractual obligations to the Company under the terms of the Intercompany Loan, this may have material adverse consequences: a) on the Company's ability to fulfil its obligations, mainly due to insufficient cash flows and revenues, b) on the trading price of the Company's Bonds on the Athens Exchange Market, (c) the results of operations, financial condition and prospects of the Company.

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

A. Financial Highlights and Performance of financial year 2024

The Greek economy maintained its positive growth rate for the year 2024, achieving higher levels than the corresponding average of other European countries. This achievement reflects its resilience in a period when the global economy is highly fluctuating and facing significant challenges, particularly at the geopolitical level (ongoing tensions in Ukraine and the Middle East, the political cycles in the US). Over the last year there has been a general normalisation of economic circumstances with inflation declining, energy prices stabilise and the gradual reversal of restrictive monetary policy leading to a positive outlook for the European economy.

For Greece, GDP for 2024 increased by 2.3% year-on-year, driven mainly by an increase in private consumption (as a result of rising household income and falling unemployment) and investment. The momentum in tourism continued leading to an increase in exports and services, but rising domestic demand led to higher imports with the balance remaining negative.

Inflation for 2024 declined compared to 2023 with the 12-month annual increase of 2.7%, compared to 3.5% for the 12-month period of 2023, following a deceleration in industrial goods and food prices while services inflation remained higher.

In the budgetary sector, the over-performance against targets continued as a result of a reduction in tax evasion, increased economic activity and profitability, but and expenditure control. As a result, the primary surplus is expected at 2,5% of GDP for 2024 (compared to 2,1% for 2023).

Finally, it is also worth noting that following the country's upgrade to investment grade in the second half of 2023 (by R&I, Scope, DBRS, S&P and Fitch), in 2024 Scope Ratings upgraded the Greek economy further to "BBB" while DBRS, S&P and Moody's revised the outlook for the economy to positive. Against this backdrop, the spread of the Greek 10-year bond over the German bond narrowed to 83 basis points in December 2024 (the lowest in 15 years) with the yield standing at 2.97%.

The Greek economy is expected to remain positive in the years to come and to continue to move at a higher rhythm than the Eurozone. For 2025-26, GDP is expected to strengthen by 2.0%-2.5% according to the converging forecasts of the Bank of Greece, the European Commission and the Greek government, compared to a rate of 1.3%-1.6% for the Eurozone. This is expected to be helped by a strong labour market supporting consumption along with continued support from tourism, industry and construction. A positive impact is also expected to come from increasing liquidity from both the private and public sectors, which will be strongly supported by the absorption of European funds. It is noteworthy that total investment spending by the public sector is expected to reach 6.0 percent of GDP for 2025-26.

Nevertheless, exogenous factors such as the potential strengthening of protectionism and political turbulence in major European economies and key trading partners of Greece are immediate and visible risks to this process.

With regard to the Greek energy market, the normalization of conditions has generally continued despite some periods of volatility. Thus, in the second half of the year, the return of geopolitical risk that raised again energy sufficiency issues and regional issues in energy markets increased volatility, driving prices to a higher level. The average price in the Greek wholesale electricity market was set at €100.7/MWh for 2024, a decrease of 15.2%. It is also remarkable that for the first time in its history Greece recorded net exports of electricity (even if at a marginal level). Electricity demand in the interconnected system in the country showed an increase of 4.7% for 2024. Renewable energy production increased by 17.8% in 2024 and combined with hydropower plants covered 55% of total demand (compared to 51.3% for 2023). Production from natural gas plants also increased by 38%, covering 39% of demand, while lignite generation continued to decline, covering 6.2% of demand.

In relation to wind power, according to ELETAEN's data, installed capacity at the end of 2024 amounted to 5,355MW, up 126MW compared to 2023 (+2.4%), with the decrease in growth rate due on the one hand to the high base (2023 was the second best year historically in terms of additions) but also an important factor remains the delay due to bureaucratic licensing obstacles. TERNA ENERGY remains the largest producer in the market with a 19.3% share. At the end of 2024, over 1.1 GW of new wind farms were under construction or contracted, the vast majority of which are expected to be connected to the grid within the next 18 months. To these should be added another 300 MW or so, which have been competitively shortlisted, have submitted performance guarantees but do not belong to any of the above categories. As a result, the total wind capacity will exceed 6.5 GW within the next two years.

TERNA ENERGY GROUP

On November 28, 2024, Abu Dhabi Future Energy Company PJSC - Masdar ("Masdar") announced the successful completion of the acquisition of 70% of the shares of TERNA ENERGY S.A. from GEK TERNA S.A. and other shareholders. This transaction is the largest energy transaction in the history of the Athens Exchange and one of the largest in the renewable energy sector in the European Union.

Masdar (Abu Dhabi Future Energy Company) is one of the fastest growing renewable energy companies in the world. As a pioneer in clean energy, Masdar promotes the development and implementation of solar, wind, geothermal, battery storage and green hydrogen technologies, helping to accelerate the energy transition and achieve global zero-carbon targets. Since its founding in 2006, Masdar has developed and invested in projects in more than 40 countries, with a total capacity of more than 31.5 gigawatts (GW), providing affordable clean energy to those who need it most and supporting a sustainable future. Jointly owned by Abu Dhabi National Energy Company PJSC (TAQA), Abu Dhabi National Oil Company (ADNOC) and Mubadala Investment Company, Masdar is targeting a 100GW renewable energy capacity portfolio by 2030 and aspires to become a leading green hydrogen producer in the same year.

The acquisition of TERNA ENERGY Group reflects Masdar's confidence in the company's impressive growth potential, targeting 6GW by 2029, playing an important role in strengthening Masdar's portfolio across Europe as it targets 100GW globally by 2030 to support the energy transition.

Remaining committed to its strategy, TERNA ENERGY Group continues the implementation of its investment plan with the construction of mature projects and the strengthening of its portfolio with the further maturation of projects from the existing portfolio and the addition of new projects in various stages. In this context, through the newly acquired companies ENERGY SUN II, ENERGY SUN III & BIO PI DI SOLAR EOOD, the construction of solar energy production units from photovoltaic power plants in Greece and Bulgaria with a capacity of 168.5 MW has started.

Moreover, for the long-duration storage project with pumped storage technology in the area of Amphilochia (680 MW), which had already started by the end of 2022, construction works are ongoing and expected to be completed within approximately four years.

As of 31/12/2024, TERNA ENERGY Group owns almost 2.500 MW of RES power plants, in operation, under construction or ready for construction in Greece, Central and Eastern Europe. Including projects in various stages of maturity, the Group's portfolio is approaching 12 GW.

(Amounts in Euro thousand unless stated otherwise)

Basic Financial Figures:

The Company in 2024 realized Interest Income of € 5.540 thousand compared with € 5.369 thousand of the previous year. During the financial year 2024, there was no variation in the nominal value of the principal and the interest rate of the loan granted to the parent company TERNA ENERGY SA. The volatility is due to interest income on deposits made in 2024 of € 173 thousand compared to €17 thousand in the previous year.

The results of the Company recorded a profit before taxes of € 891 thousand for the fiscal year 2023 compared to a profit of € 709 thousand in the previous year.

Finally, the liquidity ratio of the Company (Current Assets over Current Liabilities) settled at 8,13.

Regarding the allocation of the bond loan of TERNA ENERGY FINANCE S.P.S.A. (CBL) amounting to € 150,000 thousand, following the decision of 25 November 2022 of the Repetitive General Meeting of the Company's bondholders, the manner of disposal of the funds raised for the period 22/10/2019 to 31/12/2024 is as follows:

Area of investment		Amounts in € thous.
4th quarter 2019		
1	Total repayment of Short-term Bank Loan of the Guarantor (used to repay CBL 2017).	€ 60,000
2	Partial repayment of Short-term Bank Loan of the Guarantor used to repay part of the consideration for acquisition of the wind park "Bearkat I" in Texas, USA	€ 30,632
Period 2019 – 2024		
3	Construction of wind farms in Greece, by the Guarantor or by subsidiaries of the Guarantor (either through intra-group lending by the Guarantor to the subsidiaries or through an increase in the share capital of the subsidiaries by the Guarantor).	€ 56,000
Total investments		**€ 146,632**
(-)	Estimated CBL issuance expenses	€ 3,368
Total capital proceeds by the Issuer		**€ 150,000**

It is noted that the disposal of all the funds raised was completed during the year 2022.

B. Significant events during the financial year 2024

- **Dividend distribution according to the resolutions of the Annual General Meeting of 20/06/2024**

On 20/06/2024, the Annual General Meeting of the Shareholders of TERNA ENERGY FINANCE SINGLE PERSON SOCIETE ANONYME convened and decided the dividend distribution of one million euros (€1.000.000,00).

- **Resolutions of the Repetitive Meeting of the Bondholders of 04/10/2024**

At the Repeated Meeting of the Bondholders of the Company TERNA ENERGY FINANCE SINGLE PERSON SOCIETE ANONYME held on 04/10/24, the below were decided:

(i) Bondholders granted approval for (i) GEK TERNA S.A. and Mr. Georgios Peristeris ceasing to exercise any voting rights in the Guarantor, in the context of the acquisition of – at least – 67% of the shares and voting rights in the Guarantor by "Masdar Hellas Single Member Société Anonyme", a wholly owned subsidiary of the company "Abu Dhabi Future Energy Company PJSC - Masdar", as well as to the ensuing changes to the executive powers of Mr. Peristeris (as Executive Chairman of the Guarantor's Board of Directors), and (ii) the changes in the Guarantor's corporate purpose (without any amendment to the Articles of Association taking place) and business activity as a result of the Guarantor's divestment from certain non-core assets, including the Guarantor's public works construction, waste operating and PPP projects sector and UFBB infrastructure construction sector. Furthermore, the Bondholders acknowledged the non-exercise of the rights described in clause 11.2 (b) (to the extent relevant to the above), (e) and (h) of the

CBL Programme due to the above derogations and the Meeting granted the waiver of any relevant right by the Bondholders

(ii) Bondholders granted approval to amend the definition of “Material Change” (provided in clause 1.8 of the CBL Programme) to the CBL Programme and granted the authorization to the Bondholders’ Agent to sign the CBL Programme amendment agreement, provided Closing (as defined in the invitation dated 20.09.2024 to this Extraordinary Bondholders Meeting) takes place: “Material Change” means: “Abu Dhabi Future Energy Company PJSC - Masdar” no longer having the right to exercise (directly or indirectly) at least 33.3% of the voting rights in the Guarantor”.

- **Acquisition of TERNA ENERGY Group by “Masdar Hellas Single Member Société Anonyme”**

As regards the developments related to TERNA ENERGY Group, on November 28, 2024, Abu Dhabi Future Energy Company PJSC - Masdar ("Masdar") announced the successful completion of the acquisition of 70% of the shares of TERNA ENERGY S.A. from GEK TERNA S.A. and other shareholders. This transaction is the largest energy transaction in the history of the Athens Exchange and one of the largest in the renewable energy sector in the European Union.

Masdar (Abu Dhabi Future Energy Company) is one of the fastest growing renewable energy companies in the world. As a pioneer in clean energy, Masdar promotes the development and implementation of solar, wind, geothermal, battery storage and green hydrogen technologies, helping to accelerate the energy transition and achieve global zero-carbon targets. Since its founding in 2006, Masdar has developed and invested in projects in more than 40 countries, with a total capacity of more than 31.5 gigawatts (GW), providing affordable clean energy to those who need it most and supporting a sustainable future. Jointly owned by TAQA, ADNOC and Mubadala, Masdar is targeting a 100GW renewable energy capacity portfolio by 2030 and aspires to become a leading green hydrogen producer in the same year.

C. Significant events following the closing FY 2024

There were no significant events after the date of the Statement of Financial Position.

D. Risks and Uncertainties

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

Taking into account the above, the main risks and uncertainties in the business activities of the Company are directly related to those of the TERNA ENERGY Group (hereinafter "Group") and for this reason, the report on the Main Risks & Uncertainties of the Company should be combined with section E of the Annual Report of the Board of Directors of the parent company, sole shareholder and Guarantor, TERNA ENERGY SA, with regard to the annual period ending on 31/12/2024, where a detailed reference is made to the risks of TERNA ENERGY SA. The consolidated and separate financial statements of TERNA ENERGY SA for the year ended 31/12/2024 have been approved by the Board of Directors of the Company on 20/03/2025 and have been posted on the internet on its website www.terna-energy.com, as well as on ATHEX website.

In synopsis, we present the main risks and uncertainties in the activities of the TERNA ENERGY SA Group, as described in the published financial statements for the year ended 31/12/2024and which are summarized in the following:

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. Given the nature of its operations, the Group traditionally is not exposed to significant credit risk from trade receivables. In the past, there have been delays in collections from DAPEEP, which have been significantly reduced with the implementation of Law 4254 /14 as well as the extraordinary levy imposed for the fiscal year 2020 to address the side effects of the coronavirus pandemic, on electricity producers from Renewable Energy Sources (RES) power plants, which have been brought into normal or trial operation by 31 December 2015 (Government Gazette 245/09.12.2020). In other transactions with individuals, the Group operates with a view to limiting credit risk and securing its receivables. The credit risk in respect of cash and cash equivalent and other receivables is low, since the parties to the transaction are banks of high-quality capital structure, the State or the entities of the broader Public Sector or strong business groups.

Lastly, Group Management estimates that all the financial assets, for which the necessary impairments have been performed, are of high credit quality.

Foreign exchange risk

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

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.

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, 16,55% of the Group's long-term borrowings refer to fixed rate loans 59,67% refer to floating rate loans hedged through derivatives whereby future fixed rate payments are exchanged for floating rate receipts, and 23,78% to floating rate loans based on 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.

Sensitivity analysis of interest rate risk

In the table below is presented the sensitivity of earnings for the year versus the Group's short-term borrowing and deposits, at a change in the variable part of the interest rate of +20% - 20% (2023: +/- 20% correspondingly). Changes in interest rates are estimated to fluctuate on a reasonable basis in relation to the recent market conditions and till currently, they have been stable compared to the previous year.

	2024		2023	
Amounts in thousand €	**20%**	**(20)%**	**20%**	**(20)%**
Results for the year after tax – Group	(3.349)	3.349	(2.263)	2.263
Results for the year after tax – Company	(280)	280	(301)	301

The Group is not exposed to other interest rate risks.

Market risk analysis

The Group is not exposed to market risk for its financial assets, with the exception of the portfolio of listed securities. The Group has not taken specific hedging measures for this risk as any impact is not expected to be significant.

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. In the year 2024 net cash flows from continuing operating activities amounted to €139 million versus €147 million in 2023. The Group manages its liquidity needs by applying 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 daily. The liquidity needs are monitored in different time zones, on a daily and weekly basis, as well as based on 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, 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.

Other risks and uncertainties

(a) Climate Change Risk and Fluctuations in wind and hydrological data

The Group's core business is closely linked to climate conditions and in this context, management closely monitors developments and assesses the potential impact that climate change may have on the smooth operation of the facilities. From now on, calculation models should incorporate new factors allowing for the occurrence of potential events of force majeure, to examine in greater depth the viability of each projected investment.

Regarding its activity in the energy sector, the Group remains exposed to short-term fluctuations in wind and hydrological data, without affecting the long-term profitability of its projects, as the implementation of its investments is preceded by extensive studies on the long-term behaviour of these factors.

(b) Political evolutions in the Group's area of operation

The military conflicts in the wider region of the Group's operations such as Ukraine and Middle East continue, and TERNA ENERGY Group continues to closely monitor the developments which have not had and are not expected to have a direct impact on the Group's figures and performance. As the majority of the A/Ps have a fixed sales price, the significant costs are depreciation of equipment and borrowing costs, which refer to fixed rate loans, the impact of which continues to be insignificant, and this is not expected to change in the foreseeable future.

Finally, due to the dynamic nature of these events, new risks may arise. Considering the current uncertainty about the wider economic climate, the Group's management is trying to assess any indirect consequences on the Group in a timely manner.

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

The process followed is as follows:

(i) Assessment of risks related to the Company's activities and operations,

(ii) Designing the methodology and selecting appropriate financial products to mitigate the risks; and

(iii) Execution/implementation, in accordance with the procedure approved by the management, of the risk management process.

The Company's Financial Instruments consist of deposits with banks, receivables from bond loans granted to the parent company and liabilities from bond loans taken out.

Foreign exchange risk of the Company

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

Interest rate risk of the Company

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

Credit risk of the Company

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

E. Prospectives

The Company is a monetary capital, which is intended for the implementation of selected investments indicated by TERNA ENERGY SA (exclusive shareholder and Guarantor of the Bond Loan). As the Company has no other business activity, apart from its investment in the bonds of the Intragroup Loan issued by TERNA ENERGY SA, is not active in any market and has no other assets.

Considering the above, the prospects of the Company should be read in conjunction with section D of the Annual Report of the Board of Directors of the parent company, sole shareholder and Guarantor, TERNA ENERGY SA of the annual period ending 31/12/2024, where a detailed reference is made to the prospects of the TERNA ENERGY SA. The consolidated and separate financial statements of TERNA ENERGY SA for the year ended 31/12/2024 have been approved by the Board of Directors of the company on 20/03/2025 and have been posted on the internet on its website www.terna-energy.com, as well as on the Athens Exchange website.

Prospectives of TERNA ENERGY Group

TERNA ENERGY Group continues its investment plan as the largest green energy Group in the country. Dedication to the execution of the investment plan is expected to further enhance long-term, predictable and recurring revenue streams with the goal of increasing capacity to 6.0 GW by the end of the decade. As noted, following the acquisition by Abu Dhabi Future Energy Company PJSC - Masdar ("Masdar") is expected to play an important role in the development of the MASDAR Group's portfolio in Europe, as it targets a total capacity of 100 GW globally by 2030.

F. Alternative Performance Measurement Indicators ("APMI")

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

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

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

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

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

“Gross Profit Margin” is an indicator by which the Company's Management evaluates its profitability and is defined as the percentage of net income / (expenses) from interest to interest income.

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

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

The following table presents the Alternative Performance Measurement Indicators, which were measured in accordance with the Annual Financial Statements for the fiscal years 2024 and 2023:

Amounts in thousand €	**2024**	**2023**
Long-term loans	148.926	148.358
Long-term liabilities carried forward	758	747
Loan Liabilities (a)	**149.684**	**149.105**
Cash and cash equivalents (b)	**5.785**	**5.483**

(Amounts in Euro thousand unless stated otherwise)

Net debt/(surplus) (a) - (b)= (c)	**143.899**	**143.622**
Total equity (d)	3.510	3.814
Total Employed Capital (c) + (d) = (e)	**147.409**	**147.436**
Loan Liabilities (a)/Total Employed Capital (e)	**101,54%**	**101,13%**
Financial income (f)	5.540	5.369
Financial expenses (g)	(4.535)	(4.505)
Net financial income (f) - (g) = (h)	**1.005**	**864**
Gross profit margin (h)/(f)	**18,14%**	**16,09%**
Net profit for the year (i)	696	553
Income tax expense (j)	(195)	(156)
EBIT (i)-(j)	**891**	**709**
EBITDA (i)-(j)	**891**	**709**

G. Share Capital Structure, Equity and other information

Since its establishment and until today, the Company has not proceeded with the acquisition of treasury shares.

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

From each share derive all the rights and obligations defined by the Law and the Company Status.

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

H. Personnel Management

The Company employed one person during both the present year 2024 as well as the previous year 2023. The Company implements human resource management policies which are the same as the policies implemented by the "TERNA ENERGY SA" Group to which it belongs.

I. Transactions with Related Parties

The Company's transactions with related parties in the concept of IAS 24 "Related Party Disclosures" have been carried out according to market norms. The amounts of sales and purchases during the year 2024 well as the balances in terms of receivables and payables as of 31/12/2024 for the Company that have been derived from transactions with related parties are presented in Note 18 of the financial statements.

Transactions and balances for the financial year 2024 are as follows:

	31/12/2024			
	Purchases/Expenses	**Sales/Income**	**Receivables**	**Liabilities**
Parent Company	1	5.367	147.688	1
Other related parties	–	–	2	–
Total	**1**	**5.367**	**147.690**	**1**

Regarding the above transactions the following clarifications are provided:

- Interest income of TERNA ENERGY FINANCE S.P.S.A. from TERNA ENERGY S.A. amounting to € 5,366,746 concern the Intragroup Loan of 2019.
- Receivables of the Company from TERNA ENERGY S.A. amounting to € 147,688,153 relate to the Intragroup Loan of 2019 (capital and interest).

Within the year 2024 no benefits were granted to the Company’s members of the management or directors.

Athens, 20 March 2025

The Chairman of the Board of Directors

George Mergos

III. CORPORATE GOVERNANCE STATEMENT

This Corporate Governance Statement is prepared pursuant to the provisions of articles 152 and 153 of Law 4548/2018, as a special section of the Management Report of the Board of Directors, providing the following information:

1. Governance documents

1.1 Corporate Governance Code

The Company applies in the entirety of its activities and operations all established rules and procedures by the legislative, supervisory and other competent authorities without derogations. In addition, it has adopted internal rules and business practices that contribute to the compliance with the principles of transparency, professional ethics and sound managment of all resources of the Company at every level of its hierarchy for the benefit of its shareholders and related parties.

The Company has adopted the Hellenic Corporate Governance Code ("HCGC") of the Hellenic Corporate Governance Council, as revised in 2021 and in force. The HCGC can be found at the following website https://www.esed.org.gr/web/guest/code-listed. With the application of the HCGC and the individual thematic regulations, the Management ensures the effective control and utilization of the Company's resources and promotes corporate responsibility as a core value the Group's development.

Deviations from the HCGC and explanation of the reasons for non-compliance

Passage	HCGC text	Explanation	Data-Comments
1.6.	The Board of Directors is responsible for defining the company's values and strategic orientation, as well as constantly monitoring their observation. At the same time, it remains responsible for the approval of the company's strategy and business plan, as well as for the continuous monitoring of their implementation. The Board of Directors also regularly reviews the opportunities and risks in relation to the defined strategy, as well as the relevant measures taken to address them. The Board of Directors, seeking to receive all necessary information from its executive members and/or managers, is informed about the market and any other developments affecting the company.	The Company does not employ senior management personnel and the corresponding services are provided by senior managers of its parent company, to whom the parent company's Hellenic Corporate Governance Code is in force and applies.	Where reference is made in the Corporate Governance Code to senior management personnel, it shall mean the senior management personnel of its parent company.
2.2.15.	The company ensures that the diversity criteria relate not only to the members of the Board of Directors but also to senior management personnel with specific	The Company does not employ senior management personnel and the corresponding services are provided by	Where reference is made in the Corporate Governance Code to senior

(Amounts in Euro thousand unless stated otherwise)

Passage	HCGC text	Explanation	Data-Comments
	gender representation targets, as well as timelines for achieving them.	senior managers of its parent company, to whom the Hellenic Corporate Governance Code of the parent company is in force and applies.	management personnel, it shall mean the senior management personnel of its parent company.
2.4.14.	The contracts of the executive members of the Board of Directors provide that the Board of Directors may demand the return of all or part of the bonus awarded, due to breach of contractual terms or inaccurate financial statements of previous years or generally on the basis of incorrect financial data used to calculate this bonus.	The Company does not pay remuneration to the members of the Board of Directors and also does not employ senior management personnel, so practices no. 2.4.3 – 2.4.5, 2.4.8 – 2.4.9 and 2.4.12 – 2.4.14 cannot be applied.	

1.2 Internal Rules of Operation

The Company has Internal Rules of Operation ("IRO"), which were initially approved and entered into force by virtue of the Company's Board of Directors dated 16.07.2021. The IRO comply with the applicable legislation on corporate governance and in particular with Law 4706/2020, as well as the relevant directives and decisions of the Hellenic Capital Market Commission. The Company's Internal Rules of Operation have the minimum content required by article 14 of Law 4706/2020.

The IRO and other regulations incorporate any new relevant provision, measure, rule, etc. in order to maintain the required completeness and adapt immediately to the varying conditions of the economic, social and business environment of the Company.

2. Board of Directors

In order to ensure transparency and effective management of business risks, the Board of Directors, through the Committees it has established, facilitates its communication with the relevant managers on a daily basis in order to gain immediate understanding of these risks and to proceed promptly and dynamically to make the required decisions and corrective measures.

The Board of Directors is responsible for the general management of the Company's affairs and is responsible for deciding on any action concerning the Company's Management, having as a constant basis the protection of the general corporate interest.

The Board of Directors, as a collective body, runs the Company and manages its affairs, making the necessary decisions on all matters falling within its competence under the Company's Articles of Association, the decisions of the General Assembly and the relevant legislation. It is responsible to the General Assembly of

Shareholders for safeguarding their interests and for the overall effectiveness and operation of the Company. It decides on all corporate affairs, except those for which, according to the legal framework and the Articles of Association of the Company, the General Assembly of Shareholders is competent.

The operation and responsibilities of the Board of Directors are described in its Internal Regulation.

In particular, the scope of its responsibilities the Board of Directors includes:

Convening of General Assemblies

Takes all actions for the legal convening of the General Assemblies (annual or extraordinary) and determines the items on their agenda. It reports to the shareholders of the Company and submits proposals for the increase or decrease of the share capital, for the tranformation of the Company, as well as for its dissolution before the expiration of its term provided for in the Articles of Association.

Corporate governance

Defines and supervises the implementation of the corporate governance system in accordance with articles 1 to 24 of Law 4706/2020.

Monitors and evaluates at least every three (3) financial years the implementation and effectiveness of the corporate governance system and takes appropriate actions to address deficiencies.

Takes the necessary measures to ensure compliance with the independence requirements for the independent non-executive members of the BoD.

Defines the values and the strategic orientation of the Company, as well as the continuous monitoring of their observance.

Ensures that the Company's values and strategic orientation are aligned with the corporate culture, as well as that the Company's values and purpose influence the practices, the policies and the behaviors within the Company at all levels.

Decides the entry of the Company into other fields of activity through the acquisition or establishment of companies.

Strategic planning

Defines the values and strategic orientation of the Company, as well as the continuous monitoring of their observance.

Ensures that the Company's values and strategic orientation are aligned with the corporate culture, as well as that the Company's values and purpose influence practices, policies and behaviors within the Company at all levels.

Financial statements

Approves the annual financial statements and annual reports as well as the interim half-yearly financial statements in accordance with the applicable provisions of Law 4548/2018 and Law 3556/2007 and submits the annual financial statements to the annual General Assembly for approval, proposing at the same time the regular reserve. It ensures that the annual financial statements, the annual management report and the corporate governance statement are prepared and published in accordance with the provisions of the legislation, proposes the dividends to be distributed, complies with the disclosure requirements provided for in articles 12 and 13 of Law 4548/2018 as in force.

Internal Audit System

Ensures the adequate and effective operation of the Company's Internal Audit System, including the risk management system and regulatory compliance.

Ensures that the functions that constitute the Internal Audit System are independent from the business areas they audit and that they have the appropriate financial and human resources, as well as the powers for their effective operation, in accordance with their role. The baselines of reference and the allocation of responsibilities shall be clear and duly documented.

Risk management

Determines the nature and extent of exposure to the risks that the Company intends to assume in the context of its long-term strategic objectives.

Ensures the existence of policies to identify, prevent and address conflicts of interest among its Members or between its Members and/or persons to whom the Board of Directors has delegated its powers, with the interests of the Company. The policy is based on clear procedures, which define the way of timely and complete disclosure to the Board of Directors of any interests in transactions between related parties or other potential conflict of interest with the Company or its subsidiaries. Measures and procedures shall be evaluated and renewed to ensure their effectiveness.

Regulatory compliance

Ensures the existence of the regulatory compliance policy.

Ensures the Company's compliance with the applicable institutional and supervisory framework, as well as the internal regulations governing the Company's operation.

Internal audit

Ensures the effective organization and operation of the Internal Audit Unit.

Appoints the head of the Internal Audit Unit upon proposal of the Audit Committee.

Approves the Rules of Operation of the Internal Audit Unit.

The Board of Directors has the ability to establish collective bodies of a temporary or permanent nature, whenever it deems it necessary, to strengthen the organizational structure of the Company and facilitate the achievement of its business objectives.

The collective bodies or Committees are advisory bodies of the Management and handle issues concerning, among others:

- the elaboration of the Company's strategies and general policies,
- laying out of the broad guidelines of the annual action program;
- preparing recommendations to the Management to make important decisions,
- informing about the effectiveness of the Company's operation.

(Amounts in Euro thousand unless stated otherwise)

Each collective body is a key link between the Management that sets goals and the executive mechanism that is called upon to achieve them. The issues dealt with by each collective body are defined by decisions of the Board of Directors.

The basic mission of each collective body is to propose preventive and/or reparative measures for any important issue faced by the Company.

The current Board of Directors of the Company consists of five (5) members, of which two (2) executive and three (3) non-executive, of which two (2) are independent non-executive, within the scope of article 9 of Law 4706/2020.

The Board of Directors of the Company, following the acceptance of the resignation of Mr. Vasileios Delikaterinis, at that time Chairman - Executive Member, was constituted into a body corporate on May 15, 2023 as follows:

2.1 Composition of the Board of Directors

FULL NAME	POSITION	AGE	GENDER	YEARS/MONTHS OF SERVICE
Georgios Mergos	Chairman – Independent Non-Executive Member	76	M	7
Dimitra Chatziarseniou	Vice-Chairman – Non-Executive Member	53	F	9
Aristotelis Spiliotis	Chief Executive Officer–Executive Member	53	M	9
Ilias Paizanis	Executive Member	47	M	1year and 8 months
Andreas Taprantzis	Independent Non-Executive Member	58	M	4

The term of office of all Members expires on 26/8/2026 and at the latest on the date of convention of the Annual General Assembly following the expiration of the term of office of the BoD.

The Board of Directors of the Company examined and verified the fulfillment of the requirements within the scope of Law 4706/2020 regarding its new composition.

During the performance of their duties and their meetings during 2024, the Members of the Board of Directors demonstrated "prudent business diligence", devoted all the time required for the effective management of the Company and acted with integrity, responsibility and good judgment, avoiding actions that could jeopardize the Company's competitiveness or conflict with its interests. They also safeguarded the confidentiality of the information they held and ensured the timely and simultaneous information of all shareholders and interested investors on issues that could affect their decision to carry out any transaction in the Company's securities.

	QUALIFICATIONS OF BOARD MEMBERS								
FULL NAME	**CAPITAL MARKETS**	**FINANCIAL SECTOR**	**REGULATORY AND REGULATORY FRAMEWORK**	**ESG ACTIVITIES & ACTIONS**	**POWER GENERATION FROM RES**	**RISK MANAGEMENT**	**STRATEGIC PLANNING**	**LISTED MANAGEMENT**	**CORPORATE GOVERNANCE**
Georgios Mergos	√	√	√	√	√	√	√	√	√
Dimitra Chatziarseniou	√		√	√	√				√
Aristotelis Spiliotis	√	√	√	√		√	√		√
Ilias Paizanis	√	√	√	√	√	√		√	√
Andreas Taprantzis	√	√	√	√	√	√	√	√	√

The Board of Directors held nine (9) meetings in 2024.

The dates of the meetings were scheduled in advance in order to ensure the maximum possible quorum.

FULL NAME	NUMBER OF MEETINGS HELD DURING HIS/HER TERM OF OFFICE	NUMBER OF MEETINGS ATTENDED OR REPRESENTED	NUMBER OF MEETINGS ABSENT & NOT REPRESENTED	ATTENDANCE AT MEETINGS
Dimitra Chatziarseniou	**9**	**9**	**0**	**100%**
Aristotelis Spiliotis	**9**	**9**	**0**	**100%**
Georgios Mergos	**9**	**9**	**0**	**100%**
Andreas Taprantzis	**9**	**9**	**0**	**100%**
Ilias Paizanis	**9**	**9**	**0**	**100%**

During the meetings and works of the Board of Directors, the Members were supported by the Corporate Secretary Mrs. Dimitra Chatziarseniou.

Chairman of the Board of Directors

The Chairman is the main contributor to the implementation of the Corporate Governance Principles in the Company, being responsible, inter alia, for the effective operation of the Board of Directors and the active participation of all its members in making and supervising the implementation of business decisions, as well as for the smooth communication of the Company with its shareholders.

The responsibilities of the Chairman of the Board of Directors include the convening and directing of the work of the Board of Directors on the items of the agenda composed by him, based on the needs of the Company and relevant requests from all members of the Board, supervises its smooth operation, executes the decisions of the Board of Directors and acts in accordance with its specific authorizations and orders, prepares the Annual Report of the Board of Directors and proposes to the Board of Directors the balance sheet and the report.

Chairman of the Board of Directors of the Company is Mr. Georgios Mergos.

Chief Executive Officer

The Chief Executive Officer monitors and controls the implementation of the Company's strategic objectives and the management of the Company's day-to-day affairs and sets the Company's guidelines. He supervises and ensures its smooth and effective operation, in accordance with the strategic objectives, the operational plans and the action plan, as defined by decisions of the Board of Directors and the General Assembly. The Chief Executive Officer participates and reports to the Company's Board of Directors and implements the Company's strategic choices and important decisions.

The Chief Executive Officer is Mr. Aristotelis Spiliotis.

(Amounts in Euro thousand unless stated otherwise)

Vice-Chairman of the Board of Directors

The non-executive vice-chairman of the BoD stands in for the Chairman when the latter is absent or prevented from exercising his duties. The Executive Vice-Chairman of the Board of Directors may exercise administrative responsibilities, as assigned by the Board of Directors.

The Vice-Chairman of the Board of Directors is Mrs. Dimitra Chatziarseniou, non-executive member of the BoD.

Independent non-executive members of the Board of Directors

The independent non-executive Members of the Board of Directors are the non-executive members of the Board of Directors of the Company who, upon their appointment or election and throughout their term of office, meet the independence criteria required by article 9 of Law 4706/2020, as applicable.

The following members of the Board of Directors are independent non-executive:

Name	**Reasons for independence**
Georgios Mergos Andreas Taprantzis	Each of them (a) does not hold shares representing more than 0.5% of the Company's share capital and (b) do not have any relationship of dependence with the Company or related persons, as these conditions of independence are described in particular in article 9 par. 1 and 2 of Law 4706/2020 (Government Gazette A' 136/17.07.2020).

The Board of Directors at its meeting on 09-10-2024, reviewed the fulfillment of the independence criteria required by article 9 of Law 4706/2020, in accordance with the proposal of the Chairman of the Nominations and Remuneration Committee dated 09-10-2024.

2.2 Number of bonds held by the members of the Board of Directors and the Company's Executives

No bonds of the Company are held by members of the Board of Directors.

2.3 Evaluation of the Board of Directors – findings and corrective actions

The Board of Directors regularly evaluates its effectiveness, the fulfillment of its duties, as well as the same for its committees.

The Board of Directors collectively, as well as the Chairman and the members of the Board individually, are evaluated annually for the effective fulfillment of their duties. The evaluation process is supervised by the independent non-executive Chairman of the Nominations and Remunerations Committee in cooperation with the Nominations and Remuneration Committee and its results are discussed within the Board of Directors, while following the evaluation, the Board of Directors takes measures to address the identified weaknesses. At least every three years, this evaluation may be facilitated by an external consultant. The evaluation of the performance of its chairman is also supervised by the Nominations and Remunerations Committee.

It is reminded that according to the decision of the Board of Directors of 13/12/2023, it was decided to assign the evaluation of the Board of Directors and its Committees to an external consultant, and specifically to Grant Thornton S.A., whose conclusion that no material weaknesses in the Company's Corporate Governance System have been identified, is presented at the end of the Corporate Governance Statement for the year 2023 (MAEX_FS_31-12-2023_FINAL_gr.pdf).

3. BoD committees

The Board of Directors is supported by Committees, which have an advisory character, but are of particular importance in its decision-making. These Committees are the following:

3.1 Audit Committee

The purpose of the Audit Committee is to assist the Board of Directors in fulfilling its supervisory duties regarding (i) the Financial Reporting process, (ii) the internal audit system, (iii) the internal audit, (iv) the external audit process, (v) the TERNA ENERGY Group's procedures for monitoring compliance with laws, regulations and the Code of Conduct and (vi) the Corporate Governance System. The Committee is established and operates in accordance with all applicable laws and regulations.

The Rules of Operation of the Audit Committee, approved by the Company's Board of Directors, are posted on the Company's website, as shown in the following link:

https://www.ternaenergy-finance.com/images/documents/TERNAMAEX_Kanonismos-Leitourgias-Epitropis-Elegxou2.pdf

Committee Composition

The General Assembly on October 23, 2023, following the proposal of the Chairman of the Nominations and Remunerations Committee of the Company, Mr. Mergos, to the Board of Directors on October 18, 2023 and its acceptance by the Board of Directors on 19 October 2023, elected a new Audit Committee for a two-year term, which was then constituted into body corporate as follows:

Mr. Nikolaos Kalamaras, who is a third person not a member of the Board, was elected as Chairman of the Committee,

Mr. Georgios Mergos, Independent Non-Executive Member of the BoD and

Mrs. Dimitra Chatziarseniou, Non-Executive Member of the BoD, were elected as members of the Committee.

The above composition of the Audit Committee is in accordance with the provisions of article 44 of Law 4449/2017, i.e. all members of the Audit Committee have sufficient knowledge in the field in which the Company operates. In addition, Mr. Nikolaos Kalamaras has proven sufficient knowledge in the fields of auditing and accounting.

Terms of operation

The Audit Committee meets at least 4 times a year in compliance with its action plan in order to perform the duties and responsibilities assigned to it.

The Chairman of the Audit Committee, after communicating with the other members of the Committee, the Head of the Internal Audit Unit and other executives or third parties if required, sends (himself or another authorized executive) to the members of the committee, the items of the agenda and the relevant invitation with the relevant supporting material, via e-mail to those expected to attend or an electronic invitation through a teleconference platform, if the meeting is held via teleconference.

All members of the Audit Committee are expected to participate in the meetings, either in person or via teleconference or teleconference.

Decisions are made by a majority of the members present and minutes are kept.

The Committee may invite members of the Company's Management, executives of the parent company TERNA ENERGY S.A. (the "Parent"), or another person (employee, partner, etc.) to participate in meetings and provide relevant information, where necessary.

The Committee organizes meetings with external auditors (see below) and meetings with Executive Directors.

If required, joint meetings may be held with the Audit Committee of TERNA ENERGY S.A.

Agendas are prepared and provided in advance to members together with appropriate information material.

Minutes are kept with a full record of decisions and actions on the topics of discussion.

Every six (6) months or more regularly, if necessary, the Committee prepares and submits to the Board of Directors reports with its activities on important issues and once a year, an activity report (including the evaluation of its work and a description of the Sustainable Development Policy implemented by the Company) which is addressed to the Annual General Assembly of shareholders.

The Audit Committee is evaluated periodically every 3 years.

Responsibilities of the Committee

The Audit Committee has the following, per section, basic responsibilities:

- Oversees the drafting process of the Company's financial statements and other financial reporting, examining their reliability and ensures the smooth conduct of the internal audit work, by providing its support and periodically evaluating the adequacy and reliability of internal control and business risk management mechanisms, based on the criteria of early identification of the latter and quick reaction to address them.
- Receives the reports of the Internal Audit Unit, evaluates their content, recommends to the Board of Directors the head of the Unit, evaluates his/her efficiency and effectiveness and based on these recommends the continuation or termination of his/her duties.
- Monitors the conduct of the regular auditor's work and assesses whether it complies with the relevant legal-regulatory framework, international standards and best practices. It also investigates and evaluates the adequacy of knowledge, professional consistency, independence and effectiveness of the regular auditor and based on these recommends to the Board of Directors the continuation or termination of his/her duties.

Method of Evaluation

The evaluation for the selection of candidate members is carried out by the Board of Directors, upon the recommendation of the Company's Nominations and Remunerations Committee.

Activities of the Audit Committee for the year of 2024

During 2024, the Audit Committee met six (6) times in full quorum.

FULL NAME	NUMBER OF MEETINGS HELD DURING HIS/HER TERM OF OFFICE	NUMBER OF MEETINGS ATTENDED OR REPRESENTED	NUMBER OF MEETINGS ABSENT & NOT REPRESENTED	ATTENDANCE AT MEETINGS
Nikolaos Kalamaras	**6**	**6**	**0**	**100%**

(Amounts in Euro thousand unless stated otherwise)

Dimitra Chatziarseniou	**6**	**6**	**0**	**100%**
Georgios Mergos	**6**	**6**	**0**	**100%**

The topics of the meetings included meetings with the Internal Audit Unit, the Managers of the Financial Directorate of Operations and Finance and the Certified Auditors of Grant Thornton.

More specifically, the activity of the Audit Committee is reflected in the following points:

Financial reporting

- The Committee examined and confirmed the correctness of the drafting process of the financial statements (interim and annual) for the financial year 2023 (annual) and the year 2024 (interim) following the regular briefing the Committee had from the Manager of the General Directorate of Financial and Administrative Division of the parent company, in the presence of the Manager of the Finance Directorate of the parent company.
- The Committee was informed by the Certified Auditors about the preparation of the 2024 audit and thereafter the Key Audit Matters and the Audit Report upon completion of the audit.
- The Committee evaluated the content of the Supplementary Audit Report submitted by the Certified Auditors in accordance with article 11 of Regulation 537/2014 of the European Union and Law 4449/2017 (article 31, par. 1a).
- The Committee took note of the purpose and approved the non-audit work assigned to the Certified Auditors, taking into account the maximum remuneration limit (CAP) under Regulation (EU) 537/2014.
- The Committee recommended to the Board of Directors, who in turn propose to the General Assembly of Shareholders, the approval of the financial statements and the election of Certified Auditors for the audit of the financial year 2024.

Internal Audit Unit

- The Committee was constantly informed and cooperated with the Internal Audit Unit, which was present at all meetings of the Committee.
- The Committee approved and monitored the implementation of the Annual Audit Program for the financial year 2024.
- The Committee evaluated the findings arising from the performance of the audit works and was informed about the implementation of the corrective actions agreed between the Internal Audit Unit and the Managers of the audited units.
- The Committee was informed of the budget for the financial year 2025 regarding the operation of the Internal Audit Unit and recommended to the CEO its approval.
- The Committee was informed about every training activity of the Internal Audit Unit's executives and evaluated the purpose and results of the training program.

Risk Management

- The Committee was informed about any new risks that were included in the Risk Register within the fiscal year 2024.
- The Committee evaluated the work of the Risk Management Unit, taking into account the requirements of Law 4706/2020.

Regulatory Compliance

- The Committee monitored the implementation of the action plan of the Compliance Officer for the year 2024 and evaluated the course of compatibility of the Company with the current legislation. In particular, the Committee dealt with issues related to Law 4706/2020 on corporate governance of Sociétés Anonymes.
- The Committee was informed about the action plan of the Compliance Unit for the financial year 2025 (according to decision no. 2/917/17.06.2021 of the Hellenic Capital Market Commission, its approval by the Committee is not required).

Internal Audit System

The Committee examined and evaluated the effectiveness and efficiency of the Internal Audit System procedures implemented by the Company in the context of the evaluation that took place in the first quarter of 2023.

3.2 Nominations and Remuneration Committee

The main purpose of the Nomination and Remuneration Committee is to assist the Board of Directors by proposing to it candidates suitable for becoming members of the Board of Directors based on the principles and criteria provided for in the Suitability Policy.

The Committee is established following a decision of the Board of Directors, which elects both the members and the Chairman of the Committee.

The operation of the Remuneration Nominations Committee is governed by articles 10, 11 and 12 of Law 4706/2020 as well as the Hellenic Corporate Governance Code adopted by the Company, as applicable. The Rules of Operation of the Nominations and Remunerations Committee, approved by the Board of Directors of the Company, are posted at the following link:

07_-_ΜΑΕΧ_ΚΑΝΟΝΙΣΜΟΣ_ΛΕΙΤΟΥΡΓΙΑΣ_ΕΑΥ_final2.pdf

Committee composition

With the decision of the Board of Directors of the Company dated 03.09.2021, the Nominations and Remuneration Committee was established, which was constituted into body corporate as follows:

1. Mr Georgios Mergos, Chairman of the Committee
2. Mrs. Dimitra Chatziarseniou, Member
3. Mr. Andreas Taprantzis, Member

Terms of operation

The Committee meets at least two (2) times a year and whenever circumstances require.

The Chairman of the Committee is responsible for convening its meetings and is responsible for planning and conducting the meetings. However, any member of the Committee has the right to ask the Chairman to convene a meeting of the Committee.

Meetings are held either in person or remotely, through any technology that enables discussion and/or written exchange of views.

In order for a decision to be made, all members of the Committee are required to be present or represented, either in person at the meeting venue or in another place using technology. Committee decisions are made by a majority of at least 75% of the members of the Committee. In case a member of the Committee is absent without justification and without being represented by another member as above, at two (2) meetings within the same year, that member shall be deemed to have resigned.

Each member shall be notified of the place, time and date of each meeting by invitation. The invitation shall contain the items on the agenda of each meeting and any accompanying material, otherwise decisions may be made only if no member of the Committee objects to the decision-making. The invitation and related documents can also be circulated by e-mail.

In any event, the Committee may meet at any time, even without an invitation having been sent, provided that all its members are present, and none opposes the meeting and the decision making.

The minutes of the meetings are kept by a person appointed by the Chairman of the Committee as secretary/technical advisor, who, in addition to keeping the minutes of the meetings, undertakes the role of technical support and coordination of the work of the Committee, as well as the organization, assignment and preparation of studies carried out either internally or by assignment to external consultants.

The Committee may receive scientific or technical support from Company or Group executives, either by selecting and appointing them as Technical Advisors of the Committee or by inviting them to work on a specific project. The secretary/technical advisor of the Committee, the technical or scientific advisor and the legal advisor are appointed by a Decision of the Committee which is recorded in the minutes of the relevant meeting.

External experts or special advisers or senior management may be invited to the meetings of the Committee.

The Chairman of the Committee informs the Board of Directors about the work of the Committee, reports important findings and submits proposals to the Board.

The Committee conducts an annual review of its work, a summary report of which it submits to the Board. This includes proposals to the Board of Directors to improve its operation and efficiency.

Responsibilities of the Committee

Remuneration Issues

The Nominations and Remuneration Committee makes proposals to the Company's Board of Directors regarding the remuneration of the head of the Internal Audit Unit. The members of the Board of Directors are not remunerated, and the Company does not employ senior management executives.

The obligations arising from article 11 of law 4706/2020 and articles 110 and 112 of law 4548/2018 do not apply to the Company, as the members of the Board of Directors are not remunerated by the Company and the Company does not employ senior management executives.

Nominations

The main role of the Nominations and Remuneration Committee is to look for and promote the appropriate candidates for election to the Company's Board of Directors and the Audit Committee, as appropriate.

The Committee determines the eligibility criteria of the members of the Board of Directors, in order to ensure individual and collective suitability.

(Amounts in Euro thousand unless stated otherwise)

The Committee prepares and updates the Suitability Policy, which it submits to the Board of Directors for approval, and which is then approved by the General Assembly when required.

The Committee looks for, promotes and proposes suitable candidates for the election of the Board of Directors in accordance with the criteria set by the Company in its Suitability Policy, as well as the Audit Committee, in accordance with the applicable legal framework.

The Committee conducts periodic reassessment of the size and composition of the Board of Directors in accordance with the Company's Suitability Policy to identify any gaps regarding the suitability of the members of the Board of Directors on an individual and collective level and submits proposals for improvements, when deemed necessary.

Method of Evaluation

The Committee conducts an annual review of its work, a summary report of which it submits to the Board. This includes proposals to the Board for improving its operation and efficiency.

The Committee meets at least once a year for self-evaluation of the members of the Board of Directors and to nominate new candidate members, if required. At least every three years, the collective evaluation of the Board of Directors, as well as of the Chairman, the CEO and the other members of the Board of Directors is facilitated by an external director. In this regard, the Board of Directors at its meeting on 13.12.2023 decided to assign the task of evaluating the Corporate Governance System and its Board of Directors and Committees to Grant Thornton S.A., whose conclusion that no material weaknesses in the Company's Corporate Governance System have been identified, is presented at the end of the Corporate Governance Statement for the year 2023 (MAEX_FS_31-12-2023_FINAL_gr.pdf).

Activity Report

During 2024 the Committee met twice (2) in full quorum.

FULL NAME	NUMBER OF MEETINGS HELD DURING HIS/HERTERM OF OFFICE	NUMBER OF MEETINGS ATTENDED OR REPRESENTED	NUMBER OF MEETINGS ABSENT & NOT REPRESENTED	ATTENDANCE AT MEETINGS
Georgios Mergos	**2**	**2**	**0**	**100%**
Dimitra Chatziarseniou	**2**	**2**	**0**	**100%**
Andreas Taprantzis	**2**	**2**	**0**	**100%**

Activities of the Nominations and Remuneration Committee for the year 2024

The Nominations and Remuneration Committee examined and verified the fulfillment of the requirements of the members of the Board of Directors:

- the adequate representation by gender
- the total number of independent nonexecutive members of the BoD.
- the independence criteria for independent members, and

- the eligibility criteria provided by the current regulatory framework and the Company's internal operating regulations.

4. Detailed CVs of BoD members, BoD Committee Members, BoD Secretary and Senior Executives

Georgios Mergos

Georgios Mergos is a Professor Emeritus of Economics at the National and Kapodistrian University of Athens, where he has been teaching since 1986. He studied Economics at the University of Athens, holds an MSc from the University of Oxford and a PhD from Stanford University, USA. Prior to the University of Athens, he worked at the World Bank. He has served as Secretary General of the Ministry of Finance, Governor of IKA and Secretary General of the Ministry of National Economy. He has collaborated with research institutions in Greece and abroad, as well as consulting as an Expert with International Organizations and with the European Commission (DG External Relations), on issues of evaluation of development projects and programs in many countries (China, India, Egypt, other countries of South Asia, all countries of former Eastern Europe and some countries of the former Soviet Union). He has served, among others, as a member of the Board of Directors of GEK TERNA, PPC, National Bank, Alpha Bank and member of the Board of Governors of Black Sea Trade and Development Bank.

Dimitra Chatziarseniou

Mrs. Dimitra Chatziarseniou is a lawyer, member of the Athens Bar Association, since 1998. She holds the position of Head of the Legal Department of GEK TERNA Group and has been appointed as Corporate Secretary of GEK TERNA S.A. and TERNA ENERGY SA. He joined GEK TERNA Group in 2002. During her career she has organized the legal department of the Group and currently manages a team of four selected lawyers. She has successfully handled large real estate transactions, mergers and acquisitions, listings, PPP projects and EPC contracts and has gained extensive experience in project development and financing of RES projects in Greece, Southeast Europe and the USA. She is a graduate of the Law School of Athens and holds a master's degree in Commercial Law from the same school. She is fluent in English and French.

Aristotelis Spiliotis

Mr. Aristotelis Spiliotis studied Business Administration at the Athens University of Economics and Business (former ASOEE). He did postgraduate studies in Finance and Investment at Brunel University, London. From 1993 to 2000 he worked in several positions in the financial sector (Portfolio Investments, Venture Capital) as an Investment Analyst. From 2000 to 2003 he worked as Investor Relations Manager at INTRALOT, while in the same year he joined GEK TERNA Group, where he took over the same duties. Since 2009 he had been working in the Parent company, with the responsibility of Deputy Chief Financial Officer and later until recently Chief Financial Officer in the field of Finance.

Ilias Paizanis

Mr. Ilias Paizanis holds a degree in Economics from the Aristotle University of Thessaloniki and an MBA from the Athens University of Economics (formerly ASOEE). He has many years of work experience in multinational and listed companies. He has been involved in a wide range of economic and financial activities, such as Financial Planning and Analysis, Treasury, Business Valuation and Project Finance. He has successfully handled major financing and PPP projects in various industries, such as energy, telecommunications, construction as well as waste management. Since 2020 he has been working at TERNA ENERGY and in 2021 he took over the position of CFO Finance at TERNA ENERGY.

(Amounts in Euro thousand unless stated otherwise)

Andreas Taprantzis

Mr. Taprantzis has been the CEO of Avis since November 2014. He planned and completed the radical reorganization of the Company with a view to its sale by Piraeus Bank. The transaction took place in 2017 at €325m. (EV) and was among the largest in the country. He continued in the same position with the new shareholders. Prior to his current position, he was Executive Director of the Hellenic Republic Asset Development Fund (HRADF), from its inception in August 2011 until November 2014. He was responsible for the development of private public real estate, which included airports, ports, marinas, hotels and large tracts of land. During its tenure, HRADF implemented contracts amounting to €12.5 billion, such as the Hellinikon project, Asteras Vouliagmenis and Regional Airports, attracting multiple secondary investments. In 2009, he was appointed COO and Managing Director of Retail Banking at TT Hellenic Postbank. In December 2010, he assumed the duties of An. Managing Director of T Bank (a subsidiary of TT). From 2005 to 2009, he was CEO of Hellenic Post (ELTA), while at the same time he was a member of the Board of Directors of Hellenic Postbank and Chairman of the Audit Committee. During his tenure, ELTA was profitable with a turnover of more than €600 million. and profits of €50m. annually, as a result of radical reorganization and investment in new technologies. His work at ELTA has been internationally recognized. In August 2008, he was elected by the 192 Postal Companies of the world, President of the Universal Postal Council (POC) of the International Postal Union (UPU), a UN agency based in Bern, for the period 2008 to 2012. Since July 2019 he is a member of the Board of Directors of Attica Bank, as well as President of the Risk Management Committee. Dr. Taprantzis holds a degree in Chemical Engineering (MSc) and a PhD from the National Technical University of Athens, in the area of automatic regulation of systems with artificial intelligence (AI) models. He has an MBA and an AMP certificate from INSEAD.

Nikolaos Kalamaras

Mr. Kalamaras is a graduate of the Athens School of Economics and Commercial Sciences (ASOEE). He has been working as an Accountant and Business Tax Advisor since 1977. He is the Managing Director and 100% Shareholder of the company under the name "Taxistiki S.A. Accounting, Tax Consultancy Auditing Company". He is also a member of the Greek and American Institute of Internal Auditors (AM 1374) -(ID 1521425). Since 1998 he has been a lecturer at Tax Seminars and author of accounting books. He participated as an independent, non-executive member of the Board of Directors of TERNA ENERGY S.A. from 2007 to 2018. He is a member of the Audit Committee of the same company. Since 2001 he has served as internal auditor in companies listed on the Stock Exchange such as "Hermes Real Estate Enterprises SA", "KEKROPS Tourist Property Management SA" and "General Construction Company SA", while he also served as internal auditor at "TERNA Tourism, Technical and Shipping Company S.A.", with a dependent employment relationship, from 2002 to 2009.

5. External professional commitments of BoD members

FULL NAME	**EXTERNAL PROFESSIONAL COMMITMENTS**
Georgios Mergos	• Member of the Board of Directors of IOBE • Member of the BoD, Maniatakeio Institute. • Member of the BoD, FRIGO DEBTCO PLC
Dimitra Chatziarseniou	• Member of the Board of Directors of GEK SERVICES MAE

	• Member of the Board of Directors NEA ATTIKI ODOS LEITOURGIA SA • Member of the Board of Directors MONASTIRIOU ANAPTYXIAKI SA • Member of the Board of Directors of HIRON PARACHORISIS S.A. • Member of the Board PLATEAIA PLATANOS PARKING S.A. • Member of the Board VI.PA THESSALONIKIS M.A.E. • Member of the Board of Directors of AUTOMOBILE STATION OF AGIOS NIKOLAOS PIRAEUS SA
Aristotelis Spiliotis	-
Ilias Paizanis	-
Andreas Taprantzis	• CEO OLYMPIC ETE MAE

6. Internal Audit and Risk Management

The Internal Audit System is defined as the set of rules and procedures applied by the Company aiming at the preventive and ex-post control of operations and procedures at all levels of its hierarchy and organizational structure, in order to ensure: the legality and security of management and transactions, the accuracy and reliability of published financial statements and any other financial information and announcement, as well as the efficiency of the Company's operating systems and operations.

The Board of Directors utilizes the internal audit system in order to protect the Company's assets, assess the emerging risks from all its operations and provide accurate and comprehensive information to shareholders on the actual situation and prospects of the Company, as well as on ways to address the identified risks.

For the implementation of the above, the Board of Directors determineσ the operating framework of internal audit, approves the procedures for conducting and evaluating its results and decides on its recruiting, in compliance with the requirements of the applicable legal and institutional framework as well as the Hellenic Corporate Governance Code. It establishes a special internal audit unit, which is independent, does not belong hierarchically to any other organizational unit and is supervised by the Company's Audit Committee.

With the contribution of the Audit Committee, it evaluates the adequacy and efficiency of the special internal audit unit and the degree of utilization of its reports by the Board of Directors for the continuous improvement of the Company's operation at all levels and the effective management of business risks. Also, the Audit Committee maintains direct and regular contact with the external auditors, in order to be systematically informed about the adequacy and reliability of the operation of the internal control and risk management systems, as well as the correctness and reliability of financial information.

The assessment and management of risks in the preparation of the Financial Statements for the Year 2024 is described in the relevant chapter of the Company's Annual Financial Report.

6.1 Risk Assessment Report – consequences of any findings – Management response.

The Company aims to contribute to the financing of its parent company TERNA ENERGY S.A. in order to achieve continuous sustainable growth and continuous expansion of its portfolio in RES. Values, entrepreneurial spirit, integrity, personal participation and informed decision-making are the basic operating principles of the TERNA ENERGY S.A. Group and govern its business activity. In this context, the Company, in order to address risk factors from both the national and international business environment, has adopted procedures that regularly identify, evaluate and control the risks that arise.

The Risk Manager of the parent company recommends to the Board of Directors the Risk Management Strategy, the Approval of Risk Management Policies and Procedures, the Approval of the Annual Activity Plan of the Independent Risk Management Unit.

Risk Management in the preparation of Financial Statements

Specifically, there are three levels of control and risk management up to the preparation of the Company's individual Financial Statements. The financial statements are then forwarded to the Director of Financial and Administrative Services for review and approval.

Subsequently, the Certified Auditors receive the data of the Financial Statements and proceed to their review.

It should be noted that SAP S/4HANA which is used across the Group automatically implements a series of controls and ensures that a wide range of risks are addressed.

The Audit Committee oversees the process of preparing the Company's financial statements and other financial reporting and examines their reliability. After examining and confirming the correctness of the process of preparing corporate and consolidated financial statements (interim and annual) following briefing by the Director of Financial and Administrative Divisions, the Committee proposes to the Board of Directors their approval and their signing and publication.

6.2 Annual review of corporate strategy, principal business risks and internal control systems

The annual review of the corporate strategy is made with reference to the update of business risks and the review of internal audit systems.

In 2024, the Audit Committee:

- Monitored the Internal Audit functions, the work of the Risk Manager and assessed the impact of risks on the design and operation of the Company.
- Monitored the adequacy and effectiveness of the Internal Audit System taking into account the content of the audit reports of the Internal Audit Unit.
- Was informed about any new risks that were included in the Risk Register within the financial year 2024.
- Monitored the Company's compliance procedures with the laws and regulations regulating its organization, operation and activities and taking into account the reports of the Compliance Unit. The Internal Audit Unit submitted to the Audit Committee, and through it to the Board of Directors, the Annual Audit Plan for 2025, which was prepared taking into account key corporate risks, prepared under §5, article 15 of Law 4706/2020.

7. Remuneration of BoD members

The Company does not pay remuneration to the members of the Board of Directors and also does not employ senior management.

8. Suitability Policy

The Company has a Suitability Policy for the Members of the Board of Directors, which was prepared by the Nominations and Remunerations Committee in accordance with the provisions of article 3 of Law 4706/2020 and the guidelines of Circular no. 60 of the Hellenic Capital Market Commission.

The Policy was approved by the Extraordinary General Assembly of the Company's shareholders dated 16.07.2021 and entered into force on the date of its approval by the General Assembly. Individual amendments require re-approval by the Board of Directors, while revision of the Policy requires a Decision of the General Assembly. The adoption of substantial amendments that introduce significant deviations or also significantly change the content of the Policy, in particular in terms of the applied principles and criteria or the original writing of the Policy is defined as a revision.

The Suitability Policy aims to ensure quality staffing, effective operation and fulfillment of the role of the Board of Directors based on the overall strategy and medium to long-term business goals of the Company, with the aim of promoting the corporate interest.

The aim of the policy is to have a highly effective Board of Directors. As such, it is considered a Board of Directors with a structured team, working together with a shared commitment to protect and enhance shareholder value, rather than a typical gathering of executives who manage corporate affairs without the capacity for constructive cooperation and development prospects.

The Policy takes into account best practices and is in line with the corporate culture and what is provided for in the Articles of Association, the Internal Rules of Operation and the Hellenic Corporate Governance Code, to which the Company is subject, is clear and adequately documented and is governed by the principle of transparency and proportionality while promoting diversity, meritocracy and effectiveness in the selection and during the term of office of the members of the BoD.

Furthermore, during the preparation of the Policy, the size, internal organization, risk ”appetite”, nature, scale and nature of the Company's activities were taken into account.

The guiding principles governing the policy are as follows:

- Compliance
- Transparency
- Proportionality
- Diversity
- Meritocracy
- Effectiveness
- Experience and historicity

9. Diversity policy

The Company has adopted and implements the diversity policy of TERNA ENERGY Group in order to promote an appropriate level of differentiation in the Board of Directors and a diverse group of members. The Policy is drafted with the belief that a Board of Directors that has a wide range of perspectives and diversity is in a better position than other Boards of Directors with a limited scope, as diversity allows the Company to take advantage of market opportunities and effectively manage risks.

The Board can perform well if it consists of a wide range of members with diverse, but complementary skill or knowledge groups. Its culture is positively shaped by different approaches and views and will certainly be quite representative of the Group's values. In this way, the Board of Directors ultimately forms a progressive and thoughtful view of its affairs, while promoting prudent risk-taking.

Through the concentration of a wide range of qualifications and skills during the selection of Board members, diversity of views and experiences is ensured, in order to make sound decisions.

In this context, adequate representation per gender is provided, at least as defined by the relevant legislation, as a percentage of the total members of the Board of Directors. At the same time, all necessary measures are taken so that there is no exclusion whatsoever due to discrimination based on sex, age, race, color, ethnic or social origin, religion or belief, birth, disability, age or sexual orientation, property and the sole criteria shoulde be those of individual suitability identified in the Policy.

The achievement of substantial and not only formal diversity within the Boards of Directors is an important guarantee for the overall effectiveness of the Board of Directors.

10. Transactions with related parties and relevant information of the Board of Directors

The Company has developed a procedure for identifying related party transactions and complying with applicable law. The procedure was drafted aiming at transparency and supervision of the Company's transactions with related parties. The purpose of the procedure is to record the actions performed in order to identify transactions of the Company in which natural or legal persons participate, falling under the definition of related parties and to comply with the applicable legislation. The procedure provides for the recording and maintenance of a register of related parties and the recognition of related party transactions through the control of the counterparty in accordance with articles 99-101 of Law 4548/2018.

11. Sustainable development policy

Sustainable Development for TERNA ENERGY Group is not only a practice of alignment with international good practices but a holistic strategic approach based on the regular assessment of the most important social, economic and environmental impacts of the Group's activities and their review and/or modification, if necessary, through a process of dialogue and consultation with stakeholders.

Furthermore, TERNA ENERGY Group acts in accordance with the United Nations (UN) Global Sustainable Development Goals and is an ally in the fight for social equality, prosperity and the development of a sustainable natural environment, given that it has recognized that the seventeen (17) global goals are inextricably linked to the principles of Corporate Governance and Corporate Social Responsibility / Sustainable Development to which it is committed.

The responsible operational approach of the Group is reflected in the practices and procedures developed in the Group aiming at integrating the principles of Sustainable Development into its daily operation. At the same time, it is based on the strategic corporate values established by the Management, namely respect for people and the natural environment, value creation for employees, customers and shareholders, honesty, reliability and targeted social contribution.

The Group's policy for Sustainable Development is inextricably linked to the material issues that are regularly identified through the materiality analysis process, in order for the Group to constantly listen to the needs of stakeholders (internal and external) but also to take into account the current socio-economic trends in relation to its effects (positive or negative).

In this context, the Group's corporate responsibility is aligned with ESG (Environmental-Social-Governance) criteria/principles, concerns four (4) axes of activity and is developed in eight (8) strategic directions/individual areas that incorporate the Group's specific approach-policy on the identified material issues:

Axis 1: Environmental Protection
Strategic Direction / Area of Activity: Environmental protection and climate change

The achievement of sustainable development through the continuous reduction of the environmental footprint of the Group's activities in Greece and abroad, the continuous adaptation to the conditions for Climate Change and the implementation of the principles of Circular Economy in combination with the investment in innovative services and technologies and the faithful adherence to the existing environmental management system.

Environmental protection is an integral part of the Group's strategy and becomes visible through its policies, strategies and business decisions and actions. The Group acts in a targeted manner and takes measures that lead to the reduction of its environmental and energy footprint through the responsible management of energy and the natural resources it uses (e.g. water, energy, materials, tackling Climate Change and protecting and preserving biodiversity). It focuses on the transition to an economy that is less dependent on fossil fuels and ensures sustainable cities and societies for all its stakeholders.

Axis 2: Promotion of Human Value
Strategic Direction / Area of Activity: Health & Safety at Work

The recognition of the value of human health and life and the assurance of a working environment without risks of accidents.

Safeguarding Health and Safety is a priority for the Group, which is constantly improving the strategic framework within which issues related to the protection of Health and Safety of all its stakeholders are managed.

Strategic Direction / Area of Activity: Personnel development and protection of human rights

The recognition that surplus value is created by human capital. The aim is to develop a balanced and safe working environment of meritocracy, transparency, equal opportunities-benefits, which enhances diversity, ensures human - labor rights and at the same time invests in the continuous improvement of employees' skills, the development and retention of talents and the enhancement of youth entrepreneurship.

The Group applies and respects international principles and standards of Human Rights and has developed its framework of principles and values based on fundamental Human Rights. Respecting all its employees and partners, it ensures the prevention of incidents of violation of their rights, through the adoption of policies, actions and control mechanisms, which apply to all its activities, to all its subsidiaries and to all the projects it undertakes. The Group actively participates, supports and considers as a top priority the investment in its people by providing the necessary resources to promote the continuous improvement of the working environment.

Axis 3: Strengthening the Social Footprint

Strategic Direction / Area of Activity: Care for local communities

The continuous consultation with the social partners and the preparation of social impact studies with the ultimate goal of maximizing direct and indirect social benefits, the support of solidarity actions, such as donations and sponsorships, and the constant cooperation with local suppliers to build long-term relationships of trust.

Through the adoption of responsible policies aimed at creating shared value to all its stakeholders, the Group supports the development of the local communities in which it operates and with which it interacts, through continuous consultation and efforts to identify and respond to the real needs that exist, but also through its own activity.

Strategic Direction/ Area of Activity: Emergency Response

The commitment to take measures and actions to deal with emergencies through the development of risk management plans, the implementation of preparedness exercises and the realization of periodic internal and external audits.

Axis 4: Shaping a Responsible Market

Strategic Direction / Area of Activity: Creation and distribution of economic value

The creation of economic value - the main objective of the Group is to generate and distribute income for its stakeholders through the payment of salaries to employees, payments to suppliers and partners, direct and indirect taxes in the countries of operation, the distribution of dividends to shareholders and investments in local communities while avoiding uncertainties and risks, financial and non-financial, with the aim of safeguarding economic activity, sustainable development and improving living standards.

Strategic Direction/ Area of Activity: Business ethics and regulatory compliance

The Group ensures the assurance of business ethics and regulatory compliance of all its operations and activities, having as a priority the detection and combating of potential corruption incidents, faithfully applying the procedures and policies incorporated into the corporate operation (Code of Ethics, Anti-Bribery Management System ISO 37001), and the regular training of human resources.

The fight against corruption is a critical pillar of the Group's operation, which is committed to showing zero tolerance to such incidents, through the promotion of transparency, ensuring business ethics and regulatory compliance, which are diffused across the spectrum of activities and affect the professional behavior of its people. To this end, the Group acts through the establishment of policies and procedures, but also through the establishment of control mechanisms and compliance with these policies.

Strategic Direction / Area of Activity: Responsible supply chain management

Responsible supply chain management requires responsible partnerships. Therefore, it is mandatory for all suppliers and partners to fully comply with the Group's Regulatory Framework of Principles and Values, both in matters of corruption and respect for human rights, as well as in matters of Environmental Management and Social Corporate Policy.

Above all, the proper management of the supply chain starts from the responsible attitude of the Group towards all its stakeholders. The Group's business activities throughout its supply chain are carried out once the potential environmental, social and economic impacts have been assessed in order to maximize the positive impact. In order to address the new challenges brought by supply chain issues, the Group ensures the incorporation of new criteria in the management procedures of supply chain issues, such as the new terms of cooperation with suppliers and the preference it gives to domestic suppliers.

For the above issues, the Group sets individual Sustainable Development goals, which it evaluates on an annual basis in terms of their progress and revises them appropriately when necessary.

In order to achieve its objectives, the Group develops individual management systems, policies, procedures, measurement indicators and implements appropriate action plans / programs that contribute to the increase of positive effects or the reduction of negative ones.

With a view to transparency and regular information to stakeholders, the results of the Group's performance on Sustainable Development issues are published to the general public through the annual Sustainable Development Report.

a) Share Capital Structure

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

From each share derive all rights and obligations defined by the Law and the Articles of Association of the Company.

Αθήνα, 20 March 2025

The Chairman of the Board of Directors

Georgios Mergos

IV. INDEPENDENT AUDITOR'S REPORT

(This report has been translated from Greek original version)

To the Shareholder of the company "TERNA ENERGY FINANCE S.P.S.A."

Report on Financial Statements

Opinion

We have audited the accompanying financial statements of "TERNA ENERGY FINANCE S.P.S.A." ("the Company"), which comprise of the statement of financial position as of December 31, 2024, statements of other comprehensive income, changes in equity and cash flows for the year then ended and the notes to the financial statements that include material information about accounting policies.

In our opinion, the accompanying financial statements present fairly, in all material respects, the financial position of the Company as of 31 December 2024, its financial performance and cash flows for the year then ended in accordance with International Financial Reporting Standards that have been adopted by the European Union.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (ISAs) incorporated into the Greek Legislation. Our responsibilities under those standards are described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are independent of the Company within the entire course of our appointment in accordance with the International Ethics Standards Board for Accountants' Code of Ethics for Professional Accountants (IESBA Code) incorporated into the Greek Legislation and ethical requirements relevant to the audit of financial statements in Greece and we have fulfilled our other ethical responsibilities in accordance with these requirements and the IESBA Code. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the financial statements of the audited period. These matters, as well as the related risk of significant misstatements, were addressed in the context of our audit of the financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

In our conclusion, there are no Key Audit Matters that should be disclosed in our Report.

Other information

Management is responsible for the other information. The other information is included in the Board of Director's Report, the reference to which is made in the "Report on Other Legal and Regulatory Requirements" section of our Report and Representations of the Members of the Board of Directors, but does not include the financial statements and our auditor's report thereon.

Our opinion on the financial statements does not cover the other information and we will not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information identified above when it becomes available and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit, or otherwise appears to be materially misstated. If, based on our audit, we conclude that there is a material misstatement therein, we are required to report that matter. No such issue has arisen.

Responsibilities of Management and Those Charged with Governance for the Financial Statements

Management is responsible for the preparation and fair presentation of the financial statements in accordance with International Financial Reporting Standards that have been adopted by the European Union and for such internal control as management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the management's intention is to proceed with liquidating the Company or discontinuing its operations or unless the management has no other realistic option but to proceed with those actions.

The Company's Audit Committee (Article 44, Law 4449/2017) is responsible for overseeing the Company's financial reporting process.

Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as an aggregate, are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs, incorporated into the Greek Legislation, will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to affect the economic decisions of users taken on the basis of these financial statements.

As part of an audit in accordance with ISAs, incorporated into the Greek Legislation, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Company's and the Group's internal control.

- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.

- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company and the Group to cease to continue as a going concern.

- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence and communicate with them all the relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the financial statements of the current period and are therefore the key audit matters.

Report on Other Legal and regulatory Requirements

1. Board of Directors Report

Taking into consideration that management is responsible for the preparation of the Board of Directors’ Report which also includes the Corporate Governance Statement, according to the provisions of paragraph 1, cases aa', ab' and b', of Article 154C of Law 4548/2018, we note the following:

a) The Board of Directors’ Report includes the Corporate Governance Statement that provides the data and information defined under article 152, Law 4548/2018.

b) In our opinion, the Board of Directors’ Report has been prepared in accordance with the legal requirements of article 150 of Law 4548/2018 with the exception of the requirement to submit a sustainability report under paragraph 5A of Article 150 of the same law and the content of the report is consistent with the accompanying financial statements for the year ended December 31, 2024.

c) Based on the knowledge we acquired during our audit, we have not identified any material misstatements in the Board of Directors’ Report in relation to the Company “TERNA ENERGY FINANCE S.P.S.A.” and its environment.

2. Complementary Report to the Audit Committee

Our audit opinion on the accompanying financial statements is consistent with the Complementary Report to the Audit Committee in accordance with Article 11 of the European Union (EU) Regulation 537/2014.

3. Provision of Non-Audit Services

We have not provided to the Company any prohibited non-audit services referred to in article 5 of EU Regulation No 537/2014.

Authorized non-audit services provided by us to the Company and its subsidiaries during the year ended as at December 31, 2024 are disclosed in Note 13 to the accompanying financial statements.

4. Auditor’s Appointment

We were first appointed the Company’s Chartered Accountants following as of 14/10/2016 Company’s Articles of Association (Article 34). Our appointment has been renewed by the decision of the annual general meeting of shareholders for a total uninterrupted period of 9 years.

5. Internal Regulation Code

The Company has in effect Internal Regulation Code in conformance with the provisions of article 14 of Law 4706/2020.

6. Assurance Report on European Single Electronic Format

Subject Matter

We have undertaken a reasonable assurance engagement to review the digital records of TERNA ENERGY FINANCE S.P.S.A. (hereinafter “the Company”), prepared in accordance with the European Single Electronic Format (ESEF) as defined by the European Commission Delegated Regulation 2019/815, amended by the Regulation (EU) 2020/1989 (ESEF Regulation), which comprise of the financial statements of the Company for the year ended December 31, 2024, in XHTML format “2138008LK8J3MSMF6S69-2024-12-31-en.xhtml” with the appropriate mark-up, on the aforementioned financial statements including other explanatory information (Notes to financial statements) (hereinafter (the "Subject Matter") in order to verify that it was prepared in accordance with the requirements set out in the Applicable Criteria section.

Applicable Criteria

The Applicable Criteria for the European Single Electronic Format (ESEF) are prepared in accordance with the Commission Delegated Regulation (EU) 2018/815 as amended by the Commission Delegated Regulation (EU) 2020/1989 (hereinafter the ESEF Regulation) and the European Commission Interpretative Communication 2020/C379/01 of November 10, 2020, in conformance with Law 3556/2007 and the relevant announcements of the Hellenic Capital Market Commission and the Athens Stock Exchange (ESEF Regulatory Framework).

Responsibilities of management and those charged with governance

Management is responsible for the preparation and submission of the financial statements of the Company for the year ended December 31, 2024, in accordance with the Applicable Criteria, and for such internal control as management determines is necessary to enable the preparation of digital records that are free from material misstatement, whether due to fraud or error.

Auditor’s Responsibilities

Our responsibility is to issue this Report in respect of the assessment of the Subject Matter, based on our assurance engagement, as described below in the section "Scope of the Engagement”.

We conducted our work in accordance with the International Standard on Assurance Engagements 3000 “Assurance Engagements other than Audits or Reviews of Historical Financial Information” (hereinafter ISAE 3000”).

ISAE 3000 requires that we plan and perform our work to obtain reasonable assurance to evaluate the Subject Matter in accordance with the Applicable Criteria. As part of the procedures performed, we assess the risk of material misstatement of information related to the Subject Matter.

We consider that the evidence we have obtained is sufficient and appropriate and supports the conclusion reached in this assurance report.

Professional ethics and quality management

We are independent of the Company during our entire assignment and we have complied with the requirements of the International Ethics Standards Board for Accountants Code of Ethics for Professional Accountants (IESBA Code) the ethical and independence requirements of Law 4449/2017 and Regulation (EU) 537/2014.

Our auditing firm applies the International Standard on Quality Management (ISQM) 1 “Quality Management for Firms that Perform Audits or Reviews of Financial Statements, or Other Assurance or Related Services Engagements” and accordingly, operates a comprehensive system of quality management including documented policies and procedures regarding compliance with ethical requirements, professional standards and applicable legal and regulatory requirements.

Scope of engagement

The assurance procedures we performed covers, in a limited way, the items included in the BoD Resolution 214/4/11-02-2022 of the Hellenic Accounting and Auditing Standards Oversight Board (HAASOB) and the "Guidelines in relation to the work and assurance report of the Statutory Auditors on the European Single Electronic Reporting Form (ESEF) of the issuers with securities listed on a regulated market in Greece", as issued by the Institute of Certified Public Accountants of Greece (SOEL) on 14/02/2022, so as to obtain reasonable assurance that the financial statements of the Company prepared by the Management comply in all material respects with the Applicable Criteria.

Inherent limitations

Our work covered the items listed in the "Scope of Engagement" section to obtain reasonable assurance based on the procedures described. In this context, the work we performed could not provide absolute assurance that all matters that could be considered material weaknesses would be disclosed.

Conclusion

Based on the procedures performed and the evidence obtained, we express the conclusion that the financial statements of the Company for the year ended December 31, 2024, in the provided XHTML format “2138008LK8J3MSMF6S69-2024-12-31-en.xhtm with the appropriate mark-up on the above financial statements, including the Notes, have been prepared, in all material respects, in accordance with the Applicable Criteria.

Athens, 20 March 2025

The Certified Auditor Accountant

Georgios P. Panagopoulos

SOEL Reg. No. 36471

Grant Thornton
Chartered Accountants Management Consultants
58, Katehaki Av., 115 25 Athens, Greece
Registry Number SOEL 127

TERNA ENERGY FINANCE SINGLE PERSON SOCIETE ANONYME

ANNUAL FINANCIAL STATEMENTS FOR FY ENDED AS AT DECEMBER 31st 2024 (1st January - 31st December 2024)

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

The attached annual Financial Statements were approved by the Board of Directors of TERNA ENERGY FINANCE S.P.S.A. (SINGLE PERSON SOCIETE ANONYME) as of 20 March 2025 and have been published on the Company's website www.ternaenergy-finance.com , as well as on the Athens Exchange's website.

(Amounts in Euro thousand unless stated otherwise)

STATEMENT OF FINANCIAL POSITION AS OF 31ST DECEMBER 2024

	Note	31/12/2024	31/12/2023
ASSETS			
Non-current assets			
Other long-term receivables	6	146.632	146.632
Total non-current assets		**146.632**	**146.632**
Current assets			
Receivables from contracts with customers		35	–
Other short term receivables	7	1.072	1.072
Cash and cash equivalents	8	5.785	5.483
Total current assets		**6.892**	**6.555**
TOTAL ASSETS		**153.524**	**153.187**
EQUITY AND LIABILITIES			
Equity			
Share capital	9	1.850	1.850
Reserves		136	106
Retained earnings		1.524	1.858
Total equity		**3.510**	**3.814**
Long-term liabilities			
Long-term loans	10	148.926	148.358
Deferred tax liabilities		240	232
Total long-term liabilities		**149.166**	**148.590**
Short-term liabilities			
Suppliers		2	2
Long-term liabilities carried forward	10	758	747
Accrued and other short-term liabilities		10	12
Income tax payable		78	22
Total short-term liabilities		**848**	**783**
Total liabilities		**150.014**	**149.373**
TOTAL LIABILITIES AND EQUITY		**153.524**	**153.187**

The accompanying notes form an integral part of the annual financial statements.

(Amounts in Euro thousand unless stated otherwise)

STATEMENT OF COMPREHENSIVE INCOME OF THE FINANCIAL YEAR 2024

	Note	01/01 - 31/12/2024	01/01 - 31/12/2023
Financial income	11	5.540	5.369
Financial expenses	12	(4.535)	(4.505)
Net financial income		**1.005**	**864**
Third party fees and expenses	13	(59)	(86)
Other operating expenses	14	(16)	(21)
Employees remuneration and expenses	15	(39)	(48)
Operating results		**891**	**709**
Profit before tax		**891**	**709**
Income tax expense	16	(195)	(156)
Net profit for the year		**696**	**553**
Other comprehensive income			
Other comprehensive income for the year (after tax)		**–**	**–**
Total comprehensive income for the year		**696**	**553**

The accompanying notes form an integral part of the annual financial statements.

(Amounts in Euro thousand unless stated otherwise)

STATEMENT OF CASH FLOWS OF THE FINANCIAL YEAR 2024

	Note	01/01 - 31/12/2024	01/01 - 31/12/2023
Cash flows from operating activities			
Earnings before tax		891	709
Adjustments for reconciliation of net flows from operating activities			
Financial income	11	(5.540)	(5.369)
Financial expenses	12	4.535	4.505
Operating loss before changes in working capital		**(114)**	**(155)**
(Increase)/Decrease in:			
Prepayments and other short term receivables		–	(2)
Interest and related income collected		5.505	5.369
Increase/(Decrease)\ in:			
Suppliers		1	(1)
Accruals and other short term liabilities		(2)	(7)
Interest paid		(3.957)	(3.945)
Income tax paid		(131)	(302)
Net cash inflows from operating activities		**1.302**	**957**
Cash flows from investment activities			
Net cash inflows from investment activities		**–**	**–**
Cash flows from financing activities			
Dividends paid		(1.000)	–
Net cash outflows from financing activities		**(1.000)**	**–**
Net increase in cash and cash equivalents		**302**	**957**
Opening cash and cash equivalents	8	5.483	4.526
Closing cash and cash equivalents	8	**5.785**	**5.483**

The accompanying notes form an integral part of the annual financial statements.

(Amounts in Euro thousand unless stated otherwise)

STATEMENT OF CHANGES IN EQUITY OF THE FINANCIAL YEAR 2024

	Share capital	Reserves	Retained Earnings	Total
1 January 2023	**1.850**	**76**	**1.335**	**3.261**
Net earnings for the year	–	–	553	**553**
Other comprehensive income				
Other comprehensive income for the year (after tax)	**–**	**–**	**–**	**–**
Total comprehensive income for the year	**–**	**–**	**553**	**553**
Formation of reserves	–	30	(30)	**–**
Transactions with shareholders	**–**	**30**	**(30)**	**–**
31st December 2023	**1.850**	**106**	**1.858**	**3.814**
1 January 2024	**1.850**	**106**	**1.858**	**3.814**
Net earnings for the year	–	–	696	**696**
Other comprehensive income				
Other comprehensive income for the year (after tax)	**–**	**–**	**–**	**–**
Total comprehensive income for the year	**–**	**–**	**696**	**696**
Formation of reserves	–	30	(30)	**–**
Distribution of dividends	–	–	(1.000)	**(1.000)**
Transactions with shareholders	**–**	**30**	**(1.030)**	**(1.000)**
31st December 2024	**1.850**	**136**	**1.524**	**3.510**

The accompanying notes form an integral part of the annual financial statements.

EXPLANATORY NOTES TO THE FINANCIAL STATEMENTS

1. GENERAL INFORMATION ABOUT THE COMPANY

"TERNA ENERGY FINANCE S.P.S.A." (henceforth "The Company") was incorporated following No. 19.634/ 14.10.2016 Notary Act, according to the provisions of Law 2190/1920 and was registered in the General Electronic Commercial Registry (GEMI) of the Athens Chamber of Commerce and Industry on 14/10/2016, under GEMI number 140274801000. It has its headquarters in Athens, 85 Mesogeion Ave, and its term is set for 110 years.

The Company's operations focus on the following:

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

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

The accompanying Financial Statements as of December 31st, 2024, were approved by the Board of Directors on 20/03/2025 and are subject to the final approval of the General Meeting of the shareholders. They are available to the investor community at the Company's offices (Athens, 85 Mesogeion Ave) and at the Company's website.

The accompanying financial statements of the Company are consolidated under full consolidation method in the financial statements of TERNA ENERGY S.A., which is in Greece, listed at ATHEX, and whose participating interest in the Company on 31/12/2024 amounted to 100% (31/12/2023: 100%).

2. FRAMEWORK FOR THE PREPARATION OF THE FINANCIAL STATEMENTS

2.1 Basis for Financial Statements Presentation

The Company's accompanying Financial Statements as of December 31st, 2024 covering the financial year starting on January 1st until December 31st 2024 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 December 31st, 2024.

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

Going Concern

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

The decision of the Management to use the going concern principle is based on its assessment of all possible external effects of political developments and changes in the economic environment in which it operates.

The Management has estimated that there is no essential uncertainty regarding the going concern of the Company thereby implementing the framework for the preparation of the Financial Statements for the year ended on 31/12/2024.

2.2 Basis of Measurement

The accompanying financial statements as of December 31st 2024, have been prepared according to the principle of historical cost.

2.3 Currency of Presentation

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

2.4 Comparability

The comparative figures in the Financial Statements have not been restated.

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. Opinions, assumptions and Management estimates affect the valuation of several asset and liability items, the amounts recognized during the financial year regarding specific income and expenses as well as the presented estimates on contingent liabilities.

The assumptions and estimates are assessed on a continuous basis according to historic experience and other factors, including expectations on future event outcomes that are considered as reasonable given the current conditions. The estimates and assumptions relate to the future and, consequently, the actual results may deviate from the accounting calculations.

The areas requiring the highest degree of judgment as well as the factors mostly affecting the Financial Statements are presented in Note 3 of the Financial Statements.

2.6 New Standards, Interpretations and Amendments of Standards

The accounting principles applied for the preparation of the financial statements are the same as those applied for the preparation of the annual financial statements of the Company for FY ended as on December 31st, 2023, apart from the adoption of several new accounting standards, whose application was mandatory in the European Union for FYs beginning as on January 1st, 2024 (see. Notes 2.6.1 και 2.6.2).

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 01/01/2024.

Amendments to IAS 1 "Classification of Liabilities as Current or Non-current" (effective for annual periods starting on or after 01/01/2024)

The amendments clarify the principles of IAS 1 for the classification of liabilities as either current or non-current. The amendments clarify that an entity's right to defer settlement must exist at the end of the reporting period. The classification is not affected by management's intentions or the counterparty's option to settle the liability by transfer of the entity's own equity instruments. Also, the amendments clarify that only covenants with which an entity must comply on or before the reporting date will affect a liability's classification. The amendments require a company to disclose information about these covenants in the notes to the financial statements. The amendments are effective for annual reporting periods beginning on or after 1 January 2024. The amendments do not affect the Financial Statements. The above have been adopted by the European Union with effective date of 01/01/2024.

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 amendments do not affect the Financial Statements. The above have been adopted by the European Union with an effective date of 01/01/2024.

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

In May 2023, the International Accounting Standards Board (IASB) issued Supplier Finance Arrangements, which amended IAS 7 Statement of Cash Flows and IFRS 7 Financial Instruments: Disclosures. The new amendments require an entity to provide additional disclosures about its supplier finance arrangements. The amendments require additional disclosures that complement the existing disclosures in these two standards. They require entities to provide users of financial statements with information that enable them a) to assess how supplier finance arrangements affect an entity's liabilities and cash flows and b) to understand the effect of supplier finance arrangements on an entity's exposure to liquidity risk and how the entity might be affected if the arrangements were no longer available to it. The amendments to IAS 7 and IFRS 7 are effective for accounting periods on or after 1 January 2024. The amendments do not affect the Financial Statements. The above have been adopted by the European Union with effective date of 01/01/2024.

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

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

IFRS 9 & IFRS 7 “Amendments to the Classification and Measurement of Financial Instruments” (effective for annual periods starting on or after 01/01/2026)

In May 2024, the International Accounting Standards Board (IASB) issued amendments to the Classification and Measurement of Financial Instruments which amended IFRS 9 “Financial Instruments” and IFRS 7 “Financial Instruments: Disclosures”. Specifically, the new amendments clarify when a financial liability should be derecognized when it is settled by electronic payment. Also, the amendments provide additional guidance for assessing contractual cash flow characteristics to financial assets with features related to ESG-linked features (environmental, social, and governance). IASB amended disclosure requirements relating to investments in equity instruments designated at fair value through other comprehensive income and added disclosure requirements for financial instruments with contingent features that do not relate directly to basic lending risks and costs. The amendments are effective from annual reporting periods beginning on or after 1 January 2026. The Company will examine the impact of the above on its Financial Statements. The above have not been adopted by the European Union.

Annual Improvements to IFRS Standards-Volume 11 (effective for annual periods starting on or after 01/01/2026)

In July 2024, the IASB issued the Annual Improvements to IFRS Accounting Standards-Volume 11 addressing minor amendments to the following Standards: IFRS 1 ‘First-time Adoption of International Financial Reporting Standards’, IFRS 7 ‘Financial Instruments: Disclosures’, IFRS 9 ‘Financial Instruments’: IFRS 10 ‘Consolidated Financial Statements’, and IAS 7 ‘Statement of Cash Flows’. The amendments are effective for accounting periods on or after 1 January 2026. The Company will examine the impact of the above on its Financial Statements. The above have not been adopted by the European Union.

IFRS 18 “Presentation and Disclosure in Financial Statements” (effective for annual periods starting on or after 01/01/2027)

In April 2024 the International Accounting Standards Board (IASB) issued a new standard, IFRS 18, which replaces IAS 1 ‘Presentation of Financial Statements’. The objective of the Standard is to improve how information is communicated in an entity’s financial statements, particularly in the statement of profit or loss and in its notes to the financial statements. Specifically, the Standard will improve the quality of financial reporting due to a) the requirement of defined subtotals in the statement of profit or loss, b) the requirement of the disclosure about management-defined performance measures and c) the new principles for aggregation and disaggregation of information. The Company will examine the impact of the above on its Financial Statements. The above have not been adopted by the European Union.

3. MATERIAL ACCOUNTING ESTIMATES AND MANAGEMENT ASSESSMENTS

The preparation of Financial Statements in accordance with the International Financial Reporting Standards (IFRS) requires the Management to make judgments, estimates and assumptions which affect assets and liabilities, contingent receivables, and liabilities disclosures as well as revenue and expenses during the presented periods.

In particular, amounts included in or affecting the financial statements, as well as the related disclosures, are estimated through making assumptions about values or conditions that cannot be known with certainty at the time of preparation of the financial statements and therefore actual results may differ from what has been estimated. An accounting estimate is considered significant when it is material to the financial position and income statement of the Company and requires the most difficult, subjective, or complex judgments of the Management. Estimates and judgments of the Management are based on past experience and other factors, including expectations for future events that are judged to be reasonable in the circumstances. Estimates and judgments are continually reassessed based on all the available data and information.

Key estimates and evaluations referring to data whose development could affect the financial statements items in the upcoming 12 months are the following:

Provision for income tax

The provision for income tax based on IAS 12 is calculated by estimating the taxes to be paid to tax authorities and includes the current income tax for every financial year. The final settlement of the income tax might deviate from the respective amounts that have been recognized in the financial statements (further information is provided in Note 16).

4. SUMMARY OF KEY ACCOUNTING PRINCIPLES

4.1 Substantial Accounting Policies

The key accounting policies adopted under the preparation of the accompanying consolidated and separate financial statements are as follows:

4.1.1 Financial instruments

4.1.1.1 Recognition and derecognition

Financial assets and financial liabilities are recognized in the Statement of Financial Position if and only if the Entity becomes a party to the financial instrument.

The Entity ceases to recognize a financial asset if and only if the contractual rights to the cash flows of the financial asset expire or when the financial asset is transferred and all the risks and rewards, associated with the particular financial asset, are substantially transferred. A financial liability is derecognized from the Statement of Financial Position, if and only if, it is repaid - that is, when the commitment sets out in the contract is fulfilled, canceled or expires.

4.1.1.2 Classification and initial recognition of financial assets

Except for trade receivables that do not include a significant finance item and are measured at the transaction price in accordance with IFRS 15, other financial assets are initially measured at fair value by adding the relevant transaction cost except in the case of financial assets measured at fair value through profit or loss.

Financial assets, except for those defined as effective hedging instruments, are classified into the following categories:

- Financial assets at amortized cost,
- Financial assets at fair value through profit & loss, and
- Financial assets at fair value through other comprehensive income without recycling cumulative profit and losses on derecognition (equity instruments)

During the periods presented, the Company has not classified any financial assets in the category "financial assets at fair value through profit or loss" or in the category "financial assets at fair value through other comprehensive income".

Classification of every financial asset is defined according to: the Entity's business model regarding management of financial assets, and the characteristics of their conventional cash flows.

4.1.1.3 Subsequent measurement of financial assets

Financial assets at amortized cost

A financial asset is measured at amortized cost when the following conditions are met:

I. financial asset management business model includes holding the asset for the purposes of collecting contractual cash flows,

II. contractual cash flows of the financial asset consist exclusively of repayment of capital and interest on the outstanding balance ("SPPI" criterion).

Following the initial recognition, these financial assets are measured at amortized cost using the effective interest method. In cases where the discount effect is not significant, the discount is omitted.

The amortized cost method includes non-derivative financial assets such as loans and receivables with fixed or pre-determined payments that are not traded on an active market, cash and cash equivalents, as well as trade and other receivables.

As at 31/12/2024, the Company does not hold any financial assets classified in the other categories defined by IFRS 9.

4.1.1.4 Impairment of financial assets

Adoption of IFRS 9 led to a change in the accounting treatment of impairment losses for financial assets, as it replaced the treatment effective under IAS 39 for recognition of realized losses with recognition of expected credit losses. Impairment is defined in IFRS 9 as an Expected Credit Loss (ECL), which is the difference between the contractual cash flows attributable to the holder of a particular financial asset and the cash flows expected to be recovered, i.e. cash deficit arising from default events, discounted approximately at the initial effective interest rate of the asset.

The Group and the Company recognize provisions for impairment for expected credit losses for all financial assets except those measured at fair value through profit or loss. The objective of provisions for impairment under IFRS 9 is to recognize the expected credit losses over the life of a financial instrument whose credit risk has increased since initial recognition, regardless of whether the assessment is made at a collective or individual level, using all the information that can be collected on the basis of both historical and present data, as well as data relating to reasonable future estimates of the financial position of customers and the economic environment.

To facilitate implementation of this approach, a distinction is made among:

• financial assets whose credit risk has not deteriorated significantly since initial recognition or which have a low credit risk at the reporting date (Stage 1) and

• financial assets whose credit risk has deteriorated significantly since initial recognition, and which have no low credit risk (Stage 2).

• Stage 3 refers to financial assets for which there is objective evidence of impairment at the reporting date.

For financial assets included in Stage 1, expected credit losses are recognised for the period of the next 12 months, while for those included in Stage 2 or Stage 3, expected credit losses are recognised over the entire life of the financial asset.

Expected credit losses are based on the difference between the contractual cash flows and the cash flows the Company expects to receive. The difference is discounted using an estimate of the initial effective interest rate of the financial asset.

4.1.1.5 Classification and measurement of financial liabilities

The Group's financial liabilities include mainly borrowings, suppliers and other liabilities, as well as derivative financial instruments. Financial liabilities are initially recognized at cost, which is the fair value of the consideration received apart from borrowing costs. After initial recognition, financial liabilities are measured at amortized cost using the effective interest method, with the exception of derivatives that are subsequently measured at fair value with changes recognized in the income statement.

(i) Loan liabilities

The Group's loan liabilities are initially recognized at cost, which reflects the fair value of the receivable amounts less the relative costs directly attributable to them, where they are significant. After initial recognition, interest bearing loans are measured at amortized cost using the effective interest rate method. Amortized cost is calculated by taking into account issuing expenses and the difference between the initial amount and the maturity amount. Gains and losses are recognized in the income statement when the liabilities are derecognized or impaired through the amortization procedures.

(ii) Trade and other liabilities

The balances of suppliers and other liabilities are initially recognized at their fair value and are subsequently measured at amortized cost using the effective interest rate method.

Trade and other short-term liabilities are not interest-bearing accounts and are usually settled on the basis of the agreed credits.

4.1.1.6 Offsetting financial assets and financial liabilities.

Financial assets and financial liabilities are offset, and the net amount is presented in the Statement of Financial Position only if there is the present legal right to offset the recognized amounts and the entity intends to settle them on a net basis or to require the asset and settle the liability simultaneously.

4.1.2 Income tax

The income tax expense for the year consists of current taxes, deferred taxes and tax audit differences from previous years.

Current income tax

Current tax is calculated on the basis of the Tax Statements of Financial Position, in accordance with the tax laws applicable in Greece. Current income tax expense includes income tax based on the Company's earnings as restated in its tax returns and provisions for additional taxes, and is calculated in accordance with statutory or substantively enacted tax rates.

Deferred income tax

Deferred taxes are taxes or tax credits related to economic charges or benefits that arise in the financial year but have been or will be levied by the tax authorities in different years. Deferred income tax is determined using the liability method arising from temporary differences between the carrying amounts and tax bases of assets and liabilities.

Deferred income tax is calculated using the liability method on all temporary differences at the date of the Financial Statements between the tax base and the carrying amount of assets and liabilities. Deferred tax liabilities are recognised for all taxable temporary differences.

Deferred tax assets are assessed at each Financial Statements date and reduced to the extent that it is not considered probable that sufficient taxable profit will be available against which some or all of the deferred income tax assets can be utilised.

Deferred tax assets and liabilities are measured using the tax rates expected to be in effect in the year in which the asset will be realized or the liability settled, and are based on tax rates (and tax laws) that are enacted or substantively enacted at the reporting date of the Financial Statements. If the timing of the reversal of temporary differences cannot be clearly determined, the tax rate in effect at the end of the fiscal year following the date of the Statement of Financial Position is applied.

Income tax relating to items recognised in other comprehensive income is also recognised in other comprehensive income.

4.2 Other accounting policies

The other accounting policies adopted in the preparation of the accompanying Company and Consolidated Financial Statements are as follows:

4.2.1 Cash and cash equivalents

Cash and cash equivalents include demand deposits and other highly liquid investments that are readily convertible to specific amounts of cash that are subject to an insignificant risk of changes in value.

4.2.2 Share capital, reserves and dividend distribution

Ordinary registered shares are recorded as an equity item. Costs directly related to an equity item are deducted from that equity item. Otherwise, that amount is recognised as an expense in the period to which it relates.

Where the Company purchases part of the Company's share capital (treasury shares), the amount paid including any costs, net of tax, is shown as a deduction from equity until the shares are cancelled or sold.

The number of treasury shares held by the Company does not reduce the number of shares outstanding, however it does affect the number of shares included in the earnings per share calculation.

Specifically, reserves are divided into:

Ordinary reserve: According to the Greek Commercial Code, companies must transfer a minimum of 5% of their annual net profits to an ordinary reserve, until this reserve becomes equal to 1/3 of the paid-up share capital. This reserve cannot be distributed during the life of the company.

Dividends: Dividends distributed to the Company's shareholders are recognised in the Financial Statements as a liability in the period in which the management's distribution proposal is approved by the Annual General Meeting of Shareholders. Also, at the same time, the effect of the distribution of results approved by the Annual General Meeting of Shareholders and any formation of reserves is reflected in the Financial Statements.

4.2.3 Operating Segments

The Company's Board of Directors is the principal business decision maker and reviews internal financial reporting in order to assess the Company's performance and make decisions on the allocation of resources. Management has determined the business segment based on these internal reports.

The operating segment of TERNA ENERGY is defined as the segment in which the Company operates and on which the Company's internal reporting system is based (see in detail Note 5).

4.2.4 Employee benefits

Short-term benefits: Short-term employee benefits (other than termination benefits) in cash and in kind are recognized as an expense when they become accrued. Any unpaid amount is recorded as a liability, and if the amount already paid exceeds the amount of the benefits, the enterprise recognizes the excess as an asset (prepaid expense) only to the extent that the prepayment will result in a reduction in future payments or a refund.

Post-employment benefits: Post-employment benefits include lump-sum retirement benefits, pensions and other benefits paid to employees after termination of employment in exchange for their service. The Company's obligations for retirement benefits relate to both defined contribution plans and defined benefit plans. The accrued cost of defined contribution plans is expensed in the period to which it relates. The pension plans adopted by the Company are partially funded through payments to insurance companies or state social insurance institutions.

(a) Defined contribution plan

Defined contribution plans involve the payment of contributions to Insurance Institutions, so that the Company does not incur a legal obligation if the Institution fails to pay the benefit to the insured. The employer's obligation is limited to the payment of employer contributions to the Institutions. The contribution payable by the Company to a defined contribution plan is recognized as a liability after deducting the contribution paid, while the accrued contributions are recognized as an expense in profit or loss.

(b) Defined benefit plan (unfunded)

In accordance with Law 2112/20, Law 4093/2012 and Article 8 of Law 3198/1955, the Company pays employees severance payments upon dismissal or retirement due to retirement. The amount of compensation paid depends on the years of service, the amount of remuneration and the method of separation from service (dismissal or retirement). Entitlement to participate in these schemes is established through the distribution of benefits over the last 16 years until the employees' retirement date following the scale of Law 4093/2012.

The liability recognized in the Statement of Financial Position for defined benefit plans is the present value of the defined benefit obligation less the fair value of plan assets (reserve from payments to the insurance company) and changes arising from any actuarial gain or loss and past service costs. The defined benefit obligation is calculated annually by an independent actuary using the projected unit credit method.

Based on all of the above and given that there is no "significant" corporate bond market in Greece, the discount rate chosen is the iBoxx AA Corporate Overall EUR European bond index for the estimated duration of the plan at the valuation date. The value of the benchmark index as at 31/12/2024 was 2.93%, which is considered consistent with the principles of IAS 19, i.e. it is based on bonds respectively in terms of currency and estimated plan duration.

A defined benefit plan defines, based on various parameters such as age, years of service and salary, specific obligations for benefits payable. The provisions relating to the period are included in the related personnel costs in the accompanying Statements of Income and consist of current and past service costs, related financial costs, actuarial gains or losses and any potential additional charges. With respect to unrecognized actuarial gains or losses, the revised IAS 19 is followed, which includes a number of amendments to the accounting for defined benefit plans, including:

I. the recognition of actuarial gains/losses in other comprehensive income and their final exclusion from profit or loss,

II. no longer recognizing the expected return on plan investments in profit or loss but recognizing the related interest on the net benefit obligation/(liability) calculated using the discount rate used to measure the defined benefit obligation,

III. recognizing past service cost in profit or loss on the earlier of the date of the plan amendment or when the related restructuring or termination benefit is recognized,

IV. Other changes include new disclosures, such as quantitative sensitivity analysis.

4.2.5 Provisions, Contingent Liabilities and Contingent Assets

Provisions are recognized when the Company has present legal or constructive obligations as a result of past events, it is probable that they will be settled through outflows of resources and a reliable estimate of the amount of the obligation can be made. Provisions are reviewed at each financial statement reporting date and adjusted to reflect the present value of the expenditure expected to be required to settle the obligation. Where the effect of the time value of money is significant, the amount of the provision is the present value of the expenditure expected to be required to settle the obligation.

If it is no longer probable that an outflow of resources will be required to settle a liability for which a provision has already been recognised, the provision is reversed.

(Amounts in Euro thousand unless stated otherwise)

In cases where an outflow of resources as a result of present obligations is not considered probable, or the amount of the provision cannot be estimated reliably, no liability is recognised in the financial statements. Contingent liabilities are not recognised in the financial statements but are disclosed unless the probability of an outflow of resources embodying economic benefits is remote. Potential inflows of economic benefits to the Company that do not yet qualify as an asset are considered contingent assets and are disclosed if the inflow of economic benefits is probable.

5. INFORMATION REGARDING OPERATING SEGMENTS

An operating sector is a component of an economic entity: a) that engages in business activities from which it may earn revenues and incur expenses (including revenues and expenses that concern transactions with other components of the same economic entity) and, b) whose operating results are regularly reviewed by the chief operating decision maker of the entity to make decisions about resources to be allocated to the segment and assess of its performance. The term “chief operating decision maker” defines the function of the Company that is responsible for the allocation of resources and the assessment of the economic entity’s operating segments. For the application of IFRS 8, this function is assigned to the Managing Director (Chief Executive Officer). An entity presents separately the information on each operating segment that meets certain criteria of characteristics and exceeds certain quantitative limits. The above information is presented in the accompanying consolidated statements of financial position, comprehensive income, and cash flows according to the IFRS, whereas previously recorded operating segments – as presented in the financial statements of the previous financial year - require no modifications.

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

6. OTHER LONG-TERM RECEIVABLES

The Company’s other long-term receivables as at 31/12/2024 and 31/12/2023, are analyzed as follows:

	31/12/2024	31/12/2023
Receivables from long-term intercompany loans 2019	146.632	146.632
Total	**146.632**	**146.632**

Interest income from the Intra-group Loan 2019 for the fiscal year 2024 amounted to € 5.367 thousand (see Note 11) and is included in the “Interest Income” item of the Statement of Comprehensive Income of year 2024.

Intragroup Loan 2019

The Company ("Issuer") following the decision of 10/10/2019 by which the content of its Prospectus was approved by the Capital Markets Commission, received an amount of € 146,632 thousand, i.e. an amount of € 150,000 thousand that was raised in cash from the coverage of the Common Bond Loan 2019 (CBL 2019, see Note10), minus the amount of € 3,368 thousand which concerns issue costs, as they have been incorporated without any deviation in the Prospectus. The funds raised were disbursed, as provided in the Prospectus, from the Issuer to TERNA ENERGY SA (sole shareholder and Guarantor of CBL 2019) through an intragroup loan.

(Amounts in Euro thousand unless stated otherwise)

Specifically, on 21.10.2019, TERNA ENERGY SA issued a bond loan ("Intragroup Loan 2019"), in accordance with the provisions of Law 4548/2018 and the provisions of Law 3156/2003 that remain in force, which is governed by Intragroup Loan Program, and which was covered by the Issuer in the amount of € 146,632 thousand. In this way, the amount of net capital proceeds was transferred to the Guarantor within 2019, in order for the latter to use it for its investment program as analyzed in section 4.1.2 "Reasons for Issuing the CBL and Utilization of Funds" of the Prospectus dated October 10, 2019.

The annual interest rate was set equal to that of the CBL 2019 rate (see Note 10), plus a 1% margin on the outstanding nominal capital per bond security, starting from the date of bond issuance, i.e. 3.6%.

The maturity of the Intra-group Loan 2019 was set 5 working days prior to the maturity of CBL 2019.

On 31/12/2024, the long-term component of the aforementioned receivable stood at € 146.632 thousand.

7. OTHER SHORT-TERM ASSETS

The Company's other short-term financial assets comprise essentially the short-term component of the Intra-group Loan 2019 between TERNA ENERGY S.A. and the Company (see Note 6).

Prepayments and other financial receivables	**31/12/2024**	**31/12/2023**
Short-term part of receivables from long-term intercompany loans 2019	1.056	1.056
Intercompany receivables from dividends, cash facilities and other receivables	2	–
Total (a)	**1.058**	**1.056**

Prepayments and other non-financial receivables	**31/12/2024**	**31/12/2023**
Prepayments to suppliers	–	2
Prepaid expenses and other transitory asset accounts	14	14
Total (b)	**14**	**16**
Other short term receivables (a) + (b)	**1.072**	**1.072**

8. CASH AND CASH EQUIVALENTS

Cash & cash equivalents as at 31/12/2024 and 31/12/2023, are analyzed as follows:

	31/12/2024	**31/12/2023**
Sight deposits	1.285	483
Time deposits	4.500	5.000
Total	**5.785**	**5.483**

Time deposits have a standard maturity of one month and bear an interest rate of between 3.05%-3.40% for 2024.

9. SHARE CAPITAL

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

10. LOANS

As of 31/12/2024 and 31/12/2023, the Company’s loans are analyzed as follows:

(Amounts in Euro thousand unless stated otherwise)

	31/12/2024	31/12/2023
Long-term loans		
Opening balance	**148.358**	**147.808**
Interest in income statement	568	550
Closing balance	**148.926**	**148.358**

	31/12/2024	31/12/2023
Long-term liabilities carried forward		
Opening balance	**747**	**736**
Interest in income statement	3.965	3.954
Interest paid	(3.954)	(3.943)
Closing balance	**758**	**747**
Total	**149.684**	**149.105**

€150 million Common Bond Loan (CBL 2019)

In compliance with the Finance Prospectus as of 10/10/2019 and as of 10/10/2019 Bond Loan Issue Plan up to € 150 million and pursuant to the Agreement for Appointment of a Bondholders' Representative (the "CBL Plan"), between TERNA ENERGY FINANCE S.P.S.

A. (the Issuer), TERNA ENERGY S.A. (the Guarantor) and ATHEXCSD S.A. (Bondholders' Representative), provisions are made for the issue of a CBL with a term of seven (7) years and amounting to one hundred and fifty million Euro (€ 150.000 thousand), divided into up to 150.000 intangible, common anonymous bonds with a nominal value of € 1,000 each.

On 22.10.2019, the Board of Directors of TERNA ENERGY MAEX announced that the proceeds of the Public Offer amounted to € 150 million listing the Company's bonds for trading in the ATHEX Regulated Market Securities Category. In particular, 150.000 common, bearer bonds of the Company with a nominal value of €1.000 (the Bonds) each have been allocated and as a result capital of an amount of €150 m. has been raised. The final yield of the Bonds was set at 2.60%, the Bond rate at 2,60% and the Loan Disposal Price at € 1.000 each, i.e. 100% of its nominal value. The final registration of the bonds in the Beneficiary Accounts of the Intangible Securities System was completed on 22.10.2019.

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

Under the terms of the Common Bond Loan Issue Plan of up to € 150.000.000 and the Bondholders' Representative Appointment Agreement dated 10/10/2019, the raised funds of € 150.000 thousand will be invested by the Issuer to the Guarantor through the Intra-group Loan. On 21/10/2019, the Guarantor issued a bond loan under Law 3156/2003, within the frame of the Intragroup Loan Scheme, which was covered by the Issuer for an amount of € 146.632 thousand. This way, the respective amount of the CBL was transferred to the Guarantor, thus lending the equal amount of the capital proceeds to the Guarantor, so that the latter could use it in respect of its investment plan as analyzed in section 4.1.2 of the Prospectus as of October 10th, 2019.

As of 31/12/2024 the outstanding amount of CBL 2019 had settled at € 149.684 thousand.

(Amounts in Euro thousand unless stated otherwise)

At the repetitive meeting of the Bondholders of the Common Bond Loan that took place on December 15, 2023, the obligation of the Company and the Guarantor to ensure compliance with the ratios (a) Debt to Equity and (b) Net Debt to EBITDA, was eliminated.

The interest expenses from the CBL for the financial year of 2024 amounted to € 4.532 thousand (see Note 12) and are included in the item "Interest and other financial expenses" of the Statement of Comprehensive Income.

11. INTEREST REVENUES

The Company's income for the year 2024 relates to interest income from the Intragroup Loan 2019 amounting to € 5.367 thousand (2023: € 5.352 thousand), granted to the parent company and which is included in the items "Other Long-Term Receivables" and " Other Current Assets" (see Notes 6 and 7, respectively) and from time deposit income of € 173 thousand (2023: € 17 thousand).

12. INTEREST AND OTHER FINANCIAL EXPENSES

The interest and other financial expenses of the Company for the financial year of 2024 and 2023, respectively, are analysed as follows:

	01/01 - 31/12/2024	01/01 - 31/12/2023
Interest and expenses on long-term loans	4.532	4.504
Commissions, bank charges and other expenses	3	1
Financial expenses	**4.535**	**4.505**

The interest and expenses on long-term loans of the Company for the financial year 2024 amounting to € 4.532 thousand (2023: 4.504 thousand) relate to interest expenses from the Common Bond Loan (see in detail Note 10).

13. THIRD PARTIES FEES AND EXPENSES

The Company's third-party fees and expenses for the financial years 2024 and 2023, are analyzed as follows:

	01/01 - 31/12/2024	01/01 - 31/12/2023
Fees and expenses of other third parties	14	37
Subscriptions and contributions	33	30
Auditors' fees	12	19
Total	**59**	**86**

For the year ended December 31st, 2024, the item "Auditors' Fees" includes fees of the statutory auditors in the amount of € 0,5 thousand (2023: € 1,5 thousand), relating to authorized non-audit services (excluding the services of the statutory audit of the financial statements and the tax audit for the issuance of the tax compliance report).

14. OTHER OPERATING INCOME - EXPENSES

The Company's other operating income and expenses for the years 2024 and 2023, are analyzed as follows:

(Amounts in Euro thousand unless stated otherwise)

	01/01 - 31/12/2024	01/01 - 31/12/2023
Other tax and duties	16	21
Total	**16**	**21**

15. PERSONNEL FEES AND EXPENSES

Company's personnel fees and expenses for the financial years 2024 are 2023, are analyzed as follows:

	01/01 - 31/12/2024	01/01 - 31/12/2023
Salaries and other employee benefits	32	39
Social security contributions	7	9
Total	**39**	**48**

According to Greek labour law, every employee is entitled to a lump-sum compensation in case of dismissal or retirement. The amount of compensation depends on the length of service and the employee's salary on the day of dismissal or retirement. Staff members who resign or are dismissed with cause shall not be entitled to compensation. The compensation payable in the event of retirement in Greece is equal to 40 % of the compensation payable in the event of dismissal without cause.

The Company had employed one person in both fiscal years 2024 and 2023.

Estimates for employee benefit obligations are determined through an actuarial study and the company has no obligation to recognize a provision for employee compensation.

16. INCOME TAX

The tax rate for legal entities in Greece for both years 2024 and 2023 in accordance with paragraph 1 of article 58 of Law 4172/2013 is 22%.

In the Statement of Comprehensive Income, the income tax is analyzed as follows:

	01/01 - 31/12/2024	01/01 - 31.12.2023
Current tax	(187)	(156)
Deferred tax income/ (expense)	(8)	–
Total	**(195)**	**(156)**

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

	01/01 - 31/12/2024	01/01 - 31/12/2023
Earnings before tax	**891**	**709**
Nominal tax rate	22%	22%
Income tax based on effective nominal tax rate	**(195)**	**(156)**
Adjustments for:		
Actual tax expense	**(195)**	**(156)**
Effective tax rate	**21,89%**	**22,00%**

(Amounts in Euro thousand unless stated otherwise)

Deferred income tax is calculated on all the temporary tax differences between the book value and the tax value of the assets and liabilities. Deferred income taxes are calculated using the Company's effective tax rate at the maturity date of the tax asset/liability.

Deferred tax assets and liabilities for the years 2024 and 2023 are analyzed as follows:

	31/12/2024	31/12/2023	01/01 - 31/12/2024	01/01 - 31/12/2023
	Receivable/ (Liability)	Receivable/ (Liability)	Income/ (Expense)	Income/ (Expense)
Transitory accounts / Loans	(232)	(232)	–	–
Deferred tax income/ (expense)	(8)	–	(8)	–
Total	**(240)**	**(232)**	**(8)**	**–**
Deferred tax through income statement			(8)	–
			(8)	**–**

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

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

The Company has not made any provisions for unaudited fiscal years as the Management considers that any tax amounts that may arise will not have a material effect on the Company's equity, results and cash flows. The unaudited fiscal years are from 2019 to 2024.

The Company has been subject for the years from 2019 to 2024 to the optional tax audit of the Chartered Accountants, as detailed in Note 22.

17. EARNINGS PER SHARE

Basic earnings per share for the annual period 01/01/2024 – 31/12/2024 and for the respective comparative period of 2023 were calculated by dividing the net earnings attributed to shareholders of the parent company by the weighted average number of outstanding shares as follows:

	31/12/2024	31/12/2023
Net profit (in €)	696.000	553.000
Average weighted number of shares	1.850.000	1.850.000
Earnings per share (in Euro)	0,3762	0,2989

There are no diluted earnings per share for years 2024 and 2023.

18. TRANSACTIONS WITH RELATED PARTIES

“TERNA ENERGY INDUSTRIAL COMMERCIAL TECHNICAL SOCIETE ANONYME” is the main and sole shareholder of the Company owning 100% of the Company’s share capital for the period ended on December 31st, 2024.

Transactions and balances with related parties for the year 2024 are presented in the following table. As mentioned in Notes 6, 7 and 11 above, the sales / revenues of the Company relate to the interest from the Bond Loan granted to the parent company TERNA ENERGY SA. The receivables relate to the above-mentioned Bond Loan. Purchases / expenses refer to the management fees for the period

(Amounts in Euro thousand unless stated otherwise)

01/01/2024 - 31/12/2024 that are passed on by the parent company, while liabilities refer to the Company's liabilities to TERNA ENERGY SA., which are related to management fees.

	31/12/2024			
	Purchases/Expenses	**Sales/Income**	**Receivables**	**Liabilities**
Parent Company	1	5.367	147.688	1
Other related parties	–	–	2	–
Total	**1**	**5.367**	**147.690**	**1**

	31/12/2023			
	Purchases/Expenses	**Sales/Income**	**Receivables**	**Liabilities**
Parent Company	1	5.352	147.688	2
Other related parties	–	–	–	–
Total	**1**	**5.352**	**147.688**	**2**

The Company does not pay salaries to the members of the Board of Directors and does not employ senior management.

19. RISK MANAGEMENT POLICIES AND PROCEDURES

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

The procedure followed is described below as follows:

(i) Evaluating the risks related to the Company's activities and operations,
(ii) Scheduling methodology and selecting the necessary financial products for the reduction of risk and
(iii) Implementing risk management procedures in accordance with the approved risk management procedures.

The Company's financial instruments are composed of deposits in banks, receivables related to bond loans granted to the parent company and liabilities from undertaken bond loans.

19.1 Foreign exchange risk

The operating currency of the Company is the Euro. The Company is not exposed to currency risk as its total transactions are in Euro.

19.2 Interest rate risk

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

Under this policy, the long-term loan taken by the Company bears a fixed interest rate.

19.3 Credit risk

Credit risk is the risk when the counterparty in a financial instrument will cause damage to the other party by failing to pay the relevant obligation.

The Company's exposure to credit risk is limited to the financial assets that at the Statement of Financial Position date, analyzed as follows:

(Amounts in Euro thousand unless stated otherwise)

	31st December 2024			
Financial Assets	**Unamortized cost**	**Fair Value through profit and loss**	**Fair value through other comprehensive income**	**Total**
Other long-term receivables	146.632	–	–	**146.632**
Trade receivables and other receivables	1.093	–	–	**1.093**
Cash and cash equivalents	5.785	–	–	**5.785**
Total	**153.510**	**–**	**–**	**153.510**

	31st December 2023			
Financial Assets	**Unamortized cost**	**Fair Value through profit and loss**	**Fair value through other comprehensive income**	**Total**
Other long-term receivables	146.632	–	–	**146.632**
Trade receivables and other receivables	1.056	–	–	**1.056**
Cash and cash equivalents	5.483	–	–	**5.483**
Total	**153.171**	**–**	**–**	**153.171**

Company Management estimates that all the aforementioned financial assets are of high credit quality.

None of the Company's financial assets has been secured by mortgage or other form of tangible security.

As stated above, the Company's key risk relates to the risks of its parent company TERNA ENERGY S.A. The amounts representing the maximum exposure to this risk at the end of the current and comparative periods are the present value of those items in the respective periods. The Company's maximum credit risk is the advent of the counterparty's default. In particular, the Company's receivables of € 147.688 thousand relate to the Intra- group Loan granted to the parent company TERNA ENERGY S.A., so that latter could proceed with its investment plan, in accordance with the provisions of CBL 2019 (see Note 10).

On 23/05/2023, ICAP S.A. conducted a periodic reassessment of the credit rating of the Guarantor company "TERNA ENERGY S.A.", where it maintained its credit rating at AA and placed it in low credit risk category. Maintaining the above credit rating reflects:

- maintaining the Group's competitive position despite the divestment from the US market and the volatility in the energy market,

- the satisfactory capital structure and leverage ratios over time at Group level, given the investments made,

- the maintenance of high cash liquidity (1,5x) over the three-year period under review,

- the Group's large energy portfolio, its significant market position and the wide geographic spread of projects,

- the ongoing investment activity, which creates the conditions for the stabilization of an increased revenue stream and profitability on a long-term basis.

As of December 31st, 2024 there are no financial receivables overdue.

(Amounts in Euro thousand unless stated otherwise)

19.4 Liquidity risk

The Company manages its liquidity needs by carefully monitoring the debts of long-term financial liabilities as well as payments made daily. Liquidity needs are monitored in different time zones, on a daily and weekly basis, as well as in a rolling 30-day period. Liquidity needs for the next 6 months and the following year are determined on a monthly basis. In essence, the Company's basic liquidity needs pertain to the repayment CBL 2019 interest (see Note 10), primarily covered by the interest inflows arising from CBL 2019 (see Note 6).

The Company maintains cash and bank deposits in order to meet liquidity needs for periods of up to 30 days. Fund for medium-term liquidity needs are released from time deposits of the Company.

Maturity of the Company's financial liabilities as of December 31st, 2024 and December 31st, 2023 is analyzed as follows:

	31/12/2024		
	Short-term	**Long-term**	
	0 to 12 months	**1 to 5 years**	**>5 years**
Long-term loans	758	148.926	–
Suppliers	2	–	–
Accrued and other short-term liabilities	10	–	–
Total	**770**	**148.926**	**–**

	31/12/2023		
	Short-term	**Long-term**	
	0 to 12 months	**1 to 5 years**	**>5 years**
Long-term loans	747	148.358	–
Suppliers	2	–	–
Accrued and other short-term liabilities	12	–	–
Total	**761**	**148.358**	**–**

The aforementioned contractual maturity dates reflect gross cash flows, which may differ from the book values of liabilities as at the Financial Statements reporting date.

19.5 Market risk analysis

The Company is not exposed to market risk for its financial assets.

19.6 Summary Report of Risks of TERNA ENERGY SA (sole shareholder and guarantor of CBL 2019)

As previously mentioned, (see Note 1), the Company is operationally supported by its parent company, TERNA ENERGY SA, which fully influences and controls the decisions, management and operation of the Company. In the case that TERNA ENERGY SA ceases to assist the Company in its management and operation or is unable to fulfil its contractual obligations to the Company under the terms of the Interim Loan, this may have material adverse effects: a) on the Company's ability to fulfil its obligations, mainly due to insufficient cash flow and revenues; b) on the trading price of the Company's Bonds on the X. A., (c) the results of operations, financial condition and prospects of the Company.

Considering the above, the main risks and uncertainties in the Company's activities are directly related to those of the TERNA ENERGY Group (hereinafter "Group") and therefore, the report on the Company's Principal Risks & Uncertainties should be considered together with the report on the risks of the TERNA ENERGY Group.

In synopsis, we present the main risks and uncertainties in the activities of the TERNA ENERGY SA Group, as described in the published financial statements for the year ended 31/12/2024.

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

To manage financial risks and limit their negative impact on the Group's financial results, the Group monitors the fluctuations in variables affecting costs and sales and uses appropriate instruments as appropriate.

The main risks and uncertainties in the Group's activities are the following:

i. Foreign exchange risk

The Group operates, besides Greece, in Eastern Europe and therefore may be exposed to foreign exchange rate risk arising from the exchange rate of the euro against other currencies. This type of risk can only arise from commercial transactions in foreign currencies, from investments of financial assets denominated in foreign currencies, as well as from net investments in foreign entities. In order to limit this risk, the Group utilizes locally generated cash surpluses in local currency. During the operating phase, all related costs and revenues are incurred in local currency, eliminating any possibility of generating foreign exchange differences.

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

With regard to the Company's transactions with foreign entities, these are generally with European Groups where the settlement currency is the euro and therefore no exchange rate risk arises.

ii. Interest rate risk

The policy of the Group is to minimize its exposure to the interest rate risk of 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. In this context, 16,55% of long-term loans received by the Group bear a fixed interest rate, 59,67% of long-term loans refer to floating-rate loans that have been hedged through derivatives with which future fixed rate payments are exchanged against floating rate collections, while 23,78% of long-term loans refer to floating rate loans on a case-by-case basis euribor or wibor.

The Group's short-term bank borrowings are all in euros with a variable interest rate linked to the euribor. Short-term loans are mainly taken as a bridge to cover temporary financing needs during the implementation - construction phase of the Group's investments (Wind Farms). These loans are repaid by taking out long-term loans upon completion of construction and commissioning of the wind farms. Consequently, the Group is exposed to interest rate risk arising from short-term borrowings and the portion of long-term borrowings that are at floating interest rates.

Interest rate risk sensitivity analysis

The following table presents sensitivity of the results for the year versus the Group’s short-term debt and deposits, given a reasonable change in variable interest rates amounting to +20% –20% (2023: +/- 20% also). The changes in interest rates are expected to fluctuate on a normal basis in relation to current market conditions.

	2024		2023	
Amounts in thousands €	**20%**	**(20)%**	**20%**	**(20)%**
Results for the year after tax – Group	(3.349)	3.349	(2.263)	2.263
Results for the year after tax – Parent Company TERNA ENERGY	(280)	280	(301)	301

The Group is not exposed to other interest rate risks.

iii. Market risk

The Group is not exposed to market risk for its financial assets, with the exception of the portfolio of listed securities. The Group has not taken specific hedges of this risk given that any impact is not expected to be significant.

iv. Credit risk

The Group continuously reviews its receivables and incorporates the resulting information into its credit control. The energy sector accounts receivable are all related to the wider public sector both domestically (including ENEX, DAPEP and HEDNO) and internationally. The Group traditionally, due to the nature of its business, is not exposed to significant credit risk from trade receivables. In the past, there have been delays in collections from the DAPEEP, which have been significantly reduced with the implementation of Law 4254 /14 as well as the extraordinary levy imposed for the fiscal year 2020 to address the side effects of the coronavirus pandemic, on electricity producers from Renewable Energy Sources (RES) power plants, which have been put into normal or trial operation by 31 December 2015 (Government Gazette 245/09.12.2020). In other transactions with individuals, the Group operates with a view to limiting credit risk and securing its receivables.

The credit risk for cash and cash equivalents and other receivables is low, given that the counterparties are banks with a high-quality capital structure, the public sector or companies in the wider public sector or strong business groups.

Finally, the Group's management considers that all of the above financial assets which have arisen after making the necessary impairments are of high credit quality.

v. Liquidity risk

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. In the year 2024, net cash flows from continuing operating activities amounted to € 139 million versus € 147 million in 2023. The Group manages its liquidity needs by applying 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 daily. The liquidity needs are monitored at different time zones, on a daily and weekly basis, as well as based on 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

(a) Climate Change Risk and Fluctuations in wind and hydrological data

The Group's core business is closely linked to climatic conditions and in this context, management closely monitors developments and assesses the potential impact that climate change may have on the smooth operation of the facilities. From now on, calculation models should incorporate new factors allowing for the occurrence of potential events of force majeure, to examine in greater depth, the viability of any projected investment.

(Amounts in Euro thousand unless stated otherwise)

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 the implementation of its investments is preceded by extensive studies on the long-term behavior of these factors.

(b) Political evolutions in the Group's area of operation

The military conflicts in the wider region of the Group's operations such as Ukraine and Middle East continue, and TERNA ENERGY Group continues to closely monitor the developments which have not had and are not expected to have a direct impact on the Group's figures and performance. As the majority of the A/Ps have a fixed sales price, the significant costs are depreciation of equipment and borrowing costs, which refer to fixed rate loans, the impact of which continues to be insignificant, and this is not expected to change in the foreseeable future.

Finally, due to the dynamic nature of these events, new risks may arise. Considering the current uncertainty about the wider economic climate, the Group's management is trying to assess any indirect consequences on the Group in a timely manner

20. PRESENTATION OF FINANCIAL ASSETS AND LIABILITIES BY CATEGORY

Financial assets as well as the financial liabilities of the Company per category are analyzed below and are all measured at amortized cost. There are no financial assets or financial liabilities that are measured at fair value.

	31st December 2024			
Financial Assets	**Unamortized cost**	**Fair Value through profit and loss**	**Fair value through other comprehensive income**	**Total**
Other long-term receivables	146.632	–	–	**146.632**
Trade receivables and other receivables	1.093	–	–	**1.093**
Cash and cash equivalents	5.785	–	–	**5.785**
Total	**153.510**	**–**	**–**	**153.510**

	31st December 2024			
Financial Liabilities	**Unamortized cost**	**Fair Value through profit and loss**	**Fair value through other comprehensive income**	**Total**
Long-term loans	148.926	–	–	**148.926**
Long-term liabilities carried forward	758	–	–	**758**
Trade and other liabilities	9	–	–	**9**
Total	**149.693**	**–**	**–**	**149.693**

	31st December 2023			
Financial Assets	**Unamortized cost**	**Fair Value through profit and loss**	**Fair value through other comprehensive income**	**Total**
Other long-term receivables	146.632	–	–	**146.632**
Trade receivables and other receivables	1.056	–	–	**1.056**
Cash and cash equivalents	5.483	–	–	**5.483**
Total	**153.171**	**–**	**–**	**153.171**

	31st December 2023			
Financial Liabilities	**Unamortized cost**	**Fair Value through profit and loss**	**Fair value through other comprehensive income**	**Total**
Long-term loans	148.358	–	–	**148.358**
Long-term liabilities carried forward	748	–	–	**748**
Accrued and other short-term liabilities	12	–	–	**12**
Total	**149.118**	**–**	**–**	**149.118**

21. CAPITAL MANAGEMENT POLICIES AND PROCEDURES

The objectives of the Company regarding capital management are as follows:

(i) to ensure the ability of the Group to continue as a going-concern, and
(ii) to secure a satisfactory return for its shareholders by pricing products and services according to their risk level, and
(iii) to fulfill its contraction obligations in respect of specific debt agreements.

At the end of years 2024 and 2023 the ratio in question was as follows:

Loan Liabilities /Total Capital Employed Ratio

Amounts in thousand €	**2024**	**2023**
Long-term loans	148.926	148.358
Long-term liabilities carried forward	758	747
Loan Liabilities (a)	**149.684**	**149.105**
Cash and cash equivalents (b)	**5.785**	**5.483**
Net debt/(surplus) (a) - (b)= (c)	**143.899**	**143.622**
Total equity (d)	3.510	3.814
Total Employed Capital (c) + (d) = (e)	**147.409**	**147.436**
Loan Liabilities (a)/Total Employed Capital (e)	**101,54%**	**101,13%**

22. CONTINGENT LIABILITIES

22.1 Non Audited Fiscal Years

The tax obligations of the Company are not definitive as there are unaudited tax years (2019 to 2024). For the unaudited tax years there is the possibility of imposing additional taxes and surcharges at the time when they will be examined and finalized. The Management considers that any amounts of taxes that may arise, will not have a significant effect on the Company's equity, results and cash flows and therefore as at 31/12/2024 the Company has not recognized provisions for tax unaudited years. Upon completion of these tax audits by the competent authorities, if they are finally carried out, the Management does not expect significant tax liabilities to arise.

Tax Compliance Certificate

For the years 2019 to 2023, the Company received a Tax Compliance Report, according to article 65A par. 1 of Law 4174/2013, without substantial differences. According to Circular POL. 1006/2016, the companies which have been subject to the above special tax audit are not exempted from the regular tax audit by the competent tax authorities. Furthermore, according to the relevant legislation, for the years 2016 onwards, the audit and issue of the Tax Compliance Certificate is valid on a voluntary basis.

The special audit for the issue of Tax Compliance Certificate for the year 2024, is in progress and the relevant tax certificate is expected to be issued after the publication of the Financial Statements for the year ended as of 31/12/2024. At the completion of these tax audits, provided they are finally conducted, the Management does not expect any significant tax liabilities to arise. If additional tax obligations arise, it is estimated that they will not have a material effect on the Financial Statements.

22.2 Legal cases

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

23. RECONCILIATION OF CHANGE IN FINANCIAL LIABILITIES

The reconciliation of change in liabilities from financial activities for the Company during the fiscal years 2024 and 2023:

Amounts in thousand €	Long-term loans	Long-term liabilities carried forward	Total
01/01/2024	**148.358**	**747**	**149.105**
Cash Flows :			
- Repayments	**–**	**(3.954)**	**(3.954)**
- Proceeds	**–**	**–**	**–**
Non-cash movements			
- Accrued Interest	**568**	**3.965**	**4.533**
31/12/2024	**148.926**	**758**	**149.684**

Amounts in thousand €	Long-term loans	Long-term liabilities carried forward	Total
01/01/2023	**147.808**	**736**	**148.544**
Cash Flows :			
- Repayments	–	(3.943)	**(3.943)**
- Proceeds	–	–	**–**
Non-cash movements			
- Accrued Interest	550	3.954	**4.504**
31/12/2023	**148.358**	**747**	**149.105**

(Amounts in Euro thousand unless stated otherwise)

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

There were no significant events after the date of the company's statement of financial position.

25. APPROVAL OF FINANCIAL STATEMENTS

The Company's Financial Statements for the annual period ended as at 31/12/2024 were approved by the Company's Board of Directors on 20/03/2025.

Athens, 20 March 2025

The Chairman of the Board of Directors	The Vice Chairman of the Board of Directors	The Chief Executive Officer	The Chief Financial Officer - Operation	The Chief Accountant
George Mergos	Dimitra Chatziarseniou	Aristotelis Spiliotis	Emmanouil Fafalios	Artan Tzanari
ID No. A00716449	ID No. AA 026025	ID No. AO162953	ID No. AK 082011	ID No. AM 587311 License Reg. No A' CLASS 064937

V. REPORT ON ALLOCATION OF THE CAPITAL PROCEEDS

Report on the Disposal of the Funds Proceeds from the Issuance of a Common Bond Loan of TERNA ENERGY FINANCE S.P.S.A. of € 150.000.000 guaranteed by TERNA ENERGY S.A. for the period 22/10/2019 to 31/12/2024.

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

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

According to the above, it is hereby disclosed that an amount of € 146.632 thousand, i.e. an amount of € 150.000 thousand in cash collected from the CBL coverage preference and subscription rights holders, less the amount of €3.368 thousand related to the issuance expenses, as also incorporated without deviation into the Prospectus, was allocated until 31/12/2024 as follows.

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

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

The utilization of capital proceeds from the Guarantor up to 31/12/2024 is analytically presented in Section B below:

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

Table of allocation of the Capital Proceeds of the Issuer from the issuance of the Common Bond Loan of € 150.000.000 (amounts in thousand Euro)								
				Provisional Allocation of the Capital Proceeds as at 31/12/2024		Final Allocation of the Capital Proceeds as at CBL maturity date		
	Capital Proceeds	Description	Allocation of Capital Proceeds based on the Prospectus	Provisionally Allocated Capital Proceeds to the Guarantor through Intra-group Loan	Provisionally Non-allocated Balance as at 31/12/2024	Intra-group Loan Collected from the Guarantor	Finally Allocated CBL Repayment Capital Proceeds from the Issues to the Bondholders	Non-allocated Balance
			(a)	(b)	(a - b)	(c)	(d)	(a - d)
		Allocation of funds from the Issuer to the Guarantor through Intra-group Loan 2019, so that the Guarantor could proceed with the implementation of its investment plan	146,632	146,632[1]	-	-	-	146,632[2]
Total	**146,632**	**Total**	**146,632**	**146,632**	**-**	**-**	**-**	**146,632**
CBL issue expenses	3,368							
Total Allocated Capital Proceeds	**150,000**							

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

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

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

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

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

The table below shows the allocation of the capital proceeds by the Guarantor until 31/12/2024:

Table of allocation of the Capital Proceeds of the Guarantor from the issuance of the Common Bond Loan of € 150,000,000 of the Issuer (amounts in thousand Euro) Amended in accordance with the Repetitive General Meeting of the Bondholders' Lenders of 25 November 2022 (1)							
Area of Investment based on section 4.1.2 of the Prospectus	**Allocation of the Capital Proceeds by the Guarantor**	**Capital proceeds within the period from 22/10/2019 to 31/12/2021**	**Capital proceeds within the period from 01/01/2022 to 31/12/2022**	**Capital proceeds within the period from 01/01/2023 to 31/12/2023**	**Capital proceeds within the period from 22/10/2019 to 31/12/2024**	**Non-allocated Balance as at 31/12/2024**	**Note**
4th quarter 2019							
Total repayment of Short-term Bank Loan of the Guarantor (used to repay CBL 2017).	60.000	60.000	-	-	60.000	-	**(1)**
Partial repayment of Short-term Bank Loan of the Guarantor used to repay part of the consideration for acquisition of the wind park “Bearkat I” in Texas, USA	30.632	30.632	-	-	30.632	-	**(2)**
Total of 4th quarter 2019 (A)	**90.632**	**90.632**	**-**	**-**	**90.632**		
Period 22.10.2019-31.3.2023							
Period 2019 - 2023							
Construction of 14 wind parks in Greece, of a total capacity of 218 MW by the Guarantor or by the Subsidiaries of the Guarantor (either through intra-group loan from the Guarantor to the subsidiaries or through a share capital increase in the Subsidiaries by the Guarantor).	56.000	45.233	-	-	45.233	**-**	**(3)**
Period until 31.03.2023 (1)							
Construction of 17 wind farms in Greece, with a total capacity of 327 MW, by subsidiaries of the Guarantor, through an intra-group loan from the Guarantor to the subsidiaries.			10.767		10.767	**-**	
Total of period 22.10.2019 - 31.3.2023 (B)	**56.000**	**45.233**	**10.767**		**56.000**	**-**	**(4)**
Total investments (use of funds by the Guarantor) (A+B)	**146.632**	**135.865**	**-**	**-**	**146.632**	**-**	**(5)**
Estimated CBL issuance expenses	3.368						

(*) At the Adjourned General Meeting of the Bondholders of "TERNA ENERGY SPSA" held on 25/11/2022, it was approved the modification of the use of the raised funds of the CRO. Particularly, the Adjourned General Meeting of the Bondholders approved the extension of the use of the amount of € 10.767 thousand (unallocated amount as of 30/06/2022), so that it can be used for the construction by subsidiaries of the guarantor TERNA ENERGY ABETE of wind farms in the wider Greek territory until 31/3/2023.

Notes

1. On 11/07/2019 a short-term bank loan of € 60.000 thousand (amounting to € 50,000 thousand from ALPHA BANK and € 10,000.000 from NATIONAL BANK) was used by the Guarantor to repay the Intra-group Loan 2017 to the Issuer. Specifically, on 17/07/2019, the Guarantor repaid all the nominal value of the bonds it had issued and had been covered by the Issuer under the 2017 CBL, in accordance with the terms of the Program. Subsequently, on 22/07/2019, the Issuer repaid the € 60,000 thousand of 2017 CBL in accordance with the term 4 of the CBL Program ("Prepayment"). On 31/10/2019, the Guarantor repaid the amount of € 50,000 thousand to ALPHA BANK and € 10,000 k to the National Bank of Greece respectively, resulting in the total repayment of this short-term bank loan.
2. On 16/07/2019, a short-term bank loan of € 52,000 thousand from the PIRAEUS BANK was used to pay part of the acquisition price of the Bearkat I wind farm "Glasscock County" in Texas, USA, which was conducted by the Group through its 100% subsidiary TERNA DEN LLC (a subsidiary of TERNA ENERGY USA HOLDING CORPORATION) at the conclusion of the transaction. On 29/11/2019, the Guarantor repaid the amount of € 52,000 thousand to PIRAEUS BANK, of which € 30,632 thousand was used from the raised funds.
3. The Guarantor has started the construction of ten (10) MW Wind Farms with total capacity of 155MW at 9 sites in Evia and 1 site in Voiotia, through its subsidiaries. The use of funds, which stood at € 45,233 thousand on 31/12/2021 (2019: € 18,616 thousand, 2020: € 11,570 thousand and 2021: € 15,047 thousand), is analyzed as follows:

- Construction of the Wind Farm at the site of **PYRGARI DARDIZA (6.3 MW) of the Municipality of Karystos** by the subsidiary company "AIOLIKI MARMARIOU EVIAS MAE". The total budget cost of construction of the project is estimated at € 11,019 thousand. On 14/11/2019, the Guarantor entered into a Common Bond Loan with this Subsidiary of € 2,500 thousand of which € 2,487 thousand relates to the coverage of the financing of the aforementioned wind farm construction. As of 31/12/2021, the Guarantor had covered the amount of € 2,329.6 thousand under the terms of this contract, of which € 2,316.6 thousand were paid by the Guarantor to the subsidiary as use of the CBL, which subsequently made payments to third parties for that investment amounting € 2,316.6 thousand of which € 2,287.2 thousand until 31/12/2019 and € 29.4 thousand in the year of 2020.
- Construction of the Wind Farm at the site of **KARABYLA (19.8 MW) of the Municipality of Karystos** by the subsidiary "AIOLIKI MARMARIOU EVIAS MAE". The total budget cost of construction of the project is estimated at € 21,834 thousand. On 14/11/2019, the Guarantor entered into a Common Bond Loan with this Subsidiary of € 2,001 thousand of which € 1,985 thousand relates to the coverage of the financing of the aforementioned wind farm construction. As of 31/12/2021, the Guarantor had covered the first two (2) series of bonds amounting € 2,000.1 thousand under the terms of this contract, of which € 1,984.0 thousand was paid by the Guarantor to the subsidiary as use of the CBL, which subsequently made payments to third parties for that investment amounting € 1,984.0 k of which € 1,928.4 thousand until 31/12/2019 and € 55.6 thousand in the financial year 2020.

- Construction of the Wind Park at the site **GALOSI (19.8 MW) of the Municipality of Karystos** by the subsidiary "AIOLIKI MARMARIOU EVIAS MAE". The total budget cost of the project is estimated at € 21,584 thousand. On 14/11/2019, the Guarantor entered a Common Bond Loan with its subsidiary amounting to € 2,001 thousand of which € 1,985 thousand relates to the coverage of financing of the aforementioned wind farm construction. As of 31/12/2021, the Guarantor had covered the first two (2) series of bonds amounting € 2,000.2 thousand under the terms of this contract, of which € 1,984.2 thousand was paid by the Guarantor to the subsidiary as use of the CBL, which subsequently made payments to third parties for that investment amounting € 1,984.2 thousand of which € 1,967.0 thousand until 31/12/2019 and € 17.2 thousand in the financial year 2020.
- Construction of the Wind Farm at the site of **AGRIACHLADIA (22.5 MW) of the Municipality of Kymi-Aliveri** by the subsidiary "ENERGIAKI DYSTION EVIAS MAE". The total budget cost of the project is estimated at € 29,543 thousand. On 14/11/2019, the Guarantor entered a Common Bond Loan with this subsidiary amounting to € 2,500 thousand to cover the financing of the construction of the aforementioned Wind Farm. As of 31/12/2021, the Guarantor had covered the first two (2) series of bonds amounting € 2,477.4 thousand under the terms of this contract, that was paid by the Guarantor to the subsidiary, which subsequently made payments to third parties for that investment amounting € 2,477.4 thousand of which € 2,468.7 thousand until 31/12/2019 and € 8.7 thousand in the financial year 2020.
- Construction of the Wind Farm at the site **MESOPIKI (9 MW) of the Municipality of Kimi-Aliveri** by the subsidiary "ENERGIAKI DYSTION EVIAS MAE". The total budget cost of the project is estimated at € 12,782 thousand. On 14/11/2019, the Guarantor entered a Common Bond Loan with this subsidiary amounting to € 1,500 thousand to cover the financing of the construction of the aforementioned Wind Farm. As of 31/12/2021, the Guarantor had covered the first by the Guarantor to the subsidiary, which subsequently made payments to third parties for that investment amounting € 923.4 thousand of which € 919.9 thousand until 31/12/2019 and € 3.5 thousand in the financial year 2020.
- Construction of the Wind Farm at the site **EXOSTIS (18.9 MW) of the Municipality of Karystos** by the subsidiary "ENERGIAKI STYRON EVIAS MAE" The total budget cost of the project is estimated at € 21,224 thousand. On 12/11/2019, the Guarantor entered a Common Bond Loan with this subsidiary amounting € 7,101 thousand to cover the financing of the construction of the aforementioned Wind Farm. As of 31/12/2021, the Guarantor had covered the first two (2) series of bonds amounting € 7,100.7 thousand under the terms of this contract, that was paid by the Guarantor to the subsidiary, which subsequently made payments to third parties for that investment amounting € 7,100.7 thousand of which € 3,158.0 thousand until 31/12/2019 and € 3,942.7 thousand in the financial year 2020.
- Construction of the Wind Farm at the site **PYRGARI II (9.9 MW) of the Municipality of Kimi-Aliveri** by the subsidiary "AIOLIKI EAST GREECE ELLADOS MAE”. The total budget cost of the project is estimated at € 12,461 thousand. On 14/11/2019, the Guarantor entered a Common Bond Loan with this subsidiary amounting € 5,000 thousand to cover the financing of the construction of the aforementioned Wind Farm. As of 31/12/2021, the Guarantor had covered the first two (2) series of bonds amounting € 2,115.4 thousand under the terms of this contract, that was paid by the Guarantor to the subsidiary, which subsequently made payments to third parties for that

investment amounting € 2,115.4 thousand of which € 2,111.6 thousand until 31/12/2019 and € 3.8 thousand in the financial year 2020.

- Construction of the Wind Farm at the site **KOSKINA-LAKKA (7.65 MW) of the Municipality of Kimi-Aliveri** by the subsidiary "AIOLIKI EAST GREECE MAE". The total budget cost of the project is estimated at € 11.473 thousand. On 14/11/2019, the Guarantor entered a Common Bond Loan with this subsidiary amounting € 400 thousand to cover the financing of the construction of the aforementioned Wind Farm. As of 31/12/2021, the Guarantor had covered the first series of bonds amounting € 391.6 thousand under the terms of this contract, that was paid by the Guarantor to the subsidiary, which subsequently made payments to third parties for that investment amounting € 391.6 thousand of which € 388.7 thousand until 31/12/2019 and € 2.9 thousand in the financial year 2020.
- Construction of the Wind Farm at the site **VOUREZA (7.2 MW) of the Municipality of Kimi-Aliveri** by the subsidiary "AIOLIKI EAST GREECE MAE". The total budget cost of the project is estimated at € 14.718 thousand. On 14/11/2019, the Guarantor entered a Common Bond Loan with this subsidiary amounting to € 7.000 thousand to cover the financing of the construction of the aforementioned Wind Farm. As of 31/12/2021, the Guarantor had covered the first two (2) series of bonds amounting € 6,839.7 thousand under the terms of this contract, that was paid by the Guarantor to the subsidiary, which subsequently made payments to third parties for that investment amounting € 6,839.7 thousand of which € 3,386.9 thousand until 31/12/2019 and € 3,452.8 thousand in the financial year 2020.
- Construction of the Wind Farm at **TARATSA (33.6 MW) of the Municipality of Thebes** by the subsidiary "AIOLIKI PROVATA TRAIANOUPOLEOS MAE". The total budget cost of construction of the project is estimated at € 29,976 thousand. From February to September 2020, the subsidiary received successive payments from the parent company TERNA ENERGY SA as in return for a share capital increase, with a parallel amendment to the articles of association. The increase of € 4,600 thousand originated from the unallocated funds held by the Guarantor and was completed on 19/10/2020. On 30/12/2020, the Guarantor entered into a Common Bond Loan agreement with the said subsidiary in the amount of € 10,000 thousand, of which € 6,000 thousand relates to the coverage of the financing of the construction of the above wind farm. Moreover on 2/7/2021, the Guarantor concluded a Common Bond Loan agreement with the above-mentioned subsidiary for € 2,500 thousand to cover the financing of the construction of the above Wind Farm. Until 31/12/2021, the entire amount has been covered by the Guarantor and has been paid to the subsidiary, which then made payments for this investment to third parties totaling € 19,100.0 thousand of which € 4,052.9 thousand in the financial year 2020 and € 15,047.1 thousand in the financial year 2021.

4. On 28 November 2022, the subsidiary company "TERNA ENERGY OMALIES S.A." entered into a Common Bond Loan with the parent company TERNA ENERGY SA for the amount of € 10.767 thousand, to finance part of the funding of the construction of 327 MW Wind Farms in Karystou with the total budgeted construction cost estimated at € 272.963 thousand. Up to 31/12/2022, the Guarantor has covered the entire amount of € 10,767 thousand according to the terms of the contract, hence the amount was contributed by the Guarantor to the mentioned subsidiary company, which subsequently effected payments to third parties for a total amount of € 10,767 thousand.

(Amounts in Euro thousand unless stated otherwise)

5. As of 31/12/2024, there are no uncommitted funds raised from the Common Bond Issue of TERNA ENERGY S.A.

Αθήνα, 20 March 2025

The Chairman of the Board of Directors	The Vice Chairman of the Board of Directors	The Chief Executive Officer	The Chief Financial Officer - Operation	The Chief Accountant
George Mergos	Dimitra Chatziarseniou	Aristotelis Spiliotis	Emmanouil Fafalios	Artan Tzanari
ID No. A00716449	ID No. AA 026025	ID No. AO162953	ID No. AK 082011	ID No. AM 587311 License Reg. No A' CLASS 064937