

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

Athens, June 4, 2021

TERNA ENERGY Group: Financial Results of the First Quarter 2021

- Consolidated sales at 94.3 million Euros - an increase of 6%
- Operating profit stabilized at the level of 61 million Euros
- New wind farms with total capacity of 30 MW in operation in Greece
- Target of 3,000 MW of installed capacity within the next five years

TERNA ENERGY Group posted an increase in turnover during the first quarter of 2021 compared to the corresponding period of 2020, while the Group's operating profitability stabilized around last year level.

Specifically, the consolidated financial results of TERNA ENERGY for the first quarter of 2021 are as follows:

Consolidated sales amounted to 94.3 million Euros compared to 89 million Euros in the first quarter of previous year, up by 6%. Analytically:

Revenues from the electricity production division amounted to 78.3 million Euros compared to 76.2 million Euros in the first quarter of 2020, posting an increase of 2.7%. Revenues from the division of electric energy trading amounted to 11.9 million Euros compared to 8.9 million Euros in the previous period, recording an increase of 33.2%. The turnover of the construction activity of TERNA ENERGY settled at 0.9 million Euros compared to 0.5 million Euros in the previous year. Revenues from the concessions' division amounted to 3.3 million Euros compared to 3.5 million Euros in the first quarter of 2020.

Total earnings before interest, taxes, depreciation and amortization (EBITDA)¹ stabilized at 61 million Euros compared to 61.3 million Euros in the first quarter of 2020. The same trend was broadly observed in the case of adjusted EBITDA which amounted to 60.8 million Euros compared to 61.1 million Euros in the same period of 2020. Total earnings before interest and taxes (EBIT)¹ amounted to 44.9 million Euros versus to 44.3 million Euros in 2020 higher by 1.3%. Profit before tax, taking into account the loss in US, amounted to losses of 75.5 million Euros compared to profit of 25.3 million Euros in the first quarter of 2020. Adjusted net profit accounted for 21.2 million Euros compared to 18.8 million Euros in the first quarter of 2020, posting an increase of 12.6%.

TERNA ENERGY S.A.

85 Mesogeion Avenue, 11526 Athens, Greece, E: ternaenergy@terna-energy.com, T: +30 210 6968000, F: +30 210 6968098

The net debt position¹ of the Group (debt minus cash & cash equivalents) at the end of the first quarter of 2021 amounted to 635.2 million Euros compared to 613 million Euros in the last quarter of 2020.

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 from the first moments of the occurrence of the natural disaster, constantly and thoroughly informing the investment community about the impact and the estimated burden on the financial results. In this context, the Management made a provision for the recognition of an accounting loss in the consolidated financial results amounting to 98.5 million Euros, which corresponds to the outcome of the divestment of the three wind farms in Texas, USA in line with what has been assessed and disclosed in previous announcements. It is also noted that the Management decided to proceed with the particular plan of actions after thoroughly considering three possible actions: (a) Maintenance of the wind farms within the portfolio and recourse to the competent courts to initiate a legal dispute with the Hedge Providers, over the tariffs concerning the so-called "Liquidated Damages invoices" covering the period from 13 to 19 February 2021, totaling \$ 179 million; (b) Finding a mutually acceptable commercial solution to the dispute with the Hedge Providers; and (c) divesting of the three wind farms in USA (Class B interests). The examination of the above three potential actions revealed that the lowest possible impact on the financial results would originate from the third solution, as the loss would be limited from \$ 179 million (receivables that the company had to cover immediately) to 98.5 million Euros. In addition, this solution implies the exemption of the company from loans, equity securities assimilated to financial liabilities and financial expenses totaling \$ 615 million (until March 31, 2021). It is emphasized once again that the loss related to the disinvestment from the wind farms in Texas is a non-recurring event, the consequences of which have no further impact either on the parent company TERNA ENERGY or TERNA ENERGY USA HOLDING GROUP in the US.

It is worth noting that the development of the Group continues normally, with its investment program evolving smoothly and at an intensive pace. The Group's total installed capacity target remains at (wind farms, photovoltaic parks and energy storage systems) 3,000 MW within the next five years. In this context, the Company recently placed into operation an additional 30 MW of wind farms in Greece. The parks that will be gradually put into operation within the current year, are expected to enhance the Group's operating profit (EBITDA) by more than 35 million Euros and net profit by more than 24 million Euros. In total, the Group constructs or has ready for construction about 400 MW of new wind farms in various parts of the country.

It is noted that the works for the PPP project concerning the integrated waste management of Peloponnese Region, Greece, started recently, as continuation to the corresponding project that is already in operation in Epirus. Also within the first quarter of the year, the Company signed a contract for the electronic ticket system of Thessaloniki, following a corresponding project that has been completed and operates in Athens.

Finally, it should be mentioned that the company is also launching a broad investment plan in floating photovoltaic and floating offshore wind farms with a total capacity of 1,800 MW.

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.*

Information:

Investor Relations: Aristotelis Spiliotis, tel. + 30 210 696800, tspiliotis@terna-energy.com

Press Office & Public Relations: Danai Kalantidi, tel. +30 210 6968000, dkalantidi@gekterna.com