



# 9M 2023 Results

 **TERNA ENERGY**  
G E K T E R N A G R O U P

November 2023

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# 9M 2023 Highlights

**Strong performance in 3Q following normalisation of wind conditions and increased capacity allows to recover slow start of the year – 3Q adj.EBITDA+50.9% y-o-y // 9M adj.EBITDA € 124.5m (-1.6% y-o-y)**

## Key Highlights

- **Installed capacity at 1.2 GW post Kafireas completion (vs. 0.9GW in end-2022)**
- **Normalised wind conditions for August and September along with increased effective capacity drive generation higher, allowing to recover from slow start of the year**
- **Further acceleration expected in 4Q as Kafireas now operates with full capacity**
- **~2.5GW of projects operating, under construction or ready to build phase**

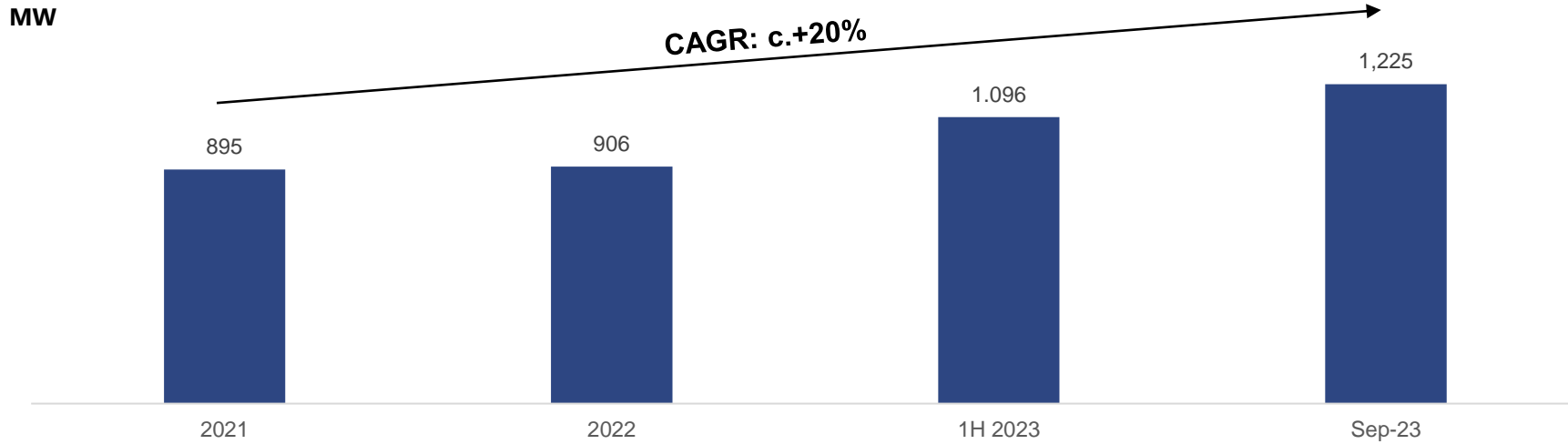
## Key Financials

- **3Q Group revenues increase by 43.1% y-o-y to € 90.3m // adj.EBITDA +50.9% y-o-y € 49.8m**
  - Group Load Factor 3Q 2023 at 29.6% (vs. 29.2% in 3Q 2022) – Power generation +28.4% y-o-y
- **9M Group revenues increase by 7.8% y-o-y to € 235.9m // adj. EBITDA at 124.5m, -1.6% y-o-y**
  - Group Load Factor 9M 2023 at 27.9% (vs. 31.1% in 9M 2022) – Power generation +2.3% y-o-y
- **Group adj. Net Profit 3Q € 18.0m (+87.5% y-o-y) // 9M € 41.9m (-21.2% y-o-y)**
- **Operating CF 9M 2023 at € 113.9m // € 58.9m of OCF in 3Q 2023**
- **Capex at € 178m during the 9M period for Kafireas and Amfilochia**
- **Net debt at € 844.4m (vs. € 669.3m in Dec'22) with leverage (Net Debt/adj.EBITDA) at 5.2x**

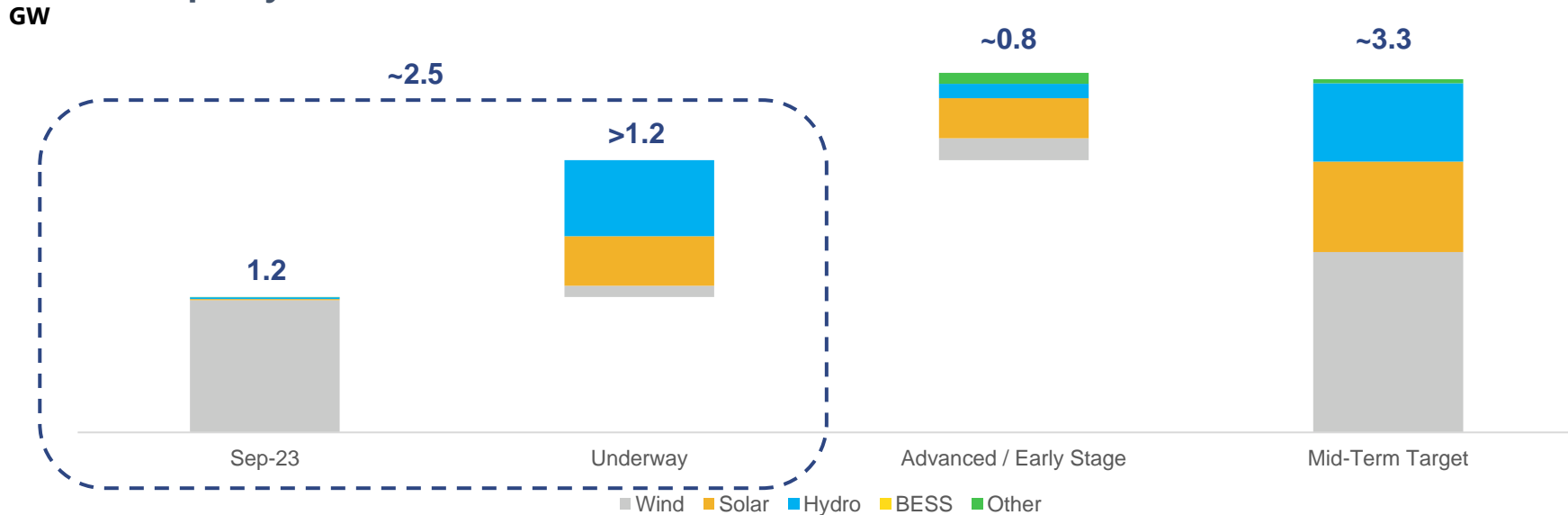
# Growing Asset Base

Installed capacity increases to 1.2GW while under construction/RTB exceed 1.2GW

## Operating capacity



## Installed capacity outlook

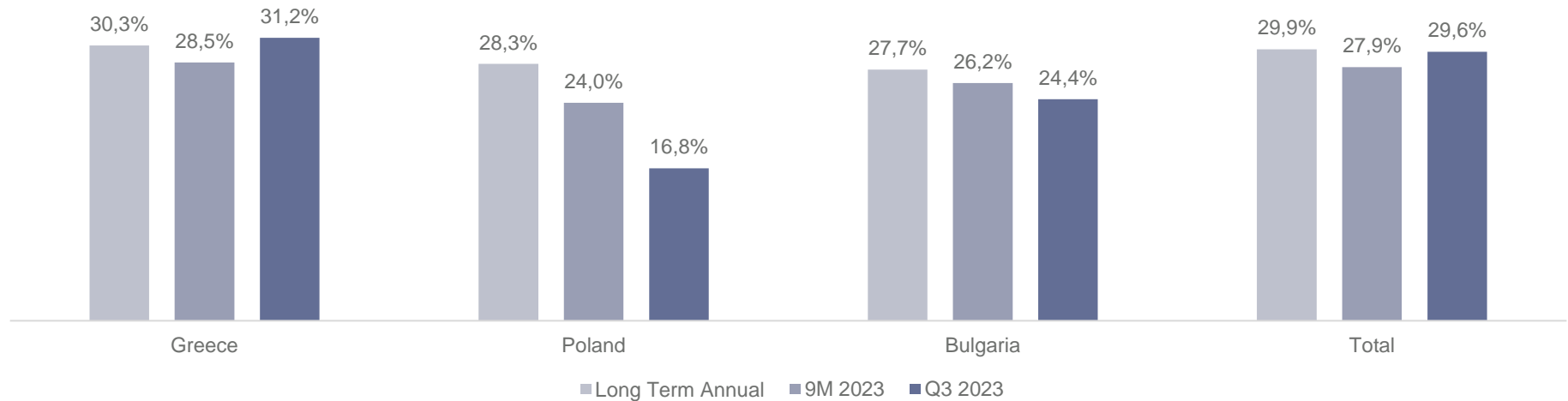




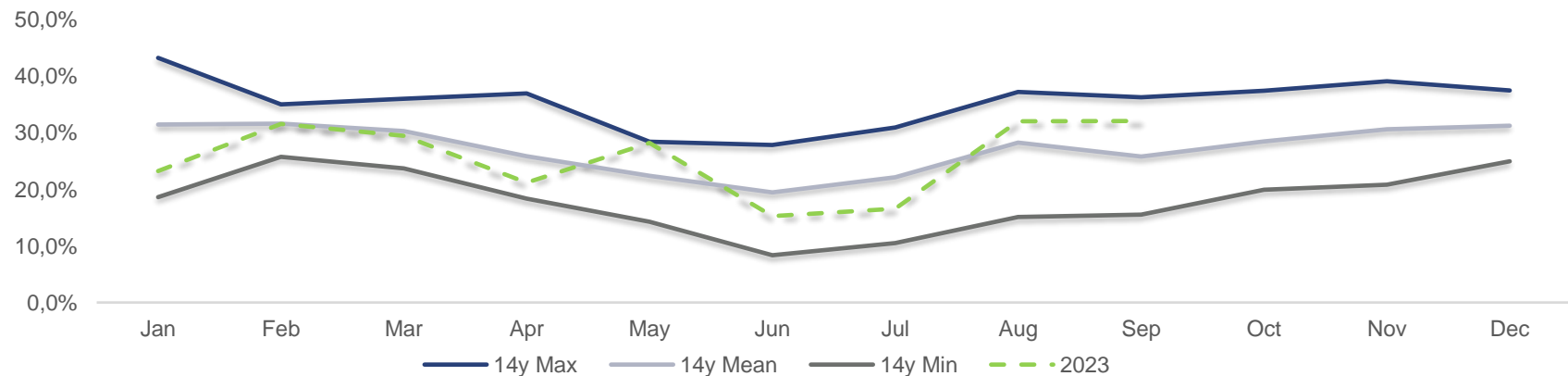
# Operating Performance Overview

Wind conditions in 3Q 2023 recover to normalised levels and along with increased effective capacity drive generation volumes sharply higher, recovering the slow 1H 2023 performance

### Portfolio load factor per country



### 2023 Load factor vs. long-term average<sup>(1)</sup>



(1) Average for a representative sample of assets for the period 2008-22

# Financial Performance by Business Segment

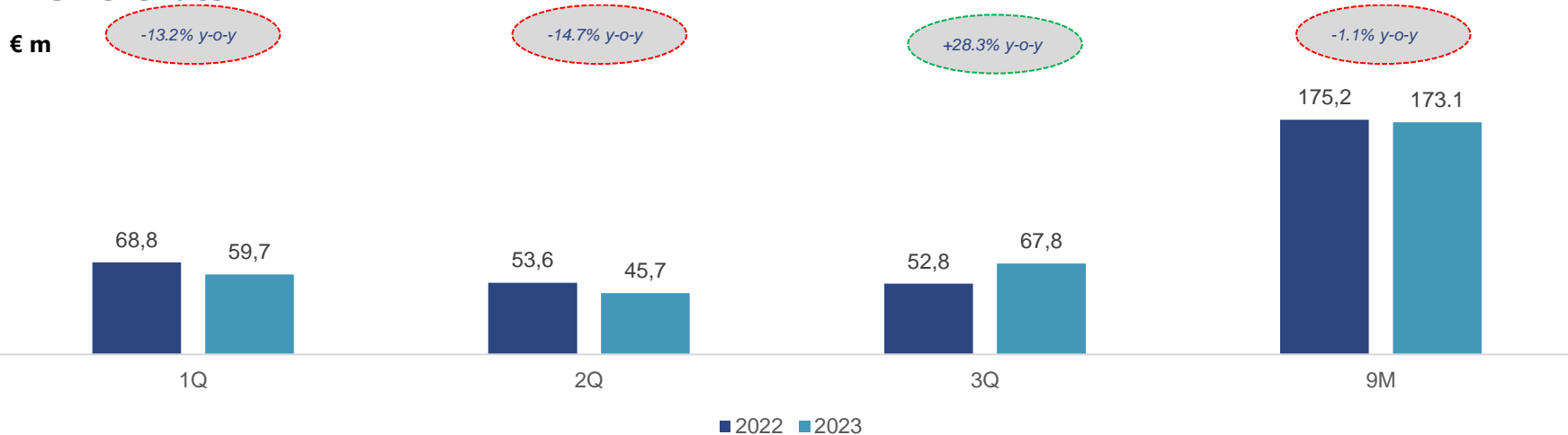
Increased RES production in 3Q drives revenues and profitability higher – Increased contribution from Waste Management and Construction

€ m	3Q 2022	3Q 2023	y-o-y	9M 2022	9M 2023	y-o-y
<b>Group revenues</b>	<b>63.0</b>	<b>90.2</b>	<b>43.1%</b>	<b>218.9</b>	<b>235.9</b>	<b>7.8%</b>
RES	52.8	67.8	28.3%	175.2	173.1	(1.1%)
Waste Management	2.8	5.1	80.9%	5.9	11.7	98.3%
E-Ticket	3.2	3.3	5.1%	9.3	10.2	9.7%
Construction	4.3	14.1	225.9%	28.6	40.9	43.0%
<b>Group adj. EBITDA</b>	<b>33.0</b>	<b>49.8</b>	<b>50.9%</b>	<b>126.5</b>	<b>124.5</b>	<b>(1.6%)</b>
RES	35.7	46.1	26.7%	124.0	116.9	(5.7%)
Waste Management	0.8	1.2	44.6%	0.9	4.2	366.7%
E-Ticket	0.3	1.5	449.5%	1.0	2.4	140.0%
Construction	-3.8	1.0	n.m.	0.6	0.9	50.0%
<i>Group adj. EBITDA margin</i>	<i>52.3%</i>	<i>55.2%</i>		<i>57.8%</i>	<i>52.8%</i>	
<i>RES segment adj. EBITDA margin</i>	<i>67.5%</i>	<i>67.8%</i>		<i>70.8%</i>	<i>67.6%</i>	
<b>Group adj. Net Profit</b>	<b>9.6</b>	<b>18.0</b>	<b>+87.5%</b>	<b>53.1</b>	<b>41.9</b>	<b>(21.2%)</b>

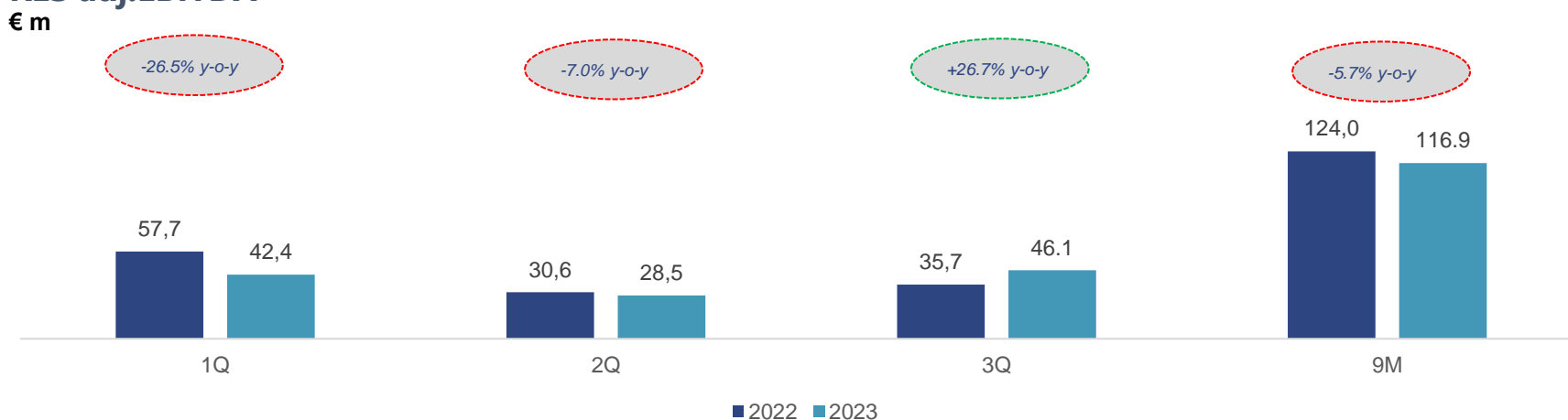
# Financial Performance - RES Segment

Strong performance in 3Q following wind conditions normalization (for August & September) and increased effective capacity (Kafireas only partially in operation during 3Q) allow recovery of slow 1H 2023 - Further acceleration expected as Kafireas enters full operation in 4Q 2023 and wind conditions remain supportive

## RES Revenues



## RES adj.EBITDA

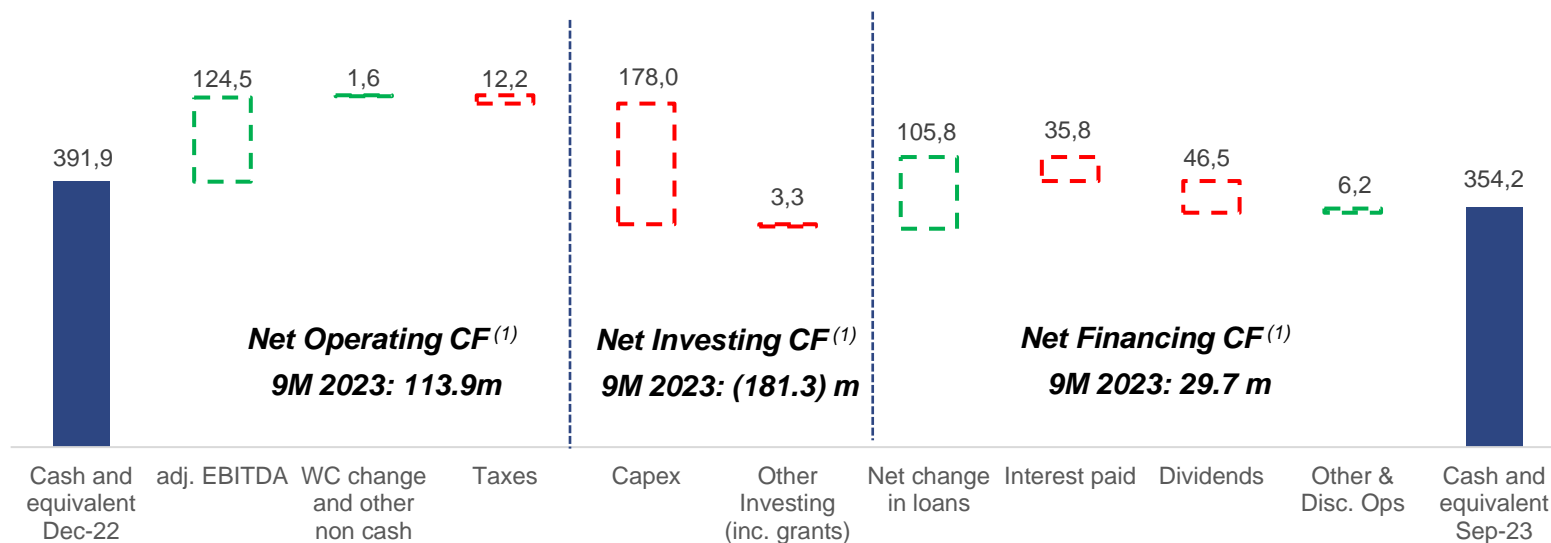


# Cash Flow

Strong operating cash flow generation continues, supporting the investment program and shareholder returns

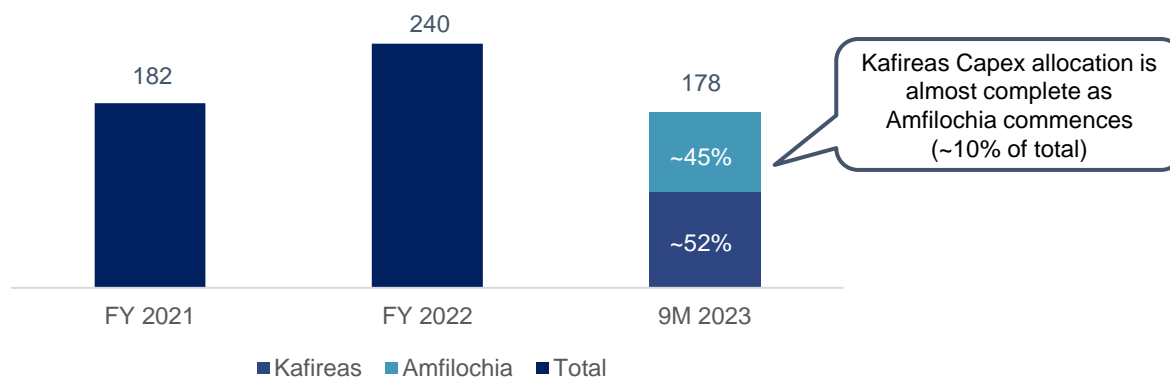
## Cash flow bridge

€ m



## Capex<sup>(1)</sup>

€ m



Notes: 1. From continued operations

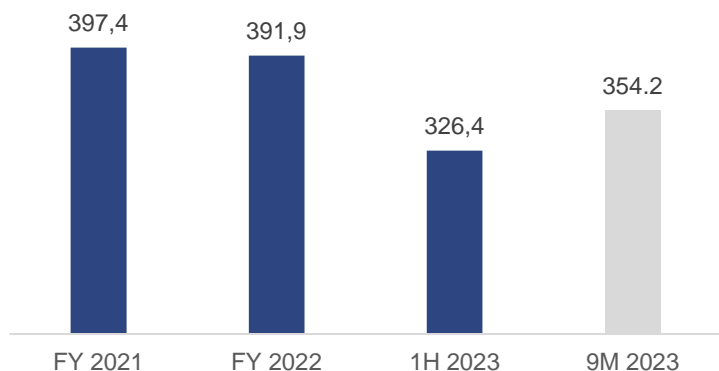


# Balance Sheet Highlights

Healthy leverage and liquidity to sustain investment plans

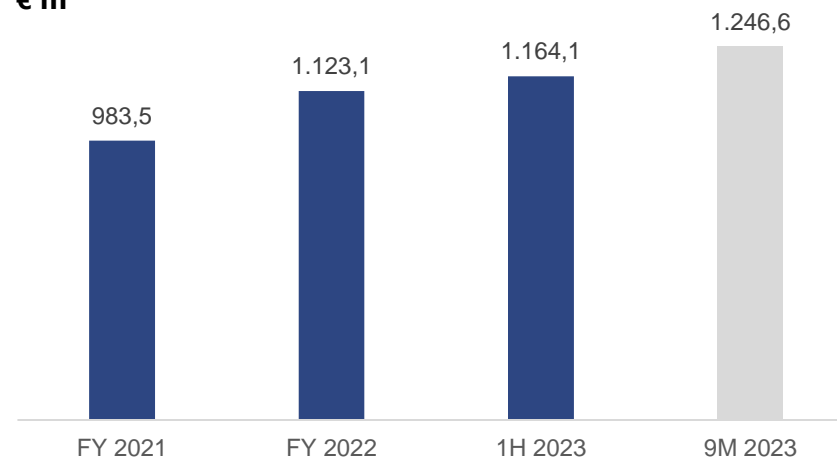
## Cash and Cash Equivalent<sup>(1)</sup>

€ m



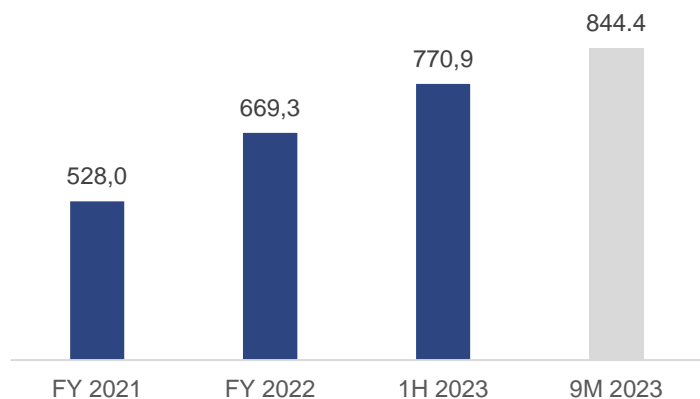
## Gross debt

€ m



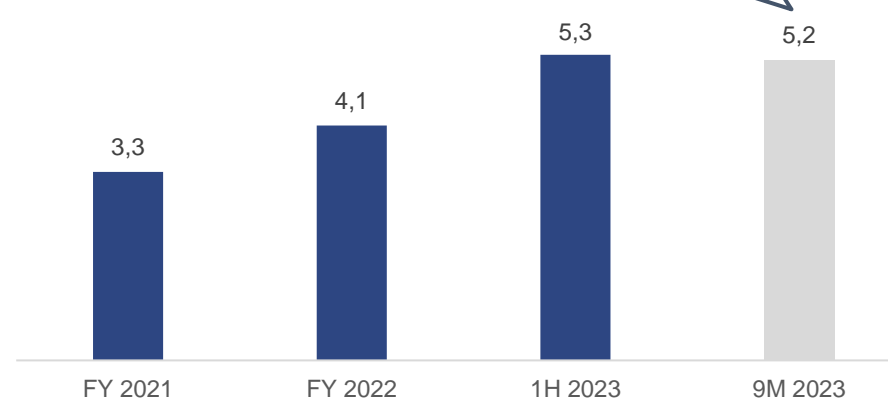
## Net Debt

€ m



## Net debt / adj. EBITDA

(x)



Notes: 1. Does not include restricted cash.



**TERNA ENERGY**  
GEK TERNA GROUP

# Terna Energy Unique Investment Proposition

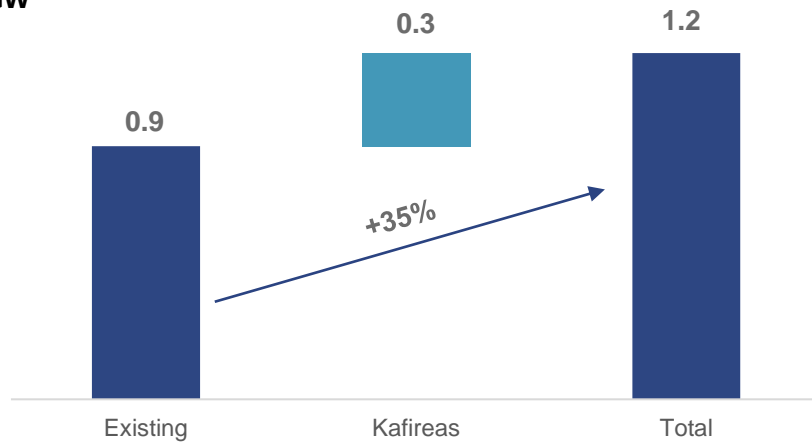
Portfolio Update



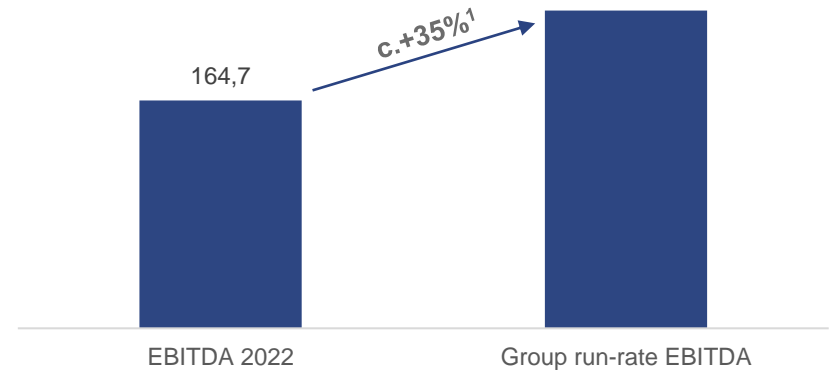
# The "Kafireas" Effect

Commissioning of Kafireas project is an important milestone for the Group's growth

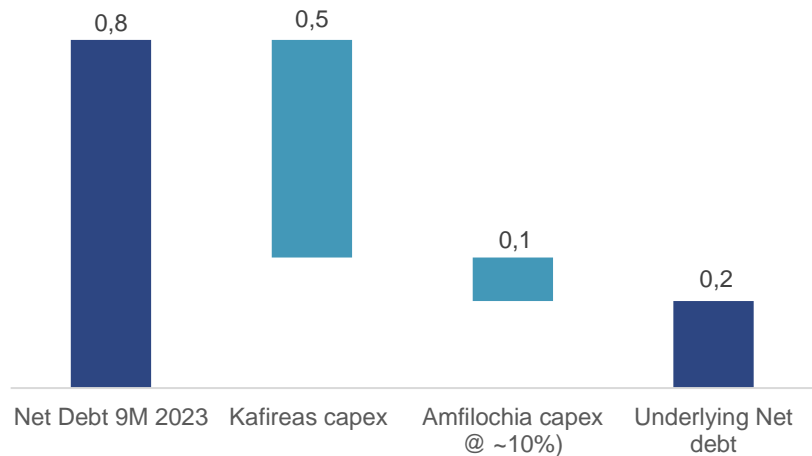
## Installed capacity GW



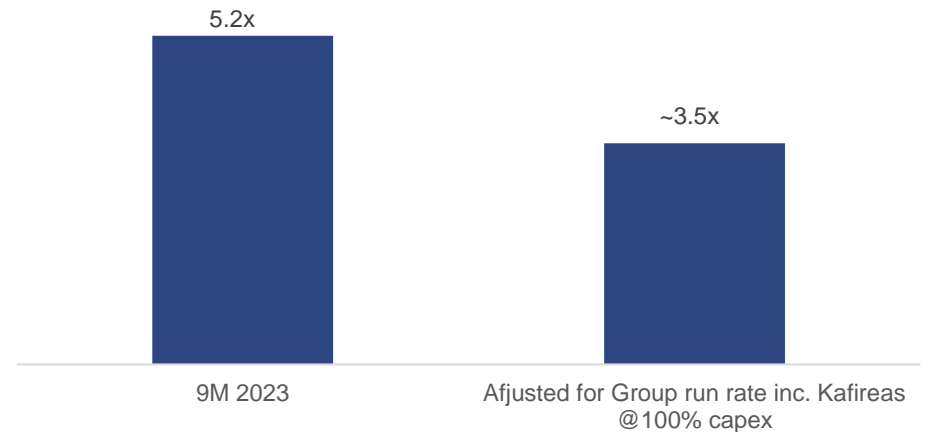
## Group run-rate EBITDA € m



## Net debt breakdown € bn



## Net debt / adj. EBITDA (x)



Notes: 1. Expected

# Portfolio Overview (I)

- Leading Renewable Energy Company in Greece, with Established Presence in Poland and Bulgaria
- Large operating asset base located at the most favourable locations in the respective countries
- Young fleet with substantial remaining contracted PPA lifetime

## Key Figures



**3**  
Countries  
with Presence



**1.2 GW**  
Total Installed  
Capacity



**~7 Years**  
Weighted  
Average  
Asset Life



**>15 Years**  
Weighted  
Average  
Remaining PPA  
Lifetime

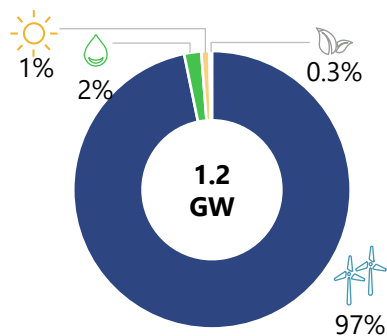


**4.2%**  
Effective Cost  
of Debt

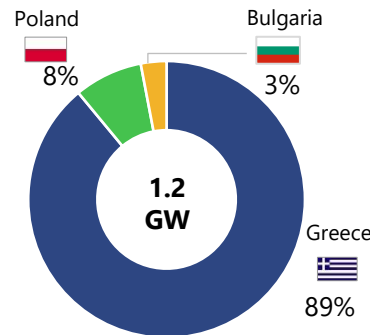


**74%**  
Non-Recourse  
Debt of Total Debt

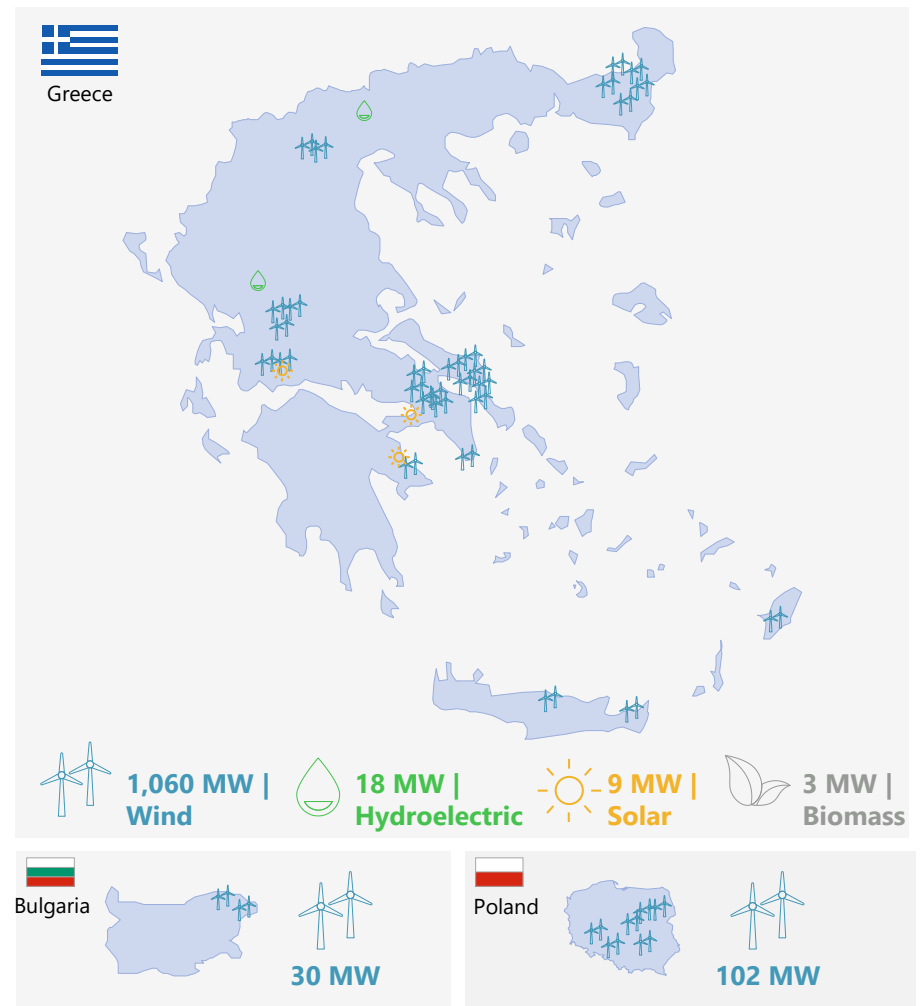
### Capacity Breakdown by Technology



### Capacity Breakdown by Country



## Geographical Footprint



# Portfolio Overview (II)

- High quality, diversified and complementary portfolio
- Substantial long-term, secured and predictable cash-flow

## Largest Portfolio In The Greek Market



+



11 GW  
Projects  
at various stages

## Technologically Diversified



✓  
*Wind*



✓  
*Solar*



✓  
*Hydroelectric*



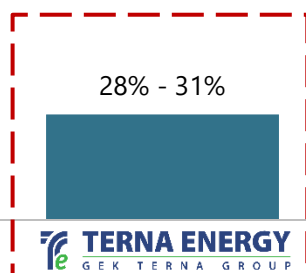
✓  
*Biomass/  
Waste*



✓  
*Storage*

## Exceptionally High Load Factors Vs GR Market

Last 5Y Measurements



25 - 27% <sup>(1)</sup>

Greece

## Long Term Contracted Revenue



**96%**  
% of Greek  
Installed Capacity  
Contracted



**1.9** <sup>(2)</sup> **GW**  
Operating &  
Near-term  
Pipeline under  
Secured PPAs



**€7** <sup>(3)</sup> **Bn**  
Contracted  
Revenue



# Market Backdrop - Outlook

## Market backdrop

- **Capex costs**
  - PV remain on a downward trend since the beginning of the year
  - Wind stabilized
- **Corporate PPAs**
  - Strong demand by energy intensive consumers in Greece and abroad
  - Prices showing signs of stabilization at current, healthy levels
- **Licensing**
  - Early signs of pick-up in pace by authorities
  - Support at EU level to accelerate

*Attractive value creation opportunities for good quality projects*

## TERNA Energy Outlook

- Wind conditions were weak during the first 7 months of the year. There has been a normalization over the recent months and along with increased effective capacity should allow to at least recover the slow start of the year – Further acceleration expected in 2024 given increased effective capacity
- >550MW of new projects (mostly PV) to start construction in Greece and SE Europe within the next few months - Sizable part of new capacity already under advanced discussion with third parties for corporate PPAs
- Strict commitment to targeted return levels - Focusing on highly value added projects
- Closely monitoring market / regulatory backdrop to optimise and further accelerate the realisation of our large pipeline



# Group Income Statement

€ m	9M 2022	9M 2023
Revenue	218.9	235.9
Cost of sales	(109.8)	(127.9)
<b>Gross profit</b>	<b>109.1</b>	<b>108.0</b>
Administrative & distribution expenses	(41.3)	(24.4)
Research and development	(4.7)	(5.4)
Other income, net	12.0	8.0
<b>Operating profit</b>	<b>75.1</b>	<b>86.2</b>
Financial expenses, net	(24.3)	(31.6)
<b>EBT</b>	<b>50.8</b>	<b>54.6</b>
Income tax expense	(18.4)	(13.9)
<b>Net Profit</b>	<b>32.4</b>	<b>40.7</b>
Discontinued ops	18.7	0.0
<b>Net Profit from continued &amp; discontinued ops</b>	<b>51.1</b>	<b>40.7</b>
<b>EBITDA</b>	<b>105.6</b>	<b>123.6</b>
adj. EBITDA <sup>(1)</sup>	126.5	124.5
adj. Net Profit <sup>(1)</sup> from continued & discontinued ops	71.9	41.9

## Sustainability Development Report 2022

Available now [here](#)



## ESG – Key Performance Index 2022

Available now [here](#)



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