

Athens, 30 November 2021

Reply of the Company to a Letter by HCMC

Following the letter of the Hellenic Capital Market Commission with protocol number 2596 / 09.11.2021, which was notified to the issuers with listed securities on the regulated market of the Athens Stock Exchange, TERNA ENERGY Group makes the following update regarding the formation of its financials for the 9-month period of 2021.

TERNA ENERGY Group increased its turnover in the 9-month period of 2021 compared to the corresponding period of the previous year.

Specifically, the consolidated results for the 9-month period of 2021 for TERNA ENERGY were as follows:

- Consolidated sales amounted to 246.9 million Euros compared to 176.6 million Euros in the 9-month period of the previous year, posting an increase of 39.8%. In detail:
Income from the electricity production sector amounted to 150.6 million Euros compared to 138.9 million Euros in the 9-month period of 2020, recording an increase of 8.4%. Sales from the division of electric energy trading amounted to 69.5 million Euros compared to 25 million Euros in the 9-month period of 2020. The turnover of the construction activity of TERNA ENERGY amounted to 14.8 million Euros versus 2.7 million Euros in the 9-month period of 2020. Revenues from the concessions' division amounted to 12.1 million Euros compared to 10 million Euros in the 9-month period of 2020, posting an increase of 20.4%.
- Total operating earnings before interest, taxes, depreciation and amortization (EBITDA)¹ amounted to 106.1 million Euros compared to 99.2 million Euros in the 9-month period of 2020, increased by 7%. Respectively, the adjusted EBITDA amounted to 105.8 million Euros compared to 98.3 million Euros in the 9-month period of 2020. Total operating earnings before interest and taxes (EBIT)¹ amounted to 75.3 million Euros versus 72.2 million Euros in the 9-month period of 2020. Earnings before taxes, with the incorporation of the loss in the US market, amounted to losses of 36.7 million Euros compared to earnings of 69.8 million Euros in the 9-month period of 2020. Net earnings from continuing operations amounted to 43.4 million Euros compared to 37.2 million Euros in the 9-month period of 2020, advancing by 16.7%. The adjusted net earnings from continuing operations amounted to 43.1 million Euros compared to 36.3 million Euros in the 9-month period of 2020, posting an increase of 18.5%. The burden coming from the consolidated financial results of 94 million Euros corresponds to the result of the disinvestment with regard to

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the three wind farms in Texas, U.S.A., as it has been estimated and disclosed in previous announcements. It is emphasized once again that the loss from the disinvestment from the wind farms in Texas is a non-recurring event, the consequences of which have no reduction either to the parent company TERNA ENERGY or to the company TERNA ENERGY USA HOLDING GROUP in the U.S.A..

In addition, the consolidated results for the third quarter of 2021 of TERNA ENERGY Group were as follows:

- Consolidated sales amounted to 107.3 million Euros compared to 59.9 million Euros in the third quarter of 2020, posting an increase of 79.2%. Total operating earnings before interest, taxes, depreciation and amortization (EBITDA)¹ amounted to 37.9 million Euros compared to 31.4 million Euros in the third quarter of 2020, increased by 20.5%. Total operating earnings before interest and taxes (EBIT)¹ amounted to 27.4 million Euros compared to 22.1 million Euros in the third quarter of 2020, increased by 24%. Earnings before taxes amounted to 20.5 million Euros compared to 13.2 million Euros in the third quarter of 2020, edging higher by 55.5%.

Basic figures of the Statement of Financial Position for the Group on 30.09.2021

The growth of the Group continues uninterruptedly, with its investment plan exceeding 2 billion Euros and evolving smoothly and at an intensive pace in all areas of activity, with the aim of the total installed capacity to reach 3,000 MW within the next five years.

In this context, new wind projects with a total capacity of approximately 2,200 MW are being licensed (having obtained a production license) and photovoltaic parks (onshore and offshore) with a total capacity of 1,700 MW are being planned and developed. At the same time, hybrid and energy storage projects (mainly pumping storage) with a total capacity of about 3,500 MW, as well as other technologies (hydroelectric, biogas, biomass, etc.) of about 200 MW are also being planned and gradually developed. Moreover, the Group has been positioned in time in the market of offshore wind farms, where in a joint venture with OCEAN WINDS it plans to develop wind farms in the Greek seas.

In terms of the main accounts of the consolidated Financial Position, the net debt position¹ of the Group (bank debt minus cash & cash equivalents) at the end of the 9-month period of 2021, amounted to 491.4 million Euros compared to 436.5 million Euros in the first half of 2021. Total Assets on 30.09.2021 amounted to 1,529 million Euros, increased by 62 million Euros compared to the corresponding level of 30.06.2021. It should be noted that the Group's cash and cash equivalents amounted to 287.3 million Euros at the end of the 9-month period of 2021.

Total equity increased to 421,028 thousand Euros on 30.09.2021 from 408,407 thousand Euros on 30.06.2021 (+ 3.1%).

Impact of the spread of COVID-19 and the energy crisis

TERNA ENERGY Group, strongly committed to its growth strategy and the implementation of its vision, improves and constantly modernizes its structures and operating systems, selects carefully the executives needed from the marketplace, and also trains its personnel with regard to modern digital systems and the obligation to comply with the provisions of the corporate governance system, the other provisions of the Internal Rules of Operation, as well as the rules imposed by the competent bodies of the State for the relations of the companies with the members of their Board of Directors. Also, responding quickly and sensitively when it comes to its human resources, the Group has taken all the necessary measures, set up a special committee to deal with the coronavirus pandemic and ensured that all its employees have the absolute protection and care against the COVID-19 and its mutations. The Committee systematically monitors the development of the pandemic, is immediately informed of each critical factor of its spread and guides the necessary actions to be taken by the Management and each employee throughout the Group in order to minimize the risks associated with the above health crisis and their impact on the course of the company.

This policy along with the nature of the Group's business activities have protected it from the relevant risks and have allowed the Management to continue its growth trajectory without being directly affected by the spread of the virus. Keeping the personnel on standby and limiting their communication with only a few external partners, combined with the lack of contact with large groups of customers / consumers provide the Group with the opportunity to focus on its goals and not be directly and greatly affected by the evolution of the pandemic. For these reasons, TERNA ENERGY Group continues to invest in the production of electricity through Renewable Energy Sources (RES), fully focused on achieving its goal of exceeding 3,000 MW of installed capacity within the next 5 years.

Regarding the energy crisis, the Management is constantly assessing the situation and its possible consequences, in order to ensure that all necessary and possible measures are taken in time and actions to minimize any impact on the Group's activities. It is noted that the TERNA ENERGY Group has not been affected by the energy crisis given the sector in which it operates and the structure of electricity sales contracts.

¹ *The alternative performance measures (APM) were determined in the same manner as in note 5 of the Semi-Annual Financial Report for the period 01/01/2021-30/06/2021.*