

P R E S S R E L E A S E

Athens, 27 April 2021

TERNA ENERGY Group: Annual Financial Results 2020

- **Group sales settled at 328.1 million Euros – edging higher by 9.7%**
- **The adjusted operating profitability accounted for 198.8 million Euros - up by 12.1%**
- **Earnings after minorities amounted to EUR 71.8 million – posting an increase by 39.3%**

TERNA ENERGY Group posted an increase in turnover and profitability during the year 2020 compared to the corresponding period last year.

Despite the deterioration of the global economic conditions due to the COVID-19 pandemic, TERNA ENERGY Group maintains its financial robustness, having managed to ensure the health and safety of its employees. At the same time, the Group has taken all the necessary measures and actions in order to continue the smooth development of its main business activities by steadily implementing its investment plan and also by contributing towards the broader efforts of stabilizing the Greek economy and the level of employment.

The annual consolidated results of TERNA ENERGY for 2020 were reported as follows:

Consolidated sales amounted to 328.1 million Euros compared to 299.1 million Euros in 2019, advancing by 9.7%. Analytically:

Income from the electricity production sector amounted to 273.4 million Euros compared to 237.3 million Euros in 2019, increased by 15.2%. Sales from the division of electric energy trading amounted to 35.9 million Euros, up from 37 million in the previous year. The turnover of the construction activity of TERNA ENERGY amounted to 26.7 million Euros recording a decrease of 44.3% compared to the year 2019. Out of the total turnover, an amount of 5.5 million Euros concerned external customers. Revenue from the concessions' division amounted to 13.3 million Euros compared to 10.4 million Euros in the previous year.

Total earnings before interest, taxes, depreciation and amortization (EBITDA)¹ amounted to 194.7 million Euros compared to 182 million Euros in 2019, increased by 7%. The adjusted EBITDA amounted to € 198.8 million compared to 177.4 million Euros in 2019, increased by 12.1% compared to the year 2019 due to the increase of the installed capacity. Total earnings before interest and taxes (EBIT)¹ amounted to 129.6 million Euros compared to 125.5 million Euros in 2019 edging higher by 3.27%. Earnings before taxes amounted to 90 million Euros, compared to 69.6 million Euros in 2019, increased by 29.2%. Net earnings after minority interests amounted to 71.8 million Euros compared to 51.6 million Euros in 2019 higher by 39.3%.

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The net debt position¹ of the Group (bank debt minus cash & cash equivalents) at the end of the year amounted to 613 million Euros compared to 716.3 million Euros in 2019, mainly due to the sale of the wind park "Mountain Air" in the US. In particular, as it has been announced, on 15.07.2020 TERNA ENERGY proceeded with the sale of the 138 MW wind park "Mountain Air", located in the state of IDAHO, in the USA, to Innergex Renewable Energy Inc. It is worth noting that the operating profit (US GAAP-based) of the project in 2019 amounted to 17.6 million US dollars (EBITDA 2019). The sale resulted into a profit (IFRS-based) amounting to 27.5 million Euros.

Regarding the unprecedented extreme weather conditions of February 2021 in the State of Texas, US, and concerning their impact on the Group's business activities, the Management of the Group moved quickly and took all the required actions from the first moments of this natural phenomenon. Throughout the period, meaning from the natural phenomenon that occurred and until the date of approval of the attached financial statements, there are daily discussions carried on with increased intensity with all stakeholders (Hedge Providers, Tax Equity Investors and Lender among others) in order to minimize the adverse effects on the Group. While these discussions are ongoing, the Management is considering the following three possible actions: (a) bringing an action before the competent courts and entering into a legal dispute with the Hedge Providers over "Liquidated Damages invoices", which cover the period from 13 to 19 February 2021, the total amount of which reached to \$179 million, (b) finding a mutually acceptable commercial solution to the dispute with the Hedge Providers, and (c) a Class B interests-based divestment, which would lead to the recognition of an accounting loss in the consolidated financial results that is estimated at approximately \$115 million. The Management, at the date of approval of the attached financial statements, is in consultation with the Group's legal advisors in order to minimize the adverse effects on the Group and at this point no final decisions have been taken.

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In total, TERNA ENERGY Group has more than 1,800 MW in operation, under construction or ready for construction in Greece, the USA, Central and Eastern Europe. Specifically, the Group has installed 728 MW in Greece, 513 MW in the USA and 132 MW in the Southeastern Europe, while it has under construction or ready for construction RES facilities with a total capacity of 430 MW in Greece and abroad.

With regard to the total installed capacity TERNA ENERGY has the target to reach 3,000 MW within the next five years.

¹ The alternative performance measures (APM) were determined in the same manner as in note 6 of the Annual Financial Report for the period 01/01/2020-31/12/2020.

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