TERNA ENERGY

Industrial Commercial Technical Societe Anonyme

85 Mesogeion Ave., 115 26 Athens, Greece

Societe Anonyme Reg. No. 318/06/B/86/28

GENERAL COMMERCIAL REGISTER (GEMI) No. 000312701000

ANNUAL FINANCIAL REPORT

for the year

1 January to 31 December 2024

According to article 4 of Law 3556/2007 and relevant executive decisions of Hellenic Market Commission Board of Directors

CONTENTS

I. REPRESENTATIONS OF THE MEMBERS OF THE BOARD OF DIRECTORS

(according to article 4, par. 2, Law 3556/2007)

The following representatives:

- George Peristeris, Chairman of the Board of Directors
- Emmanuel Maragoudakis, Chief Executive Officer
- George Mergos, Vice Chairman of the Board of Directors.

WE HEREBY DECLARE AND CERTIFY

To the best of our knowledge that:
i)The hereby annual separate and consolidated financial statements of the Company TERNA ENERGY S.A. of the annual period from January 1st, 2024, to December 31st, 2024, that has been prepared according to the applicable international accounting standards, reflect truly and fairly assets and liabilities, equity, and the financial results of the Company as well as the companies that has been included in the consolidation in aggregate, and

ii)The attached BoD Report provides a true and fair view of the Company's evolution, performance, and position, as well as of the companies included in the consolidation in aggregate, including the description of the main risks and uncertainties to which they are exposed is also encompassed in the Report.

Athens, 20/03/2025

The Certifiers

The Chairman of the Board of Directors	The Chief Executive Officer	The Vice Chairman of the Board of Directors
George Peristeris	**Emmanouil Maragoudakis**	**George Mergos**

II. ANNUAL MANAGEMENT REPORT OF THE BOARD OF DIRECTORS OF "TERNA ENERGY SOCIETE ANONYME INDUSTRIAL COMMERCIAL AND TECHNICAL COMPANY" ON CONSOLIDATED AND SEPARATE FINANCIAL STATEMENTS FOR FINANCIAL YEAR 2024

Dear Shareholders,

According to the provisions of Law 4548/2018 as well as Law 3556/2007 Article 4 par. 2(c), 6,7 & 8 and the decisions issued by the Hellenic Capital Market Commission under No. 8/754/14.4.2016 Article 2 and the Company's Articles of Association, we are hereby presenting the annual management report of the Board of Directors for the financial year from 01/01/2024 to 31/12/2024.

This report includes the financial and non-financial report of TERNA ENERGY Group for the financial year 2024 and describes the most significant events that occurred before and after the reporting date of the financial statements. Furthermore, it provides a description of the main risks and uncertainties that the Group may face in 2025 and lists the significant transactions entered between the Company and its related parties.

A) Financial Highlights and Performance for the 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% 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 normalisation 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 15.6%. 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.

(Amounts in thousands of Euros unless mentioned otherwise)

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.

Specifically, the Group's total installed capacity in Greece and abroad amounts to 1.224,3 MW.

	TOTAL	GREECE	POLAND	BULGARIA
WIND PARKS	**1.197**	1.065	102	30
HYDROELECTRIC	**17,8**	17,8		
PHOTOVOLTAIC	**8,5**	8,5		
BIOMASS	**1**	1		
TOTAL	**1.224,3**	**1.092,3**	**102**	**30**

TERNA ENERGY Group has transferred the biomass power plants of the waste management facilities' (See Notes 5 and 7).

In the context of the agreement for the Sale and Purchase of the Shares of TERNA ENERGY SA by MASDAR HELLAS SA, TERNA ENERGY Group has transferred to GEK TERNA Group the activities of construction of public works, concessions related to the operation of infrastructure and other projects of public interest as well as all research activities in the USA. Therefore, the results of these activities are presented as results from discontinued operations as defined in IFRS 5 'Non-current assets held for sale and discontinued operations'.

In 2024 the Group consolidated sales from continuing operations amounts to € 347,1 million compared to € 252,2 mill. in 2023, with an increase of 37,6%. The Group's operating earnings before interest, taxes, depreciation, and amortization (EBITDA) from continuing operations amounted to € 210,3 million compared to € 172,8 million in the previous year, increased by 21,7%. Excluding the cost of the free share distribution plan, the Group's operating earnings before interest, taxes, depreciation and amortization (EBITDA) from continuing operations for the year 2024 amount to € 212,6 million, with the respective amount of the previous year was € 173,4million, increased by 22.6%.

Profits before tax from continuing operations to € 93,8 million, increased by 26,2% compared to € 74,3 million in 2023. Net operating profit from continuing operations attributed to the shareholders of the parent company amounted to € 70,4 million, increased by 24,3% compared to the previous year (2023: € 56,7 million).

The increase in sales, operating earnings before interest, taxes, depreciation and amortization (EBITDA) and earnings before and after taxes was mainly driven by the commissioning of the new Wind Farms in the area of Kafireas in Evia and the return to normal levels of wind power, which during the first half of 2023 was extremely low.

The Group's turnover from discontinued operations amounted to € 60,5million compared to € 75,6million in 2023, decrease of 20,0%mainly due to the reduction in the construction operations. The Group's operating loss before interest, tax, depreciation and amortisation (EBITDA) from discontinued operations amounted to a loss of € (17,8) million compared to a profit of € 5,0 million in the previous year. Losses before tax from discontinued operations amounted to € (33,8) million, compared to a profit of € 6,8million in the corresponding period of 2023. Net loss for the year from discontinued operations attributable to owners of the parent company amounted to € (37,1) million, compared with a profit of € 3,0 million in the corresponding same period of the previous year. The negative performance was mainly due to the construction activity which during the year 2024 was loss-making mainly in the construction of the waste management plants of the Peloponnese Region.

Net profit from continuing and discontinued operations excluding the plan's expense from the free share distribution and results from financial instruments at fair value amounted to € 35,1million.

Total comprehensive income (from continuing and discontinued operations) amounted to € 34,0 million compared to a profit of € 62,1 million in the same period of the last year. For the year 2024, the total profit attributable to Owners of the Parent amounted to € 35,7 million, while the profit attributable to Non-Controlling Interests amounted to € 0,7 million.

The amount of research and development expenses incurred by the Group during 2024 amounted to € 6.187thousand compared to € 5.371thousand in the corresponding period of the previous year. These expenses are mainly related to the development of new renewable energy production plants and the capacity to conclude new contracts through public tenders.

The Group's operating cash flow from continuing operations for the year amounted to € 139,1 million, compared to € 147,2 million in 2023. The increase is mainly attributable to the liquidation of the increased results realized in the year 2023 which is expected to be reversed during the 2024 financial year.

On 31/12/2024, TERNA ENERGY Group investments amounted to € 102,0 million. The Group’s on-going investing activities generate the conditions for stabilization of increased flows of revenue and profitability on a long-term basis.

The Group's financial position remains satisfactory, as cash and cash equivalents and restricted cash amounted to € 311,9 million, while the loan liabilities amounted to € 1.107,5 million. The net debt position (debt liabilities minus cash and cash equivalents minus restricted deposits related to debt liabilities) as of 31/12/2024 stands at € 795,6 million compared to € 844,6 million in the previous financial year.

B. Significant events in the year 2024

- **Spin-off of Construction and Concessions divisions of the Group's parent company, Terna Energy S.A.**

By the decision of the Extraordinary General Meeting of Shareholders of November 6, 2024, (a) the Plan of the Company's Demerger Agreement of 25/09/2024 was approved through the spin-off of (i) the public construction sector, waste management and PPP projects sector (the "Division A") and its contribution to the wholly owned subsidiary company named "TERNA ENERGEIAKI DIACHEIRISI PAGION S.A." (the "Beneficiary by Absorption") and (ii) the business of the high broadband infrastructure projects undertaking and execution of partnership contracts" (the "Division B") by establishing a new company named “ERGA YPODOMIS EVRYZONIKOTITAS S.A.” (the "Beneficiary by Composition"). The relevant announcement of the GEMI was released on 15 November 2024.

- **Acquisition of TERNA ENERGY Group by "Masdar Hellas Hellas SA"**

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 that promotes the development and implementation of solar, wind, geothermal, battery storage and green hydrogen technologies, targeting a 100GW renewable energy capacity portfolio by 2030, helping to accelerate the energy transition achieve global zero-carbon targets.

- **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 S.A. convened, in which the proposal of the Board of Directors for the distribution of profits and reserves in the total amount of EUR 44.879.934,20, i.e. € 0,38 per share, was approved, in accordance with article 162 par. 3 of Law 4548/2018. This amount will be increased by the dividend corresponding to the treasury shares that the Company holds.

- **Conclusion of a 12-year bilateral contract with EYATH**

TERNA ENERGY Group signed the first ever PPA agreement in Greece, with a duration of 8 years with the option of extension of 4 more years, according to which the Group will supply EYATH with 100% green energy with a capacity of 100 GWh/year. With this transaction, TERNA ENERGY S.A. will ensure a constant selling price for its electricity production, while EYATH will reduce its energy costs by up to 50%, the increase of which in 2022 burdened its financial results, causing the long-time profitable company to make losses for the first time in 25 years. At the same time, EYATH will reduce its carbon footprint to zero by 2025 instead of the target of 2030.

- **Inclusion of Terna Energy in the Final List of Selected Participants for E.S.S. (Electricity Storage Stations) of RAAEY**

With the decision of 15 February 2024 of RAAEY, TERNA ENERGY ABETE was selected as one of the shortlisted bidders of the second (b) Competitive Bidding Procedure for the granting of investment and operational support to Electricity Storage Stations in accordance with the provisions of article 143F of Law No. 4001/2011, of a capacity of 40 MW and a capacity of 80 MWh. During the third quarter of the year, the special purpose company was established for the implementation of the relevant investment plan.

- **Selection of three TERNA ENERGY Investment Plans in the list of the European Network of Transmission System Operators for Electricity (ENTSO-E)**

The list of 209 electricity infrastructure projects of the Trans-European Ten-Year Development Plan (TYNDP) 2024 of the European Network of Transmission System Operators for Electricity (ENTSO-E) includes three energy storage investment projects of TERNA ENERGY Group:

The pumped-storage project of Terna Energy in Amfilochia. It is the largest investment in an energy storage project in Greece, with a total installed capacity of 680 MW (megawatts) for generation and 730 MW for pumping. It is an investment of more than EUR 500 million with an annual energy production of approximately 816.00 GWh (gigawatt-hours) and an operational horizon of 2026.

Pumped storage plant of PPC - TERNA Energy at Ladonas. This is a project with an installed capacity of 220 MW for generation and 231 MW for pumping. It is expected to be completed in 2032.

TERNA Energy's pumped storage project "Vrohonera": It consists of two independent projects, "Vrohonera I" (total installed capacity of 424 MW for generation and 377 MW for pumping) and "Vrohonera II" (total installed capacity of 351 MW for generation and 344 MW for pumping).

These projects will play an important part in shaping Europe's electricity system up to 2040.

- **Completion of Share Distribution Plan**

By the decision of the Board of Directors of "TERNA ENERGY", dated October 21, 2024, it was unanimously decided to increase the share capital of the Company by the amount of Euro Seventy Five Thousand (€ 75.000,00) by issuing two hundred and fifty thousand (250.000) of new ordinary registered shares with voting rights, with a nominal value of thirty euro cents (€ 0,30) each, with capitalization of share premium reserves, and their free distribution to Executive Members of the Board of Directors and senior management of the

Company, in accordance with the approved Share Distribution Plan due to the achievement of the last target of the Share Distribution Plan.

- **Acquisition of shares in BIO PI DI SOLAR EOOD**

During July 2024, the Group signed a contract for the acquisition of the shares of BIO PI DI SOLAR EOOD, which is developing the construction and operation of a 129,3 MW photovoltaic power plant in Bulgaria.

- **Acquisition of shares of ELLINIKOS ILIOS II S.A. and ELLINIKOS ILIOS III S.A.**

On 31 December 2024, the company of the group TERNA ENERGY S.A. acquired 100% of the shares of the companies ELLINIKOS ILIOS II S.A. and ELLINIKOS ILIOS III S.A. These companies are active in the development, construction and operation of photovoltaic power plants and have 39,6 MW of photovoltaic power plants under construction.

C. Events after the end of fiscal year 2024

From 01/01/2025 and until the preparation date of the present report, the following important events occurred:

- **Motor Oil - TERNA ENERGY Groups cooperate for the first Offshore Wind Farm in Greece**

Motor Oil and TERNA ENERGY Groups proceed with the joint implementation of the first Offshore Wind Farm (OWP) in Greece. In this context, the procedures for the participation of Motor Oil Group, through its subsidiary Motor Oil Renewable Energy (MORE), with a 50% stake in the share capital of "Aeolika Provatas Traianoupolis", a subsidiary of Terna Energy Group, have been completed. "Aeolika Provatas Traianoupolis" has the right to develop a 400 MW pilot wind farm in the sea area south of Alexandroupolis and north of Samothrace. This pioneering landmark project, with a completion horizon of the end of the current decade, will be the first of its kind in Greece, contributing substantially to the success of the implementation of the National Programme for the Development of Offshore Wind Farm (OWP).

Moreover, it will highlight the benefits of Offshore Wind Farm (OWP) to the national and local economy, as well as the harmonious coexistence of CSR with sectors such as shipping and tourism. Through their cooperation for the development of the first Offshore Wind Farm in Greece, Motor Oil and TERNA ENERGY Groups are strengthening their footprint in the domestic production of clean energy and implementing their environmental commitments, while at the same time actively promoting sustainable development and the energy transformation of the country.

- **Results of the mandatory public offer of the Company "MASDAR HELLAS S.A." to the shareholders of the Company "TERNA ENERGY S.A." for the acquisition of all their common, registered, voting shares for a price of 20,00 euro per share**

Following the completion of the public offer procedure, MASDAR HELLAS S.A. holds a total of 115.519.691 Shares and voting rights of the Company, corresponding to approximately 97,60 % of the total paid-up share capital and voting rights of the Company. Additional Shares that MASDAR HELLAS S.A. may acquire after the expiry of the Acceptance Period until the Completion Date are not included in the above percentage.

D. Prospectives

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.

E. Risks and uncertainties

The Group’s activities expose it to various financial risks such as market risk (including foreign exchange risk, interest rate risk and price volatility risk), credit risk and liquidity risk. The Group, in order to deal with the financial risks and to limit their negative impact on its financial results, monitors the fluctuations of the variables that affect cost and sales and uses the appropriate products, as the case may be.

The main risks and uncertainties related to the Group's operations are as follows:

i. Credit risk

The Group examines its receivables on an on-going basis and incorporates the arising data in its credit control. The majority of the energy segment receivables relates to the broader domestic (including ENEX, DAPEEP and DEDDIE) and foreign Public Sector. 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.

ii. 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.

iii. 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 loans59,67% 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.

(Amounts in thousands of Euros unless mentioned otherwise)

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.

	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.

iv. 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.

v. 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.

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 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.

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 Group utilizes Alternative Performance Measurement Indicators ("APMI") in its financial, operational and strategic planning decisions, as well as in evaluating and publishing its performance. These APMI serves to better understanding the Group’s financial and operating results as well as its financial position.

Alternative indicators should always be considered in conjunction with the financial results prepared in accordance with IFRSs and in no case should they replace them. The following indicators are used when describing the Group's performance by sector:

EBIT (Earnings before Interest and Taxes): It is a ratio by which the Company's Management assesses its operating performance. It is defined as: Turnover, - Cost of sales, - Administrative & distribution expenses, - Research & development expenses, +/- Other Income / (Expenses) and other Gains / (Losses) determinants of EBIT. The other Income / (Expenses) determinants are defined as Other Income (Expenses), not including foreign exchange valuation differences, Impairment / (Recovery of impairment) of assets as presented in Note 34.

EBITDA (Earnings before Interest Taxes Depreciation and Amortization): The ratio is calculated as Earnings before Interest & Tax (EBIT) adding the total depreciation of tangible, intangible assets and rights of use deducting grants depreciations. The greater the indicator is, the more efficient the operation of the Company becomes. The EBITDA is defined as EBIT adding assets depreciation, less grants depreciation.

“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 carried forward, less cash and cash equivalents less restricted deposits related to bank debt.

“Gross Profit Margin” is a ratio by which the Company’s Management assesses the return level and is defined as Gross Profit to Turnover.

"Loan Liabilities to Total Capital in Use" is an indicator that the Management assesses the Group's financial leverage. Loan Liabilities are the total of Short-term Loans, Long-term Loans and Long-term Loans payable the following year. Total Capital Employed is defined as the total of equity, loan liabilities, lease liabilities, grants are reduced by the amount of cash available that is not subject to any restriction or commitment, beyond the commitments associated with the borrowing.

The following tables configures the ratios “EBIT”, “EBITDA”, “Net debt / (Surplus)”, “Gross Profit Margin” and "Loan Liabilities to Total Capital Employed":

(Amounts in thousands of Euros unless mentioned otherwise)

Operating segments	**Continued Operations of Electricity from RES**	**Consolidated total of Discontinued operations**	**Consolidated total Continued and dicontinued Operations**
31st December 2024			
Continuing and Discontinued operations			
Revenue	347.104	60.521	**407.625**
Cost of sales	(141.654)	(65.372)	**(207.026)**
Gross profit from continuing and Discontinued operations	**205.450**	**(4.851)**	**200.599**
Administrative and distribution expenses	(47.439)	(2.045)	(49.484)
Research and development expenses	(6.187)	(1.519)	(7.706)
Other income/(expenses) and other gain/(losses)-EBIT determinants	5.240	(10.321)	(5.081)
Operating results (EBIT) from continuing and Discontinued operations	**157.064**	**(18.736)**	**138.328**
Other income/(expenses) and other gain/(losses)-non-EBIT determinants	(1.164)	407	(757)
Operating results from continuing and Discontinued operations	**155.900**	**(18.329)**	**137.571**
Financial income	1.391	6.875	**8.266**
Financial expenses	(65.462)	83	**(65.379)**
Gains/(Losses) from financial instruments measured at fair value	1.189	5	**1.194**
Revenue from participating interest and other investments	47	–	**47**
Gains/(losses) from disposals and valuation of participations and other investments	702	–	**702**
Share of results of assosiates and joint ventures	–	(46)	**(46)**
Net profit/loss for the period from Discontinued Operations	–	(22.352)	**(22.352)**
Profit/Loses before tax from continuing and Discontinued operations	**93.767**	**(33.764)**	**60.003**
Income tax expense	(23.217)	(2.777)	**(25.994)**
Net profit/(losses) from continuing and Discontinued operations	**70.550**	**(36.541)**	**34.009**
Depreciation	(57.031)	(892)	**(57.923)**
Grants' amortisation	3.840	–	**3.840**
EBITDA from continuing and Discontinued operations	**210.255**	**(17.844)**	**192.411**
Long-term loans	967.118	50.311	**1.017.429**
Short-term loans	40.609	–	**40.609**
Long-term liabilities carried forward	99.800	14.961	**114.761**
Cash and cash equivalents	(241.111)	(25.340)	**(266.451)**
Restricted cash (Note 19)	(70.827)	(5.791)	**(76.618)**
Net debt/(surplus)	**795.589**	**34.141**	**829.730**

(Amounts in thousands of Euros unless mentioned otherwise)

Operating segments	**Continued Operations of Electricity from RES**	**Consolidated total of Discontinued operations**	**Consolidated total Continued and dicontinued Operations**
31st December 2023			
Continuing and Discontinued operations			
Revenue	252.216	75.615	**327.831**
Cost of sales	(102.603)	(66.184)	**(168.787)**
Gross profit from Continuing and Discontinued operations	**149.613**	**9.431**	**159.044**
Administrative and distribution expenses	(31.113)	(2.778)	**(33.891)**
Research and development expenses	(5.371)	(1.913)	**(7.284)**
Other income/(expenses) and other gain/(losses)-EBIT determinants	12.160	(327)	**11.833**
Operating results (EBIT) from continuing and Discontinued operations	**125.289**	**4.413**	**129.702**
Other income/(expenses) and other gain/(losses)-non-EBIT determinants	(1.294)	–	**(1.294)**
Operating results from continuing and Discontinued operations	**123.995**	**4.413**	**128.408**
Financial income	824	8.218	**9.042**
Financial expenses	(49.093)	(5.840)	**(54.933)**
Gains/(Losses) from financial instruments measured at fair value	(1.912)	45	**(1.867)**
Gains/(losses) from disposals and valuation of participations and other investments	507	–	**507**
Share of results of assosiates and joint ventures	(33)	(51)	**(84)**
Profit/Loses before tax from continuing and Discontinued operations	**74.288**	**6.785**	**81.073**
Income tax expense	(17.223)	(1.764)	**(18.987)**
Net profit/(losses) from continuing and Discontinued operations	**57.065**	**5.021**	**62.086**
Depreciation	(52.463)	(595)	**(53.058)**
Grants' amortisation	4.971	–	**4.971**
EBITDA from continuing and Discontinued operations	**172.781**	**5.008**	**177.789**
31st December 2023			
Long-term loans	987.387	66.877	**1.054.264**
Long-term liabilities carried forward	93.219	19.629	**112.848**
Cash and cash equivalents	(224.639)	(23.388)	**(248.027)**
Restricted cash (Note 19)	(68.663)	(5.791)	**(74.454)**
Net debt/(surplus)	**787.304**	**57.327**	**844.631**

Operating segments	**Continued Operations of Electricity from RES**	**Consolidated total of Discontinued operations**	**Consolidated total Continued and dicontinued Opreations**
31st December 2024			
Revenue	347.104	60.521	**407.625**
Cost of sales	(141.654)	(65.372)	**(207.026)**
Gross profit	**205.450**	**(4.851)**	**200.599**
Gross profit margin	**59,19%**	**(8,02)%**	**49,21%**

Operating segments	**Continued Operations of Electricity from RES**	**Consolidated total of Discontinued operations**	**Consolidated total Continued and dicontinued Opreations**
31st December 2023			
Revenue	252.216	75.615	**327.831**
Cost of sales	(102.603)	(66.184)	**(168.787)**
Gross profit	**149.613**	**9.431**	**159.044**
Gross profit margin	**59,32%**	**12,47%**	**48,51%**

The ratio "Loan Liabilities to Total Capital Employed" at the end of 2024 and 2023 is as follows:

Amounts in thousands €	**31/12/2024**	**31/12/2023**
Short-term loans	40.609	–
Long-term loans	967.118	1.054.264
Long-term liabilities carried forward	99.800	112.848
Loan liabilities	**1.107.527**	**1.167.112**
Total equity	489.036	506.206
Loan liabilities	1.107.527	1.167.112
Lease liabilities (Long-term and Short-term portion)	35.351	30.826
Grants	159.020	162.812
Subtotal	**1.790.934**	**1.866.956**
Less:		
Cash and cash equivalents	241.111	248.027
Restricted cash related to loans (Note 19)	70.827	74.455
Subtotal	**311.938**	**322.482**
Total employed capital	**1.478.996**	**1.544.474**
Loan Liabilities / Total employed capital	**75%**	**76%**

G. Annual Non-Financial Statement 2024

1.Introduction

This Non-Financial statement covers the fiscal year ended on December 31st, 2024. Having taken into account the provisions of section 7 "Report (Statement) of Non-Financial Information" of Law 62784/2017 of the Ministry of Economy and Development, in accordance with the provisions of Law 4548/2018 (articles 151 & 154), the report contains information on all the activities of TERNA ENERGY Group for the following topics:

- Supply chain issues
- Anti-corruption and anti-bribery
- Respect for human rights
- Labor issues
- Social issues
- Environmental issues

The statement presents relevant information on the required disclosures of Article 8 of the Taxonomy Regulation, as specified in Article 10 of the Delegated Regulation (EU) 2021/2178. The statement has been prepared taking into account the Global Reporting Initiative (GRI) international standards, the standards introduced by the Sustainability Accounting Standards Board (SASB) and the Athens Stock Exchange ESG Reporting Guide (ATHEX). The statement presents information on the main risks related to the Group's activities, due diligence policies as well as other relevant policies applied. In addition, for a better understanding of the Group's performance, the qualitative and quantitative results of these policies are presented, and relevant financial and non-financial performance indicators are listed.

The structure of this report is as follows:

- The Group's approach to Sustainable Development
- Corporate Governance and the Group's Basic Operating Principles
- Environmental issues
- Sustainable Supply Chain
- Social and labor issues
- Taxonomy Report

TERNA ENERGY GROUP

For over twenty years, TERNA ENERGY Group has been a leading Greek vertically integrated Group in the Renewable Energy Sources (RES) sector. It boasts the largest and most diverse project portfolio in Greece, engaging in the development, construction, financing, and operation of RES projects. TERNA ENERGY shares are listed on the Athens Stock Exchange (FTSE / Athex Large Cap).

TERNA ENERGY Group is active in renewable energy projects, from development to energy production, in a range of technologies that include the construction and operation of wind farms, hydroelectric projects, pumped storage projects, hybrid power plants and photovoltaic parks. In 2024 the Group operated in Greece, Bulgaria and Poland.

TERNA ENERGY is at the forefront of Greece's initiative to become a prominent green energy center in Southeast Europe. As the largest producer and investor in clean energy across the region, the Group has a total project capacity—encompassing operational, under-construction, and ready-to-build projects—**totaling 2.5GW in 2024.** Including projects in various stages of maturity, **the Group's portfolio exceeds 11 GW.**

Overall Business Strategy

The Group's business activity is characterized by a solid financial structure, deep specialization and expertise, full implementation of quality assurance procedures, and extensive understanding of the international financial and business landscape. Its business model is based both on responsible planning and effective implementation of every project it undertakes. Moreover, the Group ensures sufficient capital and liquidity throughout each project phase by adhering to successful and responsible business practices, while ensuring its business continuity and sustainable growth.

Design and implementation of new projects

TERNA ENERGY Group has initiated a €5,5 billion investment plan focused on clean energy, the environment and the circular economy. The Group is also enhancing its involvement in innovative projects and developing various technology projects, such as hydroelectric, storage, and hybrid systems, in Greece. These projects are at different stages of maturity and are expected to gradually commence construction in the near future.

Since the beginning of the year, TERNA ENERGY Group has continued to expand its portfolio. Currently, the construction of new projects across various technologies (primarily photovoltaic, but also wind and storage projects) is gradually commencing both in Greece and abroad. These projects are expected to become operational progressively from the end of 2025, representing a total investment of €370 million. Meanwhile, the construction of the Amfilochia pumped-storage project is progressing according to plan.

2.The Group's approach to Sustainable Development

ATHEX Metric C-G4: Sustainability Policy

The Group's unwavering commitment to Sustainable Development principles serves as a cornerstone for its business operations. Central to this commitment is the Group's Sustainable Development Policy which prioritizes stakeholders and emphasizes systematic assessment of the material impacts of its activities on the economy, society, and the environment.

The Sustainable Development Policy aims to amplify the positive contribution of the Group's activities while mitigating the negative effects. By implementing a range of best practices, targeted initiatives, and sustainable partnerships, TERNA ENERGY Group works towards its ultimate goal of creating long-term value for both stakeholders and society as a whole.

The Group's business strategy is intricately aligned with the material topics and needs identified by its stakeholder groups, guiding the implementation of targeted actions for environmental and societal impact in accordance with the United Nations' 17 Sustainable Development Goals (SDGs). As part of the Group's Sustainable Development Policy, corporate responsibility is aligned with the ESG (Environmental-Social-Governance) criteria and principles applied across four (4) activity axes:

- Environmental Protection
- Human Value Promotion
- Strengthening our Social Footprint
- Shaping a Responsible Market

These focus areas form the basis for the Group's sustainability goals and targets, which are meticulously defined and assessed annually to ensure their continued relevance and to make adjustments as necessary. To support these objectives, the Group develops and implements robust management systems, policies, and procedures, utilizing Key Performance Indicators (KPIs) and metrics. Additionally, efficient action plans and programs are adopted to effectively monitor and achieve sustainable development goals and targets.

To enhance transparency and facilitate stakeholder engagement, the Group's performance on ESG topics is published in the annual Sustainable Development Report and the current Statement. In 2024, during the development of its annual sustainability report, TERNA ENERGY conducted a 'double materiality' assessment to identify the sustainability issues that are most relevant to its business and stakeholders. This effort aligns with the Group's commitment to transparency, accountability, and sustainable business practices by identifying its material impacts, risks, and opportunities related to sustainability topics.

The double materiality approach helps the organization meet regulatory requirements while boosting transparency, stakeholder engagement, and sustainable business practices. It involves assessing how business operations impact the economy, society, and environment, as well as how sustainability issues affect the company's financial performance and strategies.

More specifically, TERNA ENERGY Group has adopted a 4-step approach for performing its Double Materiality Assessment in line with European Sustainability Reporting Standards (ESRS) provisions. It is a structured process designed to evaluate the material impacts and dependencies of their business activities on environmental, social, and governance (ESG) factors. While the specific details of each phase may vary, the general approach typically involves the following steps:

- **Understanding**: This phase involves identifying relevant ESG issues that could impact the organization or be impacted by its operations. This includes a deep understanding of its operation, business relationships and value chain, as well as gathering input from a variety of stakeholders such as employees, investors, customers, suppliers, and local communities.

- **Identification**: This phase involves identifying relevant impacts, risks and opportunities associated with the potentially significant ESG issues that have been identified during the previous phase.
- **Prioritization**: In this step, the identified issues are evaluated and prioritized based on their score that reflects their significance to the company and its stakeholders. This is accomplished through stakeholder engagement both for impact and financial materiality assessments.
- **Determination**: The material IROs arising from the assessment phased result in a list of material issues. These material ESG topics are reviewed and validated by the organization's leadership and key stakeholders to ensure alignment with the company's strategic objectives and stakeholder expectations.

3.Corporate Governance and the Group's Basic Operating Principles

ATHEX Metric C-G2: Sustainability Oversight

Corporate Governance comprises a framework of established rules and business practices that the Group applies to ensure business continuity and the creation of long-term value for its shareholders. This commitment to responsible governance and ethical business conduct is encapsulated in the Corporate Governance Code, set forth by the Management.

The Board of Directors (BoD) serves as the Group's highest management body. Its members are elected by the General Meeting of Shareholders with its primary mission being the establishment of the Group's core guidelines and the development of its business strategy. Additionally, the BoD is entrusted with overseeing procedures that ensure effective business operation, implementation of the Group's core principles and the expression of the administrative philosophy of the Group. Moreover, it is also responsible for decision-making across all corporate matters, except those reserved for the General Assembly.

The BoD is dedicated to safeguarding and advancing the long-term interests of shareholders by implementing practices and methods that build the company's credibility within the financial and business community and the broader social environment, while fostering mutual respect among all stakeholders. To enhance its effectiveness and establish a responsible business model, the BoD is supported by specialized Committees that play an advisory role with significant influence over decision-making:

- Audit Committee
- Nominations Committee
- Remuneration Committee
- Strategic Planning Committee
- Investment Committee
- ESG Committee

Aiming to enhance oversight of the Group's Sustainable Development issues, the ESG committee convenes at least 4 times a year or whenever required, discussing the Group's ESG performance and goals.

3.1Due Diligence and other policies

3.1.1Code of Conduct

Metric ATHEX A-G2: Business ethics violations

Metric ATHEX C-G5: Business ethics policy

The Code of Ethics and Conduct incorporates the Group's core principles, beliefs, corporate culture, business ethics and voluntary ethical commitments, which shape the operating model across the Group's activities. By establishing a transparent and agreed-upon framework of operations and behavior applicable to all employees, customers, partners, subcontractors, suppliers, and the local community, the Code strengthens the business ethics principles that govern the operations of the Group while promoting a robust corporate culture.

The Code applies to all subsidiaries and all different areas and countries of the Group's operational activity and is also considered in the Partnerships and Joint Ventures in which the Group participates. While the Code outlines the minimum requirements for human capital procedures—such as employee and associate health and safety—and governance mechanisms, including the prevention of bribery and ensuring healthy competition, these commitments are further supported by additional policies, procedures, and internal documents that are equally binding.

The Code aligns with the overarching principles of international regulations, conventions, and standards. To ensure compliance, the Group undergoes regular audits by accredited bodies, which provide the necessary certifications. The Code of Ethics and Conduct serves as a comprehensive framework addressing labor and human rights issues. Specific aspects, such as combating workplace violence and preventing human rights violations, are further detailed through the Group's individual policies and internal procedures.

The Group, guided by the Code of Ethics and Conduct, places a strong emphasis on integrity, transparency, and professionalism, while demonstrating zero tolerance for issues of corruption, bribery and generally illegal or unlawful and unethical behavior. In compliance with the requirements of Law no. 4990/2022 transposing Directive (EU) 2019/1937 of the European Parliament and of the Council, the Group has adopted and implemented a "Whistleblowing Policy" and has appointed an Officer responsible for receiving and monitoring reports.

Any employee may report or raise a concern regarding any issue related to the implementation of the Code of Ethics and Conduct, either by name or anonymously through the following channels of reaction:

- Send an email to compliance@terna-energy.com.
- Using the online platform https://ternaenergy.integrityline.com/frontpage.
- Sending a letter to the address: "TERNA ENERGY S.A.", 85 Mesogeion Ave., 115 26 Athens, attention of the "Responsible for the receipt and monitoring of reports "of the Company, marked as "Confidential".
- By phone (Monday to Friday: 9:00 - 17:00) at +30 210 6968300, mentioning "Communication with the Responsible for the receipt and monitoring of reports".
- Personal meeting with the Responsible for the receipt and monitoring of reports, during the Company's operating hours (Monday to Friday: 9:00 - 17:00), within a reasonable time-frame from the submission of the relevant request for a personal meeting.

3.1.2Compliance, Corruption and Bribery Control Policy

The central axis of the Group's responsible business conduct, as well as an integral part of its business strategy, is regulatory compliance and control of corruption and bribery. The objectives of the Group for the efficient and effective management of these issues are reflected in the Compliance, Corruption and Bribery Control Policy. The key highlights of the policy are outlined below:

- Adherence to all requirements set forth by the Group's regulatory framework, as outlined in the established Management System.
- Compliance with legal standards concerning corruption and bribery relevant to the Group's activities.
- Strict adherence to the legal framework governing the issues of money laundering and terrorist financing.
- Raising employee awareness about regulatory compliance, corruption, and bribery, as well as the Code of Ethics and Conduct, to foster a robust culture of compliance within the Group, adhering to the Management System's policies and procedures.
- Identification and management of regulatory compliance and corruption-bribery risks. This includes identifying and assessing the risks associated with the regulatory corruption and bribery framework to take appropriate measures to reduce them.

- Communication of compliance obligations, including risks, management procedures, non-compliances as well as improvement actions and the results of controls / audits to all parties involved.
- Establishment of appropriate control mechanisms and preventive measures to detect and prevent issues such as bribery, corruption, money laundering, bribery financing, conflicts of interest, and general regulatory compliance matters.

An indicative set of the measures and mechanisms that have been established to effectively and efficiently uphold the corporate governance framework and combat incidents of corruption are listed below:

- Clear definition of the principles related to these issues, that govern the Group through the Code of Ethics and Conduct and the applicable Policies.
- Clear definition of responsibilities through the Internal Rules of Operation.
- Different levels of approval are clearly defined in the Internal Rules of Operation and in the decisions of the Board of Directors.
- Application of the four-eye principle and double signatures in the Group's procedures.
- Continuous training and awareness of staff.
- Due diligence actions in the selection of partners, suppliers, staff, subcontractors and customers.
- Scheduled and extraordinary audits by the Internal Audit Unit.
- Scheduled and extraordinary internal audits by the Head of Regulatory Compliance.

To achieve the above objectives and further strengthen the responsible governance system, the Group is committed to the following:

- Ongoing training and staff awareness.
- Process to handle, address and report complaints.
- Ensuring the independence of the Regulatory Officer.
- Establishing procedures for managing conflicts of interest.
- Continuously enhancing the efficiency of the Management.
- Operating a mechanism to assess incidents of non-compliance with obligations.
- Developing and implementing specific policies on regulatory compliance, corruption, and bribery issues, including policies on unfair competition, travel and accommodation, gifts, sponsorships, and donations.

Moreover, TERNA ENERGY Group is implementing a Certified Anti-Bribery Management System based on the requirements of ISO 37001:2016, and additionally applies a Compliance Management System, based on the international standard ISO 37301:2021 which has been certified by an accredited Certification Body.

3.1.3Policy on the protection of Personal Data

Metric ATHEX C-G6 Data security policy

Effective management of information and safeguarding personal data for all individuals involved in the Group's activities are critical to ensuring regulatory compliance. This commitment is emphasized in the Code of Ethics and Conduct, as well as the principles of business ethics that underpin all the Group's operations and partnerships. To uphold these standards, an Information Security Management System Manager has been appointed who closely collaborates with the Group's Chief Information Systems Security Officer (CISO) and the Personal Data Protection Unit to oversee compliance with applicable laws and regulations.

To ensure a high level of security that matches the criticality and confidentiality of data and information exchanges, a personal data protection policy is in place. Additionally, an Information Security Management System has been established and certified according to the international standard ISO/IEC 27001:2013. The necessary changes and revisions to the Information Security Management System are in progress, in order to complete the transition to the new edition ISO / IEC 27001:2022 in early 2025.

The Group adheres to relevant European and national legal frameworks and has designated a Data Protection Officer (DPO), who reports directly to the Board of Directors. Appropriate organizational and technical measures are implemented to protect personal data processed by the Group. Entities processing information on behalf of the Group are also required to comply with these measures.

These protective measures include policies and procedures addressing the rights of data subjects and the management of data breach incidents.

3.2Major Risks & Risk Management

TERNA ENERGY Group places significant emphasis on combating corruption, recognizing its potential to adversely affect not only the Group itself but also society, the economy, and the environment. To effectively address potential issues arising from its operations, the Group has adopted a certified Anti-Corruption and Anti-Bribery Management System in accordance with the ISO 37001 standard. This system enables systematic identification, analysis, and assessment of corruption and fraud risks.

The Group's strategic priorities include increasing installed capacity, reinforcing its leadership position in Greece, expanding its international presence, diversifying into various technologies, and leveraging its capabilities within the renewable energy value chain. Recognizing that effective Risk Management is crucial for informed decision-making and continuous improvement, the Group has developed a comprehensive Risk Management System according to the requirements of the standard ISO 31000:2018 which has been attested by a competent certification body.

This system aids management in making strategic decisions by identifying, assessing, communicating, and addressing corporate risks. It establishes strategies for monitoring and responding to these risks, while also identifying both threats and opportunities that may arise.

The Group through its Risk Management Policy is committed to the following :

- Implement preventive actions in Risk Management across all operations using transparent and systematic processes.
- Effectively identify, assess, and manage emerging risks using unified internal consultation methods, control tools, indicators, and reports.
- Ensure all corporate activities comply with legal frameworks, internal procedures, stakeholder requirements, the Company's Code of Business Ethics, and international best practices.
- Set minimum tolerance thresholds for risk assessment levels and implement corrective actions when these thresholds are exceeded.
- Promote systematic monitoring of the Risk Management Process and review its outcomes by assigning specific roles and responsibilities during implementation.

Ensuring Business Continuity

Maintaining business continuity and managing incidents are high-priority issues for the TERNA ENERGY Group to ensure its sustainability and long-term success. Through its Business Continuity Policy, the top management of the Group identifies risks that could disrupt the Group’s operations and allocates necessary resources to implement the Business Continuity Management System, in accordance with the international standard ISO 22301:2019.

This ensures the continuity of critical functions following an emergency or disruption and facilitates a return to acceptable operational levels as swiftly as possible. By adhering to the business continuity policy, procedures, and relevant plans, the implementation of the Business Continuity Management System aims to safeguard personnel health and safety, minimize the impact of disruptions on stakeholders, and establish systematic approaches for planning and assessing the company's business continuity needs.

3.3Non-Financial performance indicators

TERNA ENERGY Group is certified according to the ISO 37001 anti-bribery standard for all its activities.

GRI 205-3: Confirmed incidents of corruption and actions taken

In 2024, the Group did not report any confirmed cases of corruption, either through complaints or through audits carried out by the Group.

GRI 419-1: Non-compliance with socio-economic laws and regulations

During 2024, no fines and / or non-monetary sanctions for non-compliance with laws and / or regulations in the social and economic sector, were inflicted to the Group.

4.Environmental issues

4.1Due Diligence and other policies

4.1.1Environmental management and compliance

TERNA ENERGY Group operates with a high sense of environmental responsibility, consistently adapting its business practices to support environmental protection and the sustainable management of natural resources. By adhering to environmental legislation and implementing sustainable practices, the Group endeavors to minimize its environmental impact. The environmental principles guiding the Group's business decisions are aligned with the European Green Deal Directives and the National Climate Law, ensuring that its business decisions contribute positively to environmental preservation.

The Group's comprehensive environmental policy provides clear guidelines for all subsidiaries and activities, promoting best practices to protect and sustain the natural environment. Key components of the Group's approach include:

- Implementation of an Environmental Management System according to ISO 14001:2015
- Implementation of the Eco-Management and Audit Scheme System (EMAS)
- Mitigation of the climate change impacts
- Protection and conservation of biodiversity
- Responsible management of solid and liquid waste
- Responsible water management

To maintain environmental compliance across all operations, TERNA ENERGY conducts thorough internal and external environmental audits annually and at other regular intervals. These audits aim to verify compliance with legislation, protocols, working practices, and the requirements of international standards. Internal environmental audits are performed by the QHSE Department, while external audits are conducted by accredited Certification Bodies and other authorities.

In support of these efforts, a Management Systems Policy has been established to minimize the environmental impact of the Group’s activities, reduce energy consumption and greenhouse gas emissions from its buildings and facilities and foster sustainable development.

TERNA ENERGY Group is registered in the European Union's EMAS Register, under registration number EL-000119.

4.2Risk Management

4.2.1Tackling Climate Change

Metric ATHEX A-E2: Risks and opportunities from climate change

With a sense of responsibility towards the environment and society, the Group recognizes the significant role it plays in addressing climate change. By focusing on energy production from renewable energy sources (RES), TERNA ENERGY Group seeks to significantly reduce its environmental impact, contribute to a sustainable future, and support global efforts to combat climate change.

The Group is steadfast in its commitment to reducing its carbon footprint, implementing strategic initiatives that align with global sustainability goals and demonstrate a profound responsibility towards climate action. To achieve a GHG emissions reduction by 2025, several key actions have been implemented.

- Implementation of a strategy to reduce energy consumption and greenhouse gas emissions in its buildings and facilities.
- Use of 100% green electricity in all Group's facilities in Greece and abroad from 2021 onwards, and therefore zero indirect greenhouse gas emissions (Scope 2 market-based) related to all Group's facilities.
- Continuous assessment of risks and opportunities related to climate change, carried out within our Environmental Management System, and alignment with TCFD recommendations.
- Acceleration of investment plans in the field of energy storage, with the aim of contributing decisively to maximizing the penetration of RES and to the achievement of the Greek national energy and climate goals.

- **4.2.2Protection and conservation of Biodiversity**
- **Metric ATHEX A-E5: Biodiversity sensitive areas**

Biodiversity conservation is a key focus area of TERNA ENERGY Group's approach to environmental issues, reflecting its commitment to ensure the resilience of ecosystems that support the planet's health and sustainability. In managing the impacts on biodiversity resulting from the Group's activities, TERNA ENERGY Group employs best practices and advanced technologies to minimize negative effects and create positive outcomes for natural ecosystems in or near its operational areas. The Group implements the following measures:

- Thorough site investigations during the planning phase of projects and necessary infrastructure to identify special requirements or restrictions due to national and European regulations (such as the Habitat Directive 92/43/EEC) and to determine if projects are located within protected areas like the Natura 2000 network or other regions with land use limitations.
- Preparation of Environmental Impact Assessments (EIA) and other specific studies in compliance with the relevant international (when required) and national legal frameworks.
- Implementation of a certified Environmental Management System (EMS) and provision of specialized training.
  The EMS has been developed and communicated to all stakeholders in the supply chain, including employees, partners, suppliers, and subcontractors. Training sessions are organized for the Group's employees and subcontractors.
- Development of long-term monitoring programs to assess the interaction between wildlife (including birds) and the Group's facilities, in accordance with Environmental Terms Approval Decisions (ETADs) and beyond.
- Installation of avifauna protection systems at wind farms, as stipulated by approved Environmental Terms, utilizing automated bird identification software and high-definition cameras. Since 2021, bird protection systems have been operational in wind farms located in Crete, Evros and Evia.

During the construction of the Amfilochia pumped-storage project, audits are carried out during vegetation clearing and excavation of the surface soil, as part of environmental monitoring and compliance with environmental permits. Additionally, the area within a radius of at least 100 meters around the intervention point is investigated to identify wildlife species (mammals, birds, reptiles, amphibians, fish) that may be at risk from the activity, so that, if necessary, they can be relocated to a safer location. Furthermore, an ornithologist is employed to conduct monthly field research and prepare relevant reports.

4.2.3Responsible waste management

Metric ATHEX A-E3: Waste Management

TERNA ENERGY Group is committed to responsible waste management practices across its operations and those of its suppliers and partners, both domestically and internationally. Misaligning with these practices, can lead to adverse effects at multiple levels: locally, it can result in environmental contamination and a decline in residents' quality of life; nationally, it can contribute to the degradation of natural ecosystems and exacerbate solid and liquid waste management challenges. Additionally, poor waste management can disrupt the Group's operations, potentially leading to sanctions or operational disruptions due to uncontrolled waste production or disposal methods.

To mitigate these risks, the Group actively invests in Circular Economy principles, emphasizing reuse and recycling. It rigorously adheres to the standards set by its certified environmental management system, conducting both internal and external audits to identify areas for improvement. This proactive approach enables the Group to implement preventive and corrective measures effectively, ensuring sustainable waste management practices are maintained.

4.3Non-Financial performance indicators

To ensure environmental compliance, in 2024, more than 60 internal and external audits were carried out at all the Group's facilities.

SASB IF-EU-000.D: Total electricity generation

The Group, as one of the largest Greek producers of energy from RES (2024), produced 3,248,360 MWh of clean energy and prevented the release of 1,318,572 tnCO2eq into the atmosphere.

GRI 304-2 Significant impacts of activities, products and services on biodiversity

During 2024, there were no incidents or complaints from regulators, environmental inspectors, NGOs and the local community regarding the violation of environmental conditions related to the protection of biodiversity in the Group's operations.

GRI 307-1 Non-compliance with environmental laws and regulations

During 2024, no fines or other sanctions were imposed on the Group in relation to the violation of environmental laws and regulations.

(Amounts in thousands of Euros unless mentioned otherwise)

Environmental data from the Group's activity for the production of electricity[1]

GRI 302-1: Energy consumption within the organization

ATHEX Metric C-E3: Energy consumption and production

ATHEX C-E3: Energy consumption within the body		
GRI 302-1: Energy consumption within the body	**2024**	**2023**
Fuel consumption within the Group from non-renewable sources (in MJ)	6,419,424.92	5,812,486.69
Electricity consumption from renewable sources (in MJ)	34,753,444.31	25,769,952
Total energy consumption within the Group (in MJ)	120,572,204.86	109,740,154.91
Total energy consumption within the Group (in MWh)	33,492.28	30,483.39
Percentage of electricity consumed (in MWh)	29.0%	23.5%
Percentage of energy consumed from renewable sources (in MWh)	95%	95%

[1] The data relate to all operating power generation facilities controlled by the Group in the countries: Greece, Bulgaria, Poland.

(Amounts in thousands of Euros unless mentioned otherwise)

ATHEX Metric C-E1: Direct emissions (Scope 1)

GRI 305-1: Direct greenhouse gas emissions (Scope 1)

ATHEX Metric C-E2: Indirect emissions (Scope 2)

GRI 305-2: Energy-related indirect greenhouse gas emissions (Scope 2)

SASB topic: Greenhouse gas emissions and energy resource management

ATHEX C-E1 Direct emissions (Scope 1) **GRI 305-1: Direct emissions of greenhouse gases (Scope 1**	**2024**	**2023**
Total direct greenhouse gas emissions (in tCO_2e)	445.04	381.5
Biogenic CO_2 emissions (in tCO_2e)	5,130.2	4,367.4
ATHEX C-E2 Indirect emissions (Scope 2) **GRI 305-2: Energy-related indirect greenhouse gas emissions (Scope 2)**	**2024**	**2023**
Location-based emissions (in tCO_2e)	2,469.5	2,679.05
Market-based emissions (in tCO_2e)[1]	0	0
Which gases have been included in the calculation of indirect emissions (e.g. CO_2, CH_4, N_2O, HFCs, PFCs, SF_6, NF_3, or all)?	ALL	ALL
SASB (IF-WM-120a.1): Emissions of gaseous pollutants	**2024**	**2023**
Emissions of NO_x (including NO and NO_2 and excluding N_2O) (in t)	1.79	2.40
SO_x emissions (including SO_2 and SO_3) (in t)	0.54	1.36
Emissions of non-methane organic compounds (VOCs) (in t)	N/A	N/A
Emissions of hazardous air pollutants (HAPs) (in t)	N/A	N/A

[1] It should be noted that the Group has completed the required procedure for the issuance of Guarantees of Origin for electricity from renewable sources, and the issuance of certificates by the competent authority (Renewable Energy Sources Operator & Guarantees of Origin - DAPEEP) is expected shortly.

(Amounts in thousands of Euros unless mentioned otherwise)

The greenhouse gas emissions included in the above table relate to the Group's operating activities in Greece, Bulgaria and Poland.

The methodology followed for the quantification and compilation of GHG emissions was based on the ISO 14064-1:2018 standards and the Greenhouse Gas Protocol. TERNA ENERGY does not maintain operational control of the Waste Management Facility of the Regional Unit of Epirus nor of Peloponnese Regional Unit and therefore its energy consumption and GHG emissions of these facilities are not included.

GRI 306-3: Waste generated

GRI 306-4: Waste diverted from disposal

GRI 306-5: Waste directed to disposal

GRI 306-3: Waste generated	Unit	2024			2023		
Hazardous waste		*Waste generated*	*Waste diverted from disposal*	*Waste not available for recovery*	*Waste generated*	*Waste diverted from disposal*	*Waste not available for recovery*
Contaminated packaging - 15 01 10*	t	7.66	7.66	0.00	6.117	6.117	0.00
Contaminated absorbents - 15 02 02*	t	16.32	16.32	0.00	15.634	15.634	0.00
Lubricants - 13 02 05*	t	13.21	13.21	0.00	18.218	18.218	0.00
Batteries - 16 06 01*	t	0.54	0.54	0.00	0.033	0.033	0.00
Oil filters - 16 01 07*	t	4.14	4.14	0.00	5.056	5.056	0.00
Oil waste - 13 08 99*	t	0.95	0.95	0.00	1.004	1.004	0.00
Antifreeze fluids - 16 01 14*	t	3.80	3.80	0.00	0.020	0.020	0.00
Oily water from oil/water separators - 13 05 07*	t	0.00	-	0.00	20.000	20.000	0.00
Fluorescent lamps - 20 01 21*	t	0.19	0.19	0.00	0.020	0.020	0.00
Non-chlorinated hydraulic oils - 13 01 10*	t	0.00	-	0.00	0.350	0.350	0.00
Other engine oils and lubricants - 13 02 08*	t	1.23	1.23	0.00	0.000	0.000	0.00
Discarded equipment containing hazardous components - 16 02 13*	t	0.004	0.004	0.00	0.010	0.010	0.00
Batteries and accumulators included in 16 06 01, 16 06 02 or 16 06 03 and mixed batteries and accumulators containing such batteries - 20 01 33*	t	0.00	0.00	0.00	0.042	0.042	0.00
Total	**t**	**48.04**	**48.04**	**0.00**	**66.50**	**66.50**	**0.00**
Information necessary to understand the data and how the data have been collected	The figures for 2024 include: -Facilities (Sites & Offices) in operation in the countries: Greece, Bulgaria and Poland.						

		2024			2023		
Non-hazardous waste		*Waste generated*	*Waste diverted from disposal*	*Waste not available for recovery*	*Waste generated*	*Waste diverted from disposal*	*Waste not available for recovery*
Municipal Waste [2]	t	56.44	0.00	56.44	165.11	0.00	165.11
End-of-life vehicles - wastes not otherwise specified - 16 01 99	t	0.06	0.06	0.00	0.19	0.19	0.00
Components (TCS vehicles) not otherwise specified - 16 01 22	t	0.48	0.48	0.00	2.49	2.49	0.00
Absorbent materials, filter materials, wiping cloths and protective clothing other than those mentioned in 15 02 02 - 15 02 03	t	3.27	3.27	0.00	3.23	3.23	0.00
Discarded equipment other than those mentioned in 16 02 09 to 16 02 13 - 16 02 14 - 16 02 14	t	0.10	0.10	0.00	0.025	0.025	0.00
Plastic packaging - 15 01 02	t	0.10	0.10	0.00	0.02	0.02	0.00
Paper and cardboard packaging - 15 01 01	t	0.04	0.04	0.00	0.00	0.00	0.00
Iron and steel - 17 04 05	t	1.20	1.20	0.00	0.00	0.00	0.00
Discarded electrical and electronic equipment other than those mentioned in 20 01 21, 20 01 23 and 20 01 35 - 20 01 36	t	0.31	0.31	0.00	0.00	0.00	0.00
Total	**t**	**61.98**	**5.54**	**56.44**	**171.07**	**5.96**	**165.11**
Information necessary to understand the data and how the data have been collected		The figures for 2024 include: -Facilities (Sites & Offices) in operation in the countries: Greece, Bulgaria and Poland.					

Municipal waste is waste at the Eleoussa hydropower plant which is carried by the river and retained in the diversion grates of the hydropower plant. No periodic cleaning is carried out except when there is an increased concentration.

*Hazardous waste according to the European Waste List

(Amounts in thousands of Euros unless mentioned otherwise)

GRI 306-4: Waste diverted from disposal	Unit	2024			2023		
Hazardous waste		Onsite	Offsite	Total	Onsite	Offsite	Total
Preparation for reuse	t	0.00	0.00	0.00	0.00	0.00	0.00
Recycling	t	0.00	0.00	0.00	0.00	0.00	0.00
Other recovery procedures	t	0.00	48.04	48.04	0.00	66.50	66.50
Total	**t**	**0.00**	**48.04**	**48.04**	**0.00**	**66.50**	**66.50**
Non-hazardous waste		Onsite	Offsite	Total	Onsite	Offsite	Total
Preparation for reuse	t	0.00	0.00	0.00	0.00	0.00	0.00
Recycling	t	0.00	2.11	2.11	0.00	5.96	5.96
Other recovery procedures	t	0.00	3.43	3.43	0.00	0.00	0.00
Total	**t**	**0.00**	**5.54**	**5.54**	**0.00**	**5.96**	**5.96**

GRI 306-5: Waste directed to disposal	Unit	2024			2023		
Hazardous waste		Onsite	Offsite	Total	Onsite	Offsite	Total
Incineration (with energy recovery)	t	0.00	0.00	0.00	0.00	0.00	0.00
Incineration (without energy recovery)	t	0.00	0.00	0.00	0.00	0.00	0.00
Landfill	t	0.00	0.00	0.00	0.00	0.00	0.00
Total	t	**0.00**	**0.00**	**0.00**	**0.00**	**0.00**	**0.00**
Non-hazardous waste		Onsite	Offsite	Total	Onsite	Offsite	Total
Incineration (with energy recovery)	t	0.00	0.00	0.00	0.00	0.00	0.00
Incineration (without energy recovery)	t	0.00	0.00	0.00	0.00	0.00	0.00
Landfill	t	0.00	56.44	56.44	0.00	165.11	165.11
Other recovery procedures	t	0.00	0.00	0.00	0.00	0.00	0.00
Total	**t**	**0.00**	**56.44**	**56.44**	**0.00**	**165.11**	**165.11**

* Based on the European Waste List

ATHEX Metric A-E3: Waste management

ATHEX A-E3: Waste Management			
Percentage of waste by type of treatment	**Unit**	**2024**	**2023**
Total amount of waste generated	**t**	110.03	237.57
Recycling	**%**	2%	31%
Preparation for reuse	**%**	47%	0%
Landfill	**%**	0%	69%
Incineration (with energy recovery)	**%**	51%	0%
Incineration (without energy recovery)	**%**	0%	0%

(Amounts in thousands of Euros unless mentioned otherwise)

GRI 303-3: Water withdrawal
GRI 303-4: Water discharge
GRI 303-5: Water consumption
SASB IF-EU-140a.1: Water Management

GRI 303-3: Water Withdrawal	Unit	2024		2023	
		All the areas	Areas of significant influence on water resources	All the areas	Areas of significant influence on water resources
Surface water					
Fresh water	ML	2,576,846.46	2,576,846.46	3,730,524.84	3,730,524,84
Other water (>1,000 mg/lt total dissolved solids)	ML	-	-	-	-
Groundwater					
Fresh water	ML	-	-	-	-
Fresh water (>1,000 mg/lt total dissolved solids)		-	-	-	-
Sea water					
Fresh water	ML	-	-	-	-
Other water (>1,000 mg/lt total dissolved solids)		1.41	1.41	1.25	1.25
Generated water					
Fresh water	ML	-	-	-	-
Other water (>1,000 mg/lt total dissolved solids)	ML	-	-	-	-
Third-party water					
Fresh water	ML	2.73	2.65	3.67	3.62
Other water (>1,000 mg/lt total dissolved solids)	ML	-	-	-	-
Surface water	ML	-	-	-	-
Groundwater	ML	-	-	-	-
Sea water	ML	-	-	-	-
Total	**ML**	**2,576,849.19**	**2,576,849.11**	**3,730,528.51**	**3,730,528.46**
Fresh water	**ML**	**1.41**	**1.41**	**1.25**	**1.25**

(Amounts in thousands of Euros unless mentioned otherwise)

GRI 303-4: Water discharge	Unit	2024		2023	
		All the areas	Areas of significant influence on water resources	All the areas	Areas of significant influence on water resources
Surface water					
Fresh water	ML	2,576,846.46	2,576,846.46	3,730,524.84	3,730,524.84
Other water (>1,000 mg/lt total dissolved solids)	ML	-	-	-	-
Groundwater					
Fresh water	ML	-	-	-	-
Other water (>1,000 mg/lt total dissolved solids)	ML	-	-	-	-
Sea water					
Fresh water	ML	-	-	-	-
Other water (>1,000 mg/lt total dissolved solids)	ML	0.99	0.99	0.87	0.87
Third-party water					
Fresh water	ML	-	-	-	-
Other water (>1,000 mg/lt total dissolved solids)	ML	-	-	-	-
Total third country waters sent for use by other organizations	ML	-	-	-	-
Total					
Fresh water	**ML**	**2,576,846.46**	**2,576,846.46**	**3,730,524.84**	**3,730,524.84**
Other water (>1,000 mg/lt total dissolved solids)	**ML**	**0.99**	**0.99**	**0.87**	**0.87**

(Amounts in thousands of Euros unless mentioned otherwise)

Total Water Withdrawal/Discharge/Consumption	Unit	2024		2023	
		All the areas	Areas of significant influence on water resources	All the areas	Areas of significant influence on water resources
Total Water Withdrawal					
a) Total water withdrawal	ML	2,576,850.61	2,576,850.52	3,730,529.76	3,730,529.71
b) Total freshwater abstraction	ML	2,576,849.19	2,576,849.11	3,730,528.51	3,730,528.46
c) Total other water intake (>1,000 mg/lt total dissolved solids)	ML	1.41	1.41	1.25	1.25
Total water discharge					
a) Total water discharge	ML	2,576,847.45	2,576,847.45	3,730,525.71	3,730,525.71
b) Total freshwater discharge	ML	2,576,846.46	2,576,846.46	3,730,524.84	3,730,524.84
c) Other waters (>1,000 mg/lt total dissolved solids)	ML	0.99	0.99	0.87	0.87
Total water consumption					
a) Total water consumption	ML	3.16	3.07	4.05	4.0
b) Change in water storage	ML	-	-	-	-

[1]Includes data from all operating facilities controlled by the Group in Greece, Bulgaria, Poland.

The following data has been calculated:

- River water for the operation of hydroelectric stations (water withdrawn in the case is equal to water discharged)
- Seawater used for the desalination in Agios Georgios Island
- Water from the local networks, water transferred to the facilities with vehicles and bottled water.
- Water stress areas have been identified through the WWF Water Risk Filter (only installations in Bulgaria and 5 out of 8 installations in Poland are considered low risk).

(Amounts in thousands of Euros unless mentioned otherwise)

Environmental data for other Group activities [1]

	2024[1]	2023[2]
Total energy consumption (in MWh)	**412.18**	**3,771.80**
Direct emissions (Scope 1) (in tonnes of CO_2e)	**90.27**	**883.12**
Indirect emissions (Scope 2) - Location-based emissions (in tonnes of CO_2e)	**12.68**	**15.48**
Indirect emissions (Scope 2) - market-based emissions (in tonnes of CO_2e)	**0**	**0**
Electricity consumption (in kWh)[3]	**46.605.41**	**41,643.14**
Water withdrawal from third parties (lt)[4]	**191,634.00**	**12,720,000.00**
Total waste produced (tn)[5]	**613.17**	**226.26**
Soils and stones - 17 05 04	562.57	0.00
Construction and demolition waste mixtures - 17 09 04	23.08	226.26
Mixed packaging - 15 01 06	27.52	0.00

[1] For 2024, values refer to the Group's activity for construction purposes.

[2] For 2023, values refer to the Group's activity for construction of wind farms in Evia and the support, operation, maintenance and technical management of the electronic ticket system.

[3] The listed price refers to the consumption of electricity for the construction projects including the houses rented for the employees

[4] The listed price refers almost entirely to wetting the streets during the construction of the Kafireas works.

[5] The listed price refers to construction waste .

5.Sustainable Supply Chain

To maximize its positive impact, the Group evaluates the environmental, social, and economic implications of its business activities across the entire supply chain. In response to emerging supply chain challenges, the Group continually revises its management criteria, incorporating new engagement terms with suppliers and prioritizing domestic partnerships. Each year, the Group strives to deepen its collaboration with local suppliers, fostering trust-based relationships that invigorate local communities and enhance the Group's socio-economic footprint.

5.1 Due diligence and other policies.

TERNA ENERGY Group acknowledges the critical role of promoting core principles and values related to corporate culture and business ethics within the supply chain. This dissemination is seen as a vital component of conducting business responsibly. In this context, the Group has in place its Purchasing Policy that is universally implemented, defining the basic framework of policies, values and commitments that should characterize the professional behavior of all the Group's partners, including its subsidiaries in Greece and abroad. Therefore, an agreed-upon and transparent operational and behavioral framework is established to guide all our partners, subcontractors, and suppliers.

The Procurement Policy acknowledges the potential risks arising from incidents where suppliers breach international standards or laws or fail to align with the Group's established policies and values. It is recognized that supply chain risks could stem from insufficient support for local and domestic suppliers, potentially diminishing their purchasing power and negatively impacting economic growth and prosperity in the regions where the Group operates.

5.1.1Supply Chain Assessment

Metric ATHEX C-S8: Supplier Assessment

The Group prioritizes responsible supply chain management as a core element of its strategy to generate long-term value through its business operations and foster sustainable relationships with suppliers and partners. To achieve this, the suppliers and partners that the Group collaborates with are carefully selected to align with its Procurement Policy. Moreover, the Group clearly communicates the minimum cooperation requirements aimed at upholding environmental, energy, and social standards as outlined by its policies and procedures.

Key conditions for collaboration with any supplier include full compliance with the regulatory framework concerning Health and Safety, and environmental management, the Code of Conduct and Ethics, the Human Rights Policy, and the Personal Data Protection Policy. These standards are essential for maintaining the proper and secure functioning of the supply chain, while ensuring the safe execution of all operations. Furthermore, the Group emphasizes the use of materials and equipment that are environmentally friendly, energy-efficient, and pose minimal risk to both users and the environment, in addition to being highly suitable and functional.

In light of these priorities, the Group's process for selecting key suppliers and partners is also guided by ESG (Environmental, Social, and Governance) criteria. The evaluation of these partnerships is conducted periodically to ensure they remain highly suitable and aligned with the Group's objectives.

5.1.2Respect for Human Rights

Due Diligence and other policies

ATHEX Metric C-S6: Human rights policy

Human rights Policy

TERNA ENERGY Group has established its Human Rights Policy as the cornerstone of its commitment to responsible business conduct and its contribution to Sustainable Development. This policy underscores the

Group's dedication to respecting international human rights standards and acknowledges its responsibility to identify, assess, and manage potential impacts on stakeholders' rights across its entire value chain and operations. Through this policy, TERNA ENERGY Group reaffirms its commitment to integrating human rights considerations into all aspects of its business activities.

The scope of the Policy extends to all countries where the Group operates, identifying human rights issues based on stakeholder group categories and considering the following:

- United Nations Universal Declaration of Human Rights/The International Bill of Human Rights
- United Nations International Covenant on Civil and Political Rights
- United Nations International Covenant on Social, Economic and Cultural Rights
- United Nations Guiding Principles on Business and Human Rights
- United Nations Global Compact Principles
- ILO Declaration on Fundamental Principles and Rights at Work
- United Nations Resolution 46/7 on Human Rights and the Environment
- Voluntary Principles on Security and Human Rights
- The Business and Human Rights Resource Centre Benchmark for Renewable Energy & Human Rights

The Human Rights Policy is covered by the Group's Complaints and Grievance Mechanism and has been thoroughly communicated to all employees.

5.2Risk Management

TERNA ENERGY Group acknowledges the high importance of respecting internationally recognized human rights, as it sets the foundation of responsible business behavior while paving the way to its sustainable development. The Group identifies the risk of human rights violations both within its supply chain and its own boundaries, such as forced or child labor.

The potential violation of human rights may have negative impacts on the Group itself, such as the imposition of fines or penalties, as well as on its employees and reputation and / or trust of its stakeholders. Implementing the human rights principles, the Group contributes more widely to the reinforcement of the rule of law and to the improvement of legal systems, which form the basis for the conclusion of all business contracts.

5.3Non-financial performance indicators

In 2024, there were no incidents of human rights violations at TERNA ENERGY Group.

6Social and Labor issues

In today's rapidly evolving global landscape, addressing social and labor issues has become a pivotal aspect of sustainable business practices. The Group embraces this perspective and places its people at the center of its focus, as a fundamental element to its growth, business continuity, and unimpeded operations. Therefore, the Group has in place mechanism to identify impacts, risks and opportunities concerning social and labor issues to maintain a balanced and safe working environment, supporting the Group's vision.

6.1Due Diligence and other policies

TERNA ENERGY Group recognizes the necessity of fostering an equitable and inclusive work environment that not only complies with regulatory standards but also enhance the well-being and development of its workforce. Through dedicated efforts and the implementation of responsible policies that create shared value for all stakeholders, the Group aims to:

- Enhance its socio-economic impact.
- Ensure equal opportunities in employment, pay, and benefits.
- Provide equal access to training and education.

- Implement its Health and Safety Policy.

Moreover, the Group actively supports the local communities where it operates and interacts to significantly contribute to the broader goal of nurturing resilient and thriving societies. Through ongoing stakeholder engagement and consultation, the Group strives to identify and address the needs of these communities. Recognizing the importance of investing in its people, the Group prioritizes this effort by allocating necessary resources to continuously improve the working environment.

6.1.1Human Resources

TERNA ENERGY'S firm belief is that its employees should face the professional environment as a constant challenge. Therefore, human resources are systematically supported in their professional and personal development, as it is them who ensure its growth and development.

Equal opportunities, rewards, and benefits

The Group prioritizes equality and inclusion in the workplace, emphasizing the importance of equal treatment, the elimination of discrimination, and the provision of equal opportunities as fundamental to its corporate culture and business conduct. To foster career advancement, the Group actively promotes internal recruitment, ensuring that existing employees are given the opportunity to fill in job openings, thereby enhancing their professional growth. Additionally, the Group collaborates with leading universities across the country to increase internship opportunities and provide undergraduates with valuable professional experience. This partnership not only enhances students' educational experiences but also creates potential employment opportunities for them after graduation.

To foster a fair working environment, the Group has established its Remuneration Policy. The Policy takes into consideration the relevant best practices for listed companies, the national legislation 4706/2020 on Corporate Governance the provisions of the Company's Articles of Association and its Corporate Governance Code while also reflecting the existing agreements regarding the remunerations of the members of the Board of Directors.

The core principles of this policy include:

- Creating a workplace that engages and motivates employees.
- Attracting skilled executives and competent employees at all levels.
- Operating efficiently within a controlled and stable environment of well-trained human resources, with a common corporate culture and knowledge of the requirements, in which the Group constantly invests.

In line with these principles, all employee-related actions are guided by meritocratic criteria, focusing on individual performance, competence, achievements, effectiveness, and qualifications. The talent attrition and retention are conducted through transparent and objective processes that support the Group's overarching business strategy.

The Remuneration Committee is responsible for the Compensation Policy of BoD, committee members, individuals holding the position of General Managers or their deputies, as well as the senior management of the Group, as provided for in Article 110, paragraph 1 of Law 4548/2018, while the Group's Human Resources Management is responsible for the proper implementation of the Compensation and Benefits framework for the rest of the Group's population.

Training of employees

Training and development are pivotal for advancing employees' professional growth. Recognizing the significant value of its human capital, the Group strategically invests in providing the necessary resources and regularly evaluating its employees to develop their skills and support their career progression in alignment with the Group's strategic objectives.

The Group systematically invests in training programs designed to enhance employee performance, upgrade their technical skills, and improve their ability to respond to emergency situations. The training and development initiatives are specifically tailored to align with the responsibilities of each role, strategic objectives, and the needs of the workforce. Additionally, internal training sessions are conducted annually and as required by supervisors and subject matter experts. These sessions cover key topics, such as Health and Safety, environmental issues, personal data protection, cybersecurity, and adherence to the Code of Conduct.

The Group's training plan includes the following categories of training activities:

- Intra-company training programs
- Inter-company training programs of third parties
- Conferences/ Workshops/ Lectures/ Exhibitions
- Foreign Language Courses
- Postgraduate programs

Moreover, as part of the Group's continuous employee training efforts, its e-learning platform has been activated to enable remote training for all employees on various topics (e.g., personal data protection, human rights, stress management, cybersecurity, and the implementation of the Code of Conduct), thereby enhancing seamless access to training while facilitating personal development. All employees have access to a variety of topics that can always revisit and refresh their training as needed. The Group has a Training Policy which is a guiding policy for all TERNA ENERGY Group personnel. The purpose of the Policy is to describe the framework of internal procedures regarding the training of the Group's Human Resources and the dissemination of knowledge and experience, with emphasis on any developments concerning Internal Audit, Risk Management, Regulatory Compliance, Information Systems, Information Security and Personal Data Protection departments. The Policy is implemented under the responsibility of the Development Department of the Human Resources Division, is approved by the Group's Management as a framework and may be specified according to the needs and requirements of each subsidiary.

Responsible social relations and strengthening of the local communities

The Group is dedicated to fostering trusting relationships with local communities as a cornerstone of its commitment to Sustainable Development. Strengthening these community ties is integral to the Group's strategic approach, which focuses on generating beneficial impacts in its areas of operation.

Key measures within this strategy include the creation of new job opportunities, support for local suppliers, and engagement with stakeholders. Special emphasis is placed on understanding and enhancing the socio-economic footprint of projects. Furthermore, the Group enhances consultation processes with stakeholders to build and maintain trust-based relationships.

6.1.2Health and safety

Ensuring the health and safety of employees is paramount for the Group, reflecting its commitment to creating a secure and supportive working environment. By implementing a series of Health and Safety actions, the Group aims to safeguard the well-being of its workforce and uphold the highest standards of operational safety. Key actions include:

- Implementation of a certified Health and Safety Management System based on the international standard ISO 45001:2018.
- Fostering a corporate culture is governed by Health and Safety principles.

- Ensuring full compliance with legal and other national, community, and international requirements, directives, and provisions related to Health and Safety.
- Implementing, monitoring, evaluating, and improving Health and Safety actions.
- Identifying occupational risks and developing a comprehensive prevention methodology.
- Preventing injuries, illnesses, and adverse Health and Safety incidents.
- Preparing and implementing emergency management plans.
- Conducting measurements of harmful factors in the working environment (e.g., noise, particulate matter).
- Providing appropriate and adequate Health and Safety training and information to all employees, suppliers, subcontractors, partners, and visitors.
- Ensuring compliance and strict adherence to Health and Safety procedures.
- Conducting immediate investigations of each accident/incident to assess the factors that led to it and implementing preventive measures.
- Incorporating technologies, best practices, and operating procedures that ensure safety conditions for employees, subcontractors, and third parties.

The practical commitment to Health and Safety issues is demonstrated by the certification of the Health and Safety Management System, which covers all the Group's activities, by an accredited body.

6.1.3Combating workplace violence and harassment

The Group’s commitment to fostering a healthy and safe working environment is reflected in its Policy Against Violence and Harassment at the Workplace that has been established in 2022. This policy affirms the Group's recognition and respect for every employee's right to a workplace free from violence and harassment, emphasizing respect and the safeguarding of human dignity. Through this policy, the Group declares its zero tolerance to any form of violence and harassment. It commits to taking all appropriate and necessary measures to prevent and address such behaviors, ensuring a respectful and secure environment for all employees.

6.2Risk Management

The Group acknowledges the potential risks that can arise from a lack of equal opportunities, fair compensation, adequate health and safety conditions, and comprehensive employee training, which can negatively impact its operational effectiveness. To address these challenges, the Group has invested in establishing the necessary conditions to foster transparent recruitment, training, development, and reward systems. This commitment ensures equal opportunities, supports diversity across its workforce, and nurtures an ethical corporate culture.

The Group places a high priority on the Health and Safety (H&S) of all its employees. Recognizing the potential risk of occupational accidents, the Group proactively seeks to minimize these risks by preparing detailed Occupational Risk Assessment Studies. These studies identify potential health and safety risks associated with each job position, allowing for targeted preventive measures.

In addition to its internal focus, the Group is committed to respecting the local communities where it operates. Before initiating any new projects, it conducts comprehensive impact studies to evaluate the potential social and environmental risks, such as effects on residents' health and safety and quality of life. By expanding job opportunities, the Group actively contributes to mitigating the potential economic and social impacts of reduced employment levels in the country, with a particular focus on creating jobs at the local level. Furthermore, the Group emphasizes the importance of recognizing and mitigating any indirect negative economic impacts its activities may cause, by implementing best practices for effective management.

6.3Non-financial performance indicators

During 2024, the social contribution of TERNA ENERGY Group through sponsorships, donations and infrastructure projects in the areas where it operates amounted to €1.21 million.

At the same time, the compensatory benefits to the municipalities where the Group's projects are located approached €8.34 million, which corresponds to 3% of the gross revenues from the operation of the projects.

The Group, committed to its pledge to protect the environment and minimize the impact of its activities, continued its efforts in 2024 to monitor its environmental footprint by implementing the relevant environmental impact studies in all the projects being constructed and carried out consultations and public information programs, where required.

GRI 406-1: Total number of discrimination incidents and corrective actions taken

During 2024, there were no reported cases of human rights abuses and / or violations, discrimination due to race, religion, gender, age, disability, nationality, political beliefs, etc., including incidents of harassment, in any of its activities.

ATHEX Metric SS-E6: Backlog cancellations

During 2024, there were no backlog cancellations or delays of work related to impacts on society within the TERNA ENERGY Group.

(Amounts in thousands of Euros unless mentioned otherwise)

GRI 2-7: Employees

	2024					2023				
Total	Male	Female	Other[1]	Not reported	Total	Male	Female	Other[1]	Not reported	Total
Number of permanent employees	118	56	0	0	174	334	100	0	0	443
Number of temporary employees	2	1	0	0	3	15	4	0	0	19
Number of non-guaranteed hours employees	0	0	0	0	0	0	0	0	0	0
Number of full-time employees	219	74	0	0	293	356	98	0	0	454
Number of part-time employees	4	3	0	0	7	2	6	0	0	8
Number of self-employed	103	20	0	0	123	111	21	0	0	132
Total number of employees (incl. self-employed)	223	77	0	0	300	469	125	0	0	594
Total number of employees (excl. self-employed)	120	57	0	0	177	358	104	0	0	462

(Amounts in thousands of Euros unless mentioned otherwise)

	2024					2023				
Greece	Male	Female	Other[1]	Not reported	Total	Male	Female	Other[1]	Not reported	Total
Number of permanent employees	105	50	0	0	155	334	96	0	0	430
Number of temporary employees	2	1	0	0	3	12	4	0	0	16
Number of non-guaranteed hours employees	0	0	0	0	0	0	0	0	0	0
Number of full-time employees	206	68	0	0	274	344	94	0	0	438
Number of part-time employees	4	3	0	0	7	2	6	0	0	8
Number of self-employed	103	20	0	0	123	111	21	0	0	132
Total number of employees (incl. self-employed)	210	71	0	0	281	457	121	0	0	578
Total number of employees (excl. self-employed)	107	51	0	0	158	346	100	0	0	446

	2024					2023				
Poland	Male	Female	Other[1]	Not reported	Total	Male	Female	Other[1]	Not reported	Total
Number of permanent employees	8	4	0	0	12	4	2	0	0	6
Number of temporary employees	0	0	0	0	0	3	0	0	0	3
Number of non-guaranteed hours employees	0	0	0	0	0	0	0	0	0	0
Number of full-time employees	8	4	0	0	12	7	2	0	0	9
Number of part-time employees	0	0	0	0	0	0	0	0	0	0
Number of self-employed	0	0	0	0	0	0	0	0	0	0
Total number of employees (incl. self-employed)	8	4	0	0	12	7	2	0	0	9
Total number of employees (excl. self-employed)	8	4	0	0	12	7	2	0	0	9

	2024					2023				
Bulgaria	Male	Female	Other[1]	Not reported	Total	Male	Female	Other[1]	Not reported	Total
Number of permanent employees	5	2	0	0	7	4	2	0	0	6
Number of temporary employees	0	0	0	0	0	0	0	0	0	0
Number of non-guaranteed hours employees	0	0	0	0	0	0	0	0	0	0
Number of full-time employees	5	2	0	0	7	4	2	0	0	6
Number of part-time employees	0	0	0	0	0	0	0	0	0	0
Number of self-employed	0	0	0	0	0	0	0	0	0	0
Total number of employees (incl. self-employed)	5	2	0	0	7	4	2	0	0	6
Total number of employees (excl. self-employed)	5	2	0	0	7	4	2	0	0	6

[1]Gender as defined by the employees themselves.

[2]The number of employees has been calculated using the Headcount methodology.

(Amounts in thousands of Euros unless mentioned otherwise)

GRI 2-8: Workers who are not employees

GRI 2-8: Workers who are not employees	2024[1]	2023
Workers who are not employees and whose work is controlled by the organization		
TOTAL	175	151

[1]Includes all trainees, agency workers and subcontractors. The number of subcontractors has been calculated as the average number of subcontractors who worked at TERNA ENERGY's facilities in 2023 (Greece, Poland, Bulgaria).

ATHEX Metric C-S2: Female employees

ATHEX C-S2: Female employees	2024	2023
Percentage of female employees*	25.7%	21.5%

ATHEX Metric C-S3: Female employees in management positions

ATHEX C-S3: Female employees in management positions	2024	2023
Percentage of female employees at the top 10% of employees	30.0%	20.7%

GRI 2-30: Collective bargaining agreements

ATHEX Metric C-S7: Collective bargaining agreements

GRI 2-30: Collective bargaining agreements	2024[1]	2023
Percentage of the total number of employees covered by collective bargaining agreements		
%	100%	100%

[1] All employees of TERNA ENERGY in Greece are covered by the National General Collective Agreement. Correspondingly, the provisions for collective agreements at the national level are followed on a case-by-case basis in the countries where the Group operates abroad.

(Amounts in thousands of Euros unless mentioned otherwise)

GRI 403-8: Workers covered by an occupational health and safety management system

GRI 403-8: Workers covered by an occupational health and safety management system	**2024**	**2023**
Employees and workers who are not employees but whose work and/or workplace is controlled by the organization[1]		
Total number	472	745
Number and percentage of all employees and workers who are not employees but whose work and/or workplace is controlled by the organization, who are covered by a H&S management system		
Number	472	745
Percentage	100%	100%
Number and percentage of all employees and workers who are not employees but whose work and/or workplace is controlled by the organization, who are covered by a H&S management system that has been internally audited		
Number	472	745
Percentage	100%	100%
Number and percentage of all employees and workers who are not employees but whose work and/or workplace is controlled by the organization, who are covered by a H&S management system that has been audited or certified by an external party[2]		
Number	450	726
Percentage	95.3%	98%

[1]Workers who are not employees but whose work and/or workplace is controlled by the organization, include all trainees, agency workers as well as subcontractors. The number of subcontractors has been calculated as the average number of subcontractors who worked at TERNA ENERGY's facilities. (Greece, Poland, Bulgaria).
[2]Employees and employees who are not employees but whose work and/or workplace is controlled by the organisation, based in Bulgaria and Poland, are not covered by an externally audited health and safety system.

ATHEX Metric SS-S6: Health and safety performance

ATHEX C-S5: Health and safety performance	**2024**	**2023**
Employees		
Number of workdays lost due to work-related accidents	0	0
Accident severity rate	0.00	0.00
Workers who are not employees but whose work and/or workplace is controlled by the organization*		
Number of workdays lost due to work-related accidents	0	0
Accident severity rate	0.00	0.00

* Workers who are not employees but whose work and/or workplace is controlled by the organization, include all trainees, agency workers as well as subcontractors working in the operations part of Terna Energy's activities. The number of subcontractors has been calculated as the average number of subcontractors who worked at TERNA ENERGY's facilities.(Greece, Poland, Bulgaria).

(Amounts in thousands of Euros unless mentioned otherwise)

GRI 403-9 Work-related injuries

GRI 403-10 Work-related ill health

SASB IF-EU-320a.1: (1) Total recordable incident rate (TRIR), (2) fatality rate, and (3) near miss frequency rate (NMFR)

GRI 403-9: Workplace-related injuries	2024	2023
Employees		
Number of hours worked	941,600	1,190,744
Number of fatalities as a result of work-related injury	0	0
Rate of fatalities as a result of work-related injury	0.00	0.00
Number of high-consequence work-related injuries (excluding fatalities)	0	0
Rate of high-consequence work-related injuries (excluding fatalities)	0.00	0.00
Number of recordable work-related injury2	0	0
Rate of recordable work-related injuries (IR) 3	0	0
The main types and number of work-related injuries:	-	-
Light injury during the use of stairs	0	0
All workers who are not employees but whose work and/or workplace is controlled by the organization		
Number of hours worked	175,192	114,936
Number of fatalities as a result of work-related injury	0	0
Rate of fatalities as a result of work-related injury	0.00	0.00
Number of high-consequence work-related injuries (excluding fatalities)	0	0
Rate of high-consequence work-related injuries (excluding fatalities)	0.00	0.00
Number of recordable work-related injury2	0	0
Rate of recordable work-related injuries (IR) 3	0	0
The main types and number of work-related injuries	-	-

In the above table:

- Indicators are presented in rounded form.

- There were no workplace-related deaths, high-consequence injuries or illnesses.
- Indicators are calculated at a rate of 200,000 ([total number of recordable work-related injuries or number of working days lost due to work-related accidents / total number of working hours of all employees per year] x 200,000). The rate of 200,000 indicates the number of hours worked by 100 full-time employees in a year.
- Occupational hazards that may result in injuries have been identified and recorded by the safety technician in collaboration with the operation and project managers of each facility, through the occupational risk assessment process. The Safety Technician, in case of any injury, makes recommendations for the proper monitoring of safety rules and instructions to show due care.
- Work-related near-misses are not included.
- Workers who are not employees but whose work and/or workplace is controlled by the organization, include all trainees, agency workers as well as subcontractors working in the operations part of Terna Energy's activities. The number of subcontractors has been calculated as the average number of subcontractors who worked at TERNA ENERGY's facilities. (Greece, Poland, Bulgaria).

[2] Refers to minor injuries.

[3] Accident frequency rate based on terminology of the Athens Stock Exchange Reporting Guide 2023.

(Amounts in thousands of Euros unless mentioned otherwise)

GRI 401-1: New employees hires and employee turnover

ATHEX Metric C-S4: Employee turnover

Total	2024			2023		
	Male	Female	Total	Male	Female	Total
Total number of employees	223	76	299	468	125	593
Number of voluntary employee exits	253	56	309	57	11	68
Employee voluntary turnover rate[1]	113%	74%	103%	12.2%	8.8%	11.5%
Number of involuntary employee exits	27	5	32	37	7	44
Employee involuntary turnover rate	12%	7%	11%	7.9%	5.6%	7.4%
Total number of turnover	280	61	341	94	18	112
Total employee turnover rate	126%	80%	114%	20.1%	14.4%	18.9%

[1] The employee voluntary turnover rate takes into account the post-acquisition carve-out of TERNA ENERGY Assets and the personnel's integration into the GEK TERNA Group, following the sale of the TERNA Energy Group.

(Amounts in thousands of Euros unless mentioned otherwise)

Greece	2024			2023		
	Male	Female	Total	Male	Female	Total
Total number of employees	210	70	280	457	121	578
Number of voluntary employee exits	253	56	309	56	10	66
Employee voluntary turnover rate[1]	120%	80%	110%	12.3%	8.3%	11.4%
Number of involuntary employee exits	27	5	32	37	7	44
Employee involuntary turnover rate	13%	7%	11%	8.1%	5.8%	7.6%
Total number of turnover	280	61	341	93	17	110
Total employee turnover rate	133%	87%	122%	20.4%	14.0%	19.0%

[1] The employee voluntary turnover rate takes into account the post-acquisition carve-out of TERNA ENERGY Assets and the personnel's integration into the GEK TERNA Group, following the sale of the TERNA Energy Group.

Poland	2024			2023		
	Male	Female	Total	Male	Female	Total
Total number of employees	8	4	12	7	2	9
Number of voluntary employee exits	0	0	0	1	1	2
Employee voluntary turnover rate	0	0	0	14%	50%	22%
Number of involuntary employee exits	0	0	0	0	0	0
Employee involuntary turnover rate	0	0	0	0	0	0
Total number of turnover	0	0	0	1	1	2
Total employee turnover rate	0	0	0	14%	50%	22%

Bulgaria	2024			2023		
	Male	Female	Total	Male	Female	Total
Total number of employees	5	2	7	4	2	6
Number of voluntary employee exits	0	0	0	0	0	0
Employee voluntary turnover rate	0%	0%	0%	0%	0%	0%
Number of involuntary employee exits	0	0	0	0	0	0
Employee involuntary turnover rate	0	0	0	0%	0%	0%
Total number of turnover	0	0	0	0	0	0
Total employee turnover rate	0	0	0	0%	0%	0%

(Amounts in thousands of Euros unless mentioned otherwise)

ATHEX Metric C-S4: Employee turnover [1]

Greece	2024			2023		
	Male	Female	Total	Male	Female	Total
Ratio of voluntary employee turnover[2]	120.48%	80.00%	110.36%	12.25%	8.26%	11.42%
Ratio of involuntary employee turnover	12.86%	7.14%	11.43%	8.10%	5.79%	7.61%

Abroad	2024			2023		
	Male	Female	Total	Male	Female	Total
Ratio of voluntary employee turnover	0.00%	0.00%	0.00%	8.33%	25.00%	12.50%
Ratio of involuntary employee turnover	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%

[1] The ratio of voluntary employee turnover is calculated by dividing the total amount of voluntary departures within a year by the number of employees within a year and multiplying it by 100 to give the figure as a percentage. The ratio of involuntary employee turnover is calculated by dividing the total amount of involuntary departures in a year by the number of employees in a year and multiplying by 100 to give the figure as a percentage.

[2] The employee voluntary turnover rate takes into account the post-acquisition carve-out of TERNA ENERGY Assets and the personnel's integration into the GEK TERNA Group, following the sale of the TERNA Energy Group.

(Amounts in thousands of Euros unless mentioned otherwise)

GRI 404-1: Average hours of training per year per employee

ATHEX Metric C-S5: Employee training

GRI 404-1 Average hours of training per year per employee	2024				2023			
By employee category	**Male**	**Female**	**Other[1]**	**Not Disclosed**	**Male**	**Female**	**Other[1]**	**Not Disclosed**
Top Management	0.00	0.00	0.00	0.00	8.3	16.0	0.0	0.0
Rest of own workforce	6.91	6.09	0.00	0.00	5.7	8.6	0.0	0.0
Total	6.85	6.09	0.00	0.00	5.9	9.3	0.0	0.0
By function	**Male**	**Female**	**Other[1]**	**Not Disclosed**	**Male**	**Female**	**Other[1]**	**Not Disclosed**
Administrative staff	5.35	7.00	0.00	0.00	19.1	23.0	0.0	0.0
Technicians	12.39	3.50	0.00	0.00	9.2	0.6	0.0	0.0
Rest of workers	0.55	0.58	0.00	0.00	0.1	0.0	0.0	0.0
Total	6.85	6.09	0.00	0.00	5.9	9.3	0.0	0.0

(Amounts in thousands of Euros unless mentioned otherwise)

GRI 405-1: Diversity of governance bodies and employees
Gender distribution by employee category

		Administrative staff	Technicians	Rest of workers	Total
2024	Male	78	87	58	223
		35.0%	39.0%	26.0%	
	Female	62	9	6	77
		80.5%	11.7%	7.8%	
2023	Male	62	185	222	469
		13.2%	39.4%	47.3%	
	Female	52	39	34	125
		41.6%	31.2%	27.2%	

Age distribution

Total number of employees during the reporting period per country	under 30 years old	30-50 years old	over 50 years old	Total
2024	11.7%	70.0%	18.3%	
	35	210	55	300
2023	11.1%	69.5%	19.4%	
	66	412	115	593

(Amounts in thousands of Euros unless mentioned otherwise)

7.Taxonomy Report

7.1Overview

The EU Taxonomy Regulation (EU 2020/852, as amended) is a key element of the European Commission's initiative, as it is part of the broader EU Sustainable Finance agenda aimed at directing investments towards projects and activities that support the EU's environmental objectives. The Taxonomy targets to provide clarity and transparency to investors, helping them make informed decisions and channel funds towards sustainable projects, thereby supporting the EU's goal of achieving climate neutrality by 2050.

The EU Taxonomy (EUT) is a classification system established by the European Union to identify which economic activities are considered environmentally sustainable. Specific provisions have been set forth in the regulation to classify an activity as green, taking into account detailed technical screening criteria, the Do no Significant Harm Principle (DNSH criteria), and minimum social and governance safeguards.

Within the EU Taxonomy, the following six environmental objectives are identified:

CCM	CCA	WTR
Climate change mitigation	Climate change adaptation	Sustainable use and protection of water and marine resources
PPC	**CE**	**BIO**
Pollution prevention and control	Transition to a circular economy	Protection and restoration of biodiversity and ecosystems

The climate-related objectives (CCM and CCA) were set out in the Climate Delegated Act3, and have been applied since 2021, while the remaining four objectives came into force in June 2023 under the Environmental Delegated Acts4, and are effective as of 2023 reporting year onwards.

The following section includes the required disclosures for non-financial entities in accordance with the EUT Regulation provisions to disclose the percentage of the eligible economic activities and the extent to which these are aligned through the Key Performance Indicators (KPIs) defined by the EUT Regulation (Turnover, CapEx, OpEx).

Aiming to achieve full alignment with the EUT Regulation, TERNA ENERGY Group assessed both eligibility and alignment of its business activities for FY2024 through a thorough assessment process in line with the requirements of the EUT Climate Delegated Act and Environmental Delegated Acts.

According to this assessment, the Group's activities substantially contribute to the Climate change mitigation objective. An overview of the EUT assessment outcomes for FY2024 is presented below:

Table 1: Proportion of Taxonomy-eligible and Taxonomy-aligned economic activities in total Turnover, CapEx and OpEx

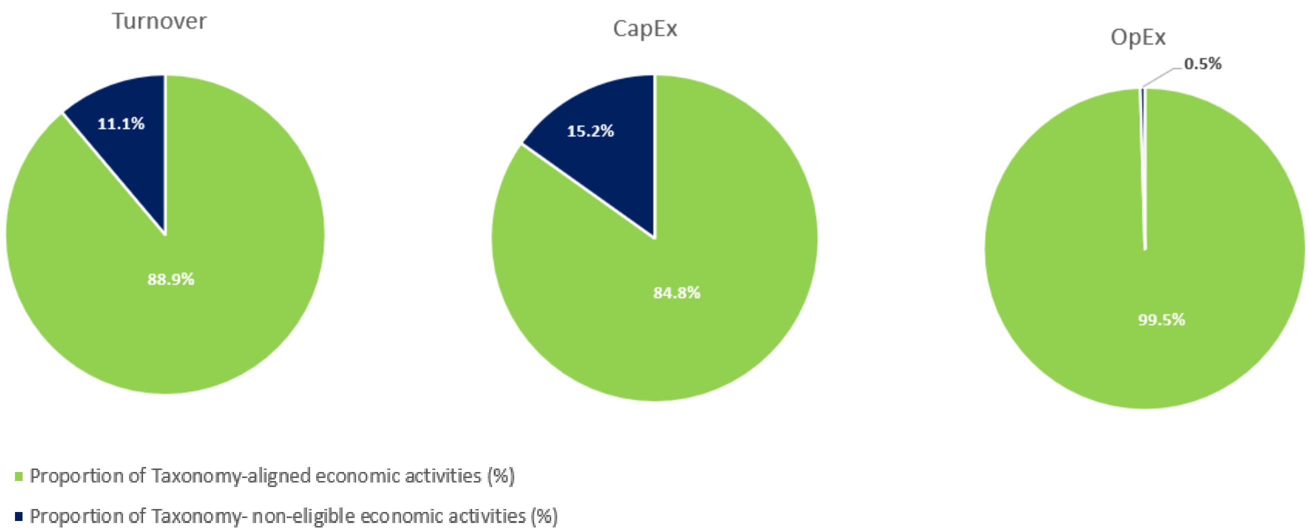
FY 2024	Total (TEUR)	Proportion of Taxonomy-eligible (non-aligned) economic activities (in %)	Proportion of Taxonomy-aligned economic activities (in %)	Proportion of Taxonomy- non-eligible economic activities (in %)
Turnover	347,104	0%	88.8%	11.2%

[3] Commission Delegated Regulation (EU) 2021/2139

[4] Commission Delegated Regulations (EU) 2023/2485 and (EU) 2023/2486

(Amounts in thousands of Euros unless mentioned otherwise)

Capital expenditure (CapEx)	107,307	0%	84.9%	15.1%
Operating expenditure (OpEx)	28,143	0%	99.5%	0.5%



7.2Eligibility Assessment

All economic activities carried out by the Group in FY2024 were reviewed in order to identify eligible activities under the EUT Regulation. An economic activity is considered Taxonomy-eligible if it is described in the respective Delegated Acts (Climate Delegated Act and the Environmental Delegated Acts) supplementing the EUT Regulation, irrespective of whether that economic activity meets any or all of the Technical Screening Criteria (TSC) laid down in the EUT Delegated Acts. Non-eligible economic activities under the EUT are economic activities not included/described in the Delegated Acts of the EUT Regulation.

The below table presents the Group's Taxonomy-eligible economic activities conducted in FY2024.

Table 2: Taxonomy-eligible economic activities and associated projects/assets in FY2024 considering substantial contribution to the CCM environmental objective.

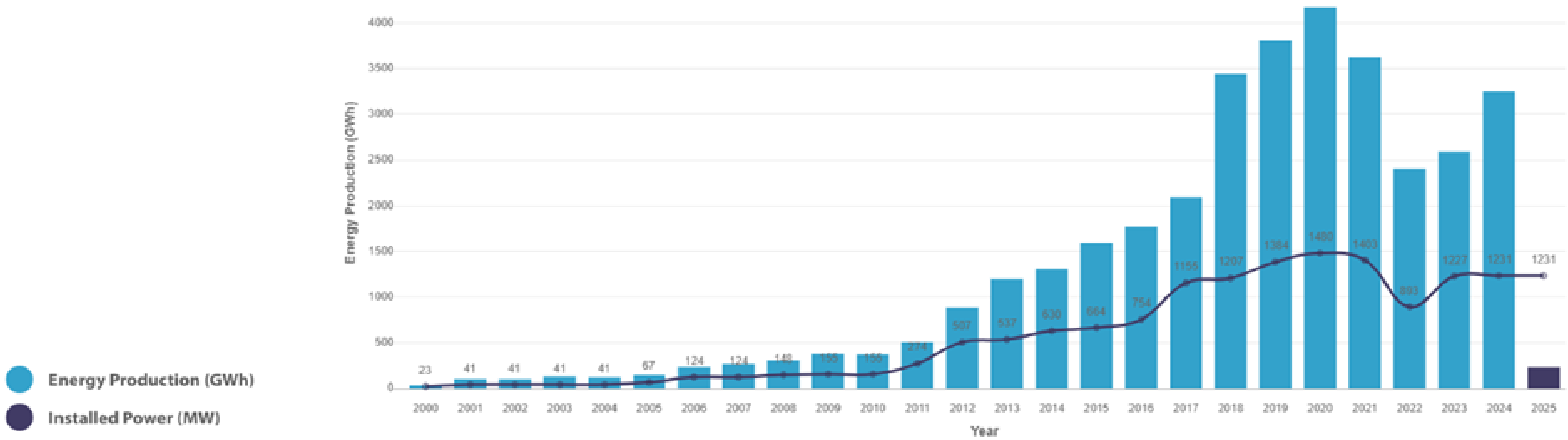
Economic Activity	Description	NACE Code	Number of associated projects/assets and total capacity
4.1. Electricity generation using solar photovoltaic technology	Construction and operation of electricity generation facilities that produce electricity using solar photovoltaic (PV) technology	35.11 42.22	3 projects in operation ~8.5MW 3 projects under construction ~MW148.9MW
4.3 Electricity generation from wind power	Construction and operation of electricity generation facilities that produce electricity from wind power	35.11 42.22	74 projects in operation ~1.2GW 1 hybrid project under construction 89.1MW

(Amounts in thousands of Euros unless mentioned otherwise)

Economic Activity	**Description**	**NACE Code**	**Number of associated projects/assets and total capacity**
4.5 Electricity generation from hydropower	Construction and operation of electricity generation facilities that produce electricity from hydropower.	35.11 42.22	2 projects in operation ~17.8MW
4.8 Electricity generation from bioenergy	Construction and operation of electricity generation installations that produce electricity exclusively from biomass, biogas or bioliquids.	35.11 42.22	1 project in operation 1MW
4.10 Storage of electricity	Construction and operation of facilities where electricity is stored and later returned in the form of electricity. The activity includes pumped hydropower storage activities.	-	2 projects under construction Amfilochia pumped hydropower storage system of 680MW (production) and 730MW (pumped hydropower storage) Amari Crete hybrid project of 89.1MW (production) and 72MW (pumped hydropower storage)

The below figure presents TERNA ENERGY Group's electricity generation from RES up to FY2024 and respective annual CO_2 emissions reduction from conventional (fossil fuel powered) electricity generation.

Figure 1 TERNA ENERGY Group electricity generation from RES during 2000-2024



Sustainability	
CO_2 Emissions Reduction	2,382,839.1 tons CO_2 per year
Conventional Fuels Reduction	6,243,608.4 tons lignite per year
Energy Demand	Coverage for 690,094.1 Households per year

All of the Group's electricity generation and storage facilities fall under activities 4.1, 4.3, 4.5, 4.8 and 4.10 of the EUT and are assessed as eligible for substantial contribution to the CCM environmental objective of the EUT Regulation.

Activities 4.1, 4.3, 4.5 and 4.8 encompass projects for electricity generation using solar photovoltaic technology, wind energy, hydropower, and bioenergy, respectively. Additionally, activity 4.10 features the significant Pumped Hydropower Storage System in Amfilochia of 730MW capacity, incorporated into the Group's project portfolio in 2023 and the Amari (Crete) Hybrid project integrating wind power generation with pumped hydropower storage capacity of 72MW. All these activities significantly contribute to reducing GHG emissions through the generation, transmission, storage, distribution, or use of renewable energy sources.

7.3Alignment assessment

The EUT Regulation sets out four conditions that an economic activity must meet to qualify as environmentally sustainable and aligned:

- substantial contribution to one or more of the six environmental objectives set out in Article 9 of the Regulation, in accordance with Articles 10 to 16 of the Regulation – compliance with substantial contribution Technical Screening Criteria (TSC) set for each objective.
- do no significant harm (DNSH) to any of the remaining environmental objectives set out in Article 9 of the Regulation, in accordance with Article 17 of the Regulation – compliance with DNSH TSC set for each objective.
- be carried out in accordance with the minimum (social) safeguards (MSS) outlined in Article 18 of the Regulation.

For each identified eligible activity for FY2024, TERNA ENERGY Group conducted a thorough assessment to evaluate whether the activity and its associated projects/assets can be ultimately deemed as aligned with the EU Taxonomy TSC for Substantial Contribution to CCM and Do No Significant Harm (DNSH) across the remaining 5 environmental objectives of the EUT.

The assessment also evaluated compliance with the Minimum Social Safeguards (MSS) outlined in Article 18 of the EUT Regulation. These safeguards involve implementing procedures to ensure compliance with the OECD Guidelines for Multinational Enterprises and the United Nations Guiding Principles on Business and Human Rights. This includes adhering to the principles and rights specified in the eight core conventions identified by the International Labor Organization's declaration on fundamental principles and rights at work, as well as the International Charter of Human Rights. The Group thoroughly reviewed all applicable requirements and appropriately applies all relevant procedures and policies.

The Group's electricity generation activities using solar photovoltaic technology (4.1), wind energy (4.3), hydropower (4.5), bioenergy (4.8) and electricity storage activities (4.10) are fully aligned with the substantial contribution TSC for CCM. Details of the alignment assessment and respective evidence are presented below.

7.4Substantial Contribution

Assessing EU Taxonomy alignment starts with meeting the Technical Screening Criteria (TSC) outlined in the EUT Regulation regarding substantial contribution to one or more of the environmental objectives. Each economic activity has specific TSCs that must be fulfilled.

All turnover-generating activities of the Group (4.1, 4.3, 4.5 and 4.8) as well as the future operation of the pumped hydropower storage projects (4.10) substantially contribute to climate change mitigation (CCM) since they meet the relevant TSCs, as presented in the following table.

(Amounts in thousands of Euros unless mentioned otherwise)

Table 3: Technical screening criteria ensuring substantial contribution to the CCM objective

EUT eligible activity		Substantial Contribution to CCM TSC	Compliance with TSC
4.1	Electricity generation using solar photovoltaic technology	The activity generates electricity using solar PV technology.	√
4.3	Electricity generation from wind power	The activity generates electricity from wind power.	√
4.5	Electricity generation from hydropower	The electricity generation facility is a run-of-river plant and does not have an artificial reservoir.	√
4.8	Electricity generation from bioenergy	The plants have a rated thermal input of < 2MW and use biomass gas fuel from anaerobic digestion of biowaste. A monitoring and emergency plan to minimize any methane leakage is in place and the biogas produced is used directly for electricity generation.	√
4.10	Storage of electricity	The activity is the construction and operation of electricity storage including pumped hydropower storage.	√

Specifically, the Group's electricity generation activities using solar photovoltaic technology (4.1) and wind power technologies (4.3) include renewable energy projects (PV plants and wind farms with a total installed capacity of approximately 1.2GW) that substantially contribute to climate change mitigation (CCM) by decarbonizing power generation from fossil fuels and increasing the share of renewable energy sources (RES) in the national and EU energy mix.

Activity 4.5, which involves electricity generation facilities that produce electricity from hydropower, is substantially contributing to CCM. The electricity generation facilities are run-of-river plants and do not have an artificial reservoir. More specifically, the activity consists of two small hydroelectric plants (SHPs) on Acheloos River (Sanidi - Dafnozonara SHP) and on Axios River (Eleousa SHP), with a total installed capacity of 17.8MW.

Activity 4.8 includes an electricity generation facility exclusively from biomass which contributes substantially to climate change mitigation. The biogas plant has a total rated thermal input of 1MW and is designed to produce electricity from biogas resulting from anaerobic digestion of organic material. The plant is supplied with a large amount of organic-rich wastewater from dairy cow farming enterprises, supplemented by feed residues (corn fillings), sludge and waste with organic load. The plant's operation is based on anaerobic digestion of this organic material, which results in the production of biogas used for electricity generation. The plant implements measures to prevent risks related to the operation of the reactor, including leakage of gases such as methane (CH_4).

Finally, activity 4.10 consists of the Group's pumped hydropower storage systems in Amfilochia and Amari-Crete, currently under construction, which will substantially contribute to CCM further enabling RES integration in the national energy mix.

The assessment of CapEx/OpEx associated with these activities (category A, CapEx/OpEx) follows the conclusions made for the purpose of assessing the Group's turnover. For investments that also meet specific individual criteria under other activities (category C, CapEx/OpEx) we analyze the investments against these specific criteria. To learn more about how we determined the KPIs please refer to chapter "KPIs and accounting policies".

7.5Do no significant harm (DNSH)

For all Taxonomy-eligible economic activities where substantial contribution to CCM is demonstrated, their alignment with the DNSH Technical Screening Criteria (TSC) outlined for the remaining environmental objectives is further assessed on a project/asset level. It should be noted that these activities and associated assets/projects are all located within the EU.

7.6Climate change adaptation (CCA)

Activities 4.1, 4.3, 4.5, 4.8, 4.10

For all Taxonomy-eligible activities substantially contributing to CCM, a physical climate risk assessment is required pursuant to Annex I, Appendix A of the supplementary Delegated Act (EU 2021/2139 as in force) under the EUT Regulation.

With respect to the activities carried out by TERNA ENERGY Group, the assessment focuses on the sites where the below facilities are installed:

- Solar PV park facilities (4.1).
- Wind park facilities (4.3)
- Small hydropower plant facilities (SHPs) (4.5)
- Biogas plant facilities (4.8)
- Pumped hydropower storage facilities (4.10).

For each of these activities and associated project sites a preliminary screening of climate-related physical risks was carried out as mapped in Annex I (Appendix A) and the risks found to be relevant were further analyzed through a climate risk assessment (CRA). As the expected lifetime of all relevant activities is longer than ten years, the CRA was carried out considering an optimistic, a moderate and a pessimistic scenario, compared to the current risk. The impact for each IPCC scenario RCP2.6, RCP4.5 and RCP8.5 (Representative Concentration Pathway) was assessed as these represent the optimistic outcome of zero emissions by 2100, the moderate outcome of emissions peaking around 2040 and then decreasing while global average temperature increases between 1 and 2 oC by 2100 and, thirdly, the pessimistic outcome with a global temperature increase of about 4.3˚oC by 2100.

The risk assessment involves calculating the effect (magnitude) of the potential impacts (on a five-level scale) and the probability (on a five-level scale) that these impacts will occur, as follows:

Risk = probability x impact

Where:

(i) probability is the probability of occurrence of the identified climate risk

(ii) impact is the magnitude of a business effect from the climate risk

The adaptive capacity is based on adaptation plans already in place and internally available measures to mitigate the impact of climate risks identified. The result of the CRA is, for each of the identified climate risks in each scenario, a physical risk score that indicates the materiality of each risk.

7.7Sustainable use and protection of water and marine resources (WTR)

Activity 4.1

The supplementary Climate Delegated Act of the EUT Regulation does not provide applicable TSC regarding DNSH to the sustainable use and protection of water and marine resources (WTR objective) for activity 4.1.

Activities 4.3, 4.5, 4.8, 4.10

Applicable DNSH TSC for activity 4.3 refer to offshore wind farm projects. TERNA ENERGY Group currently has no offshore wind projects included in its portfolio in 2024.

Electricity generation facilities under activities 4.5 and 4.8, located in Greece have all been subject to an Environmental Impact Assessment (EIA) and received approval through the issuance of the respective Environmental Permits from competent authorities in line with national environmental legislation in force. The EIA process included the assessment of potential impacts on water bodies based on Directive 2000/60/EC provisions and harmonized national legislation. In some cases, specific measures were enacted to comply with requirements set by the authorities to maintain the good status and ecological flow of affected water bodies.

Regarding activity 4.10, the Amfilochia and Amari pumped hydropower storage projects are connected to river systems and comply with the relevant TSC outlined in Annex I, Appendix B of the Climate Delegated Act. Before construction, an EIA was conducted in line with Article 4 of Directive 2000/60/EC to evaluate potential impacts on water bodies and dependent habitats. This assessment used recent, accurate data and considered River Basin Management Plans and cumulative impacts from other infrastructures. The EIA concluded with the issuance of a Decision of Approval of Environmental Terms (DAET), which specifies measures to maintain the good status of affected water bodies. These measures are monitored through an environmental monitoring program.

Transition to a circular economy (CE)

Activities 4.5, 4.8

The supplementary Climate Delegated Act of the EUT Regulation does not provide applicable TSC regarding DNSH to the transition to a circular economy (CE objective) for activities 4.5 and 4.8.

Activities 4.1, 4.3, 4.10

PV panels and wind turbines used in the Group's projects under activities 4.1 and 4.3 respectively, along with the related engineering equipment, are sourced from reputable manufacturers who prioritize high durability and recyclability. In selecting the technologies and products installed in the Group's assets, durability, recyclability, and the ease of dismantling and refurbishing are all aspects carefully evaluated. The photovoltaic mechanical equipment is reusable to the greatest extent feasible and recyclable in accordance with applicable regulations. The large metal parts of wind turbines, such as tower sections and the cast iron frame, are considered to be 98% recyclable. Other major components, including generators, gearboxes, cables, and diversion system parts, have a recyclability rate of 95%. The Group implements waste management plans in the context of its ISO 14001 certified Environmental Management System (EMS) and respective environmental permits in place, further ensuring that upon decommissioning this equipment is recycled and re-used to the maximum extent possible.

Regarding activity 4.10, waste management plans are in place for the pumped hydropower storage projects, as stipulated by the respective environmental permits in force and the Group's ISO 14001 EMS. These plans ensure the prevention of waste generation and maximal reuse or recycling upon decommissioning. Additionally, contractual agreements with licensed third parties are in place and staff training and awareness on waste management and other initiatives.

Pollution prevention and control (PPC)

Activities 4.1, 4.3, 4.5, 4.10

The supplementary Climate Delegated Act of the EUT Regulation does not provide applicable TSC regarding DNSH to pollution prevention and control (PPC objective) for activities 4.1, 4.3, 4.5 and 4.10.

Activity 4.8

Regarding activity 4.8, DNSH TSC for pollution prevention and control require facilities to comply with specific standards set out in EU Directives and regulations. Emissions produced by the Group's biogas plant are within best available techniques' (BAT) ranges. Following the anaerobic digestion process, dissolved water is produced with suspended organic solid waste content at a percentage of about 5%. Solid waste is then separated and used as a first quality soil improver and solid fertilizer, while meeting the requirements for fertilizing materials set out in national legislation on fertilizers or soil improvers for agricultural use. According to the latest studies, our biogas plant processes over 100tof biowaste per day. Emissions to air and water are within or lower than the emission levels indicated by best available techniques (BAT). Considering the above, electricity generation from biomass complies with all DNSH TSC for the PPC objective.

Protection and restoration of biodiversity and ecosystems (BIO)

Activities 4.1, 4.3, 4.5, 4.8 and 4.10

The DNSH TSC for the o protection and restoration of biodiversity and ecosystems (BIO objective) require an EIA or screening procedure conducted in accordance with Directive 2011/92/EU and ensuring that all necessary mitigation and compensation measures for environmental protection are implemented. The Group's facilities within the EU have undergone an EIA, resulting in the issuance of relevant decisions and approvals by competent authorities. These decisions incorporate the required measures to mitigate and compensate for potential environmental impacts.

In addition, regarding activities 4.1 and 4.8, the Group's facilities are not located within or near biodiversity - sensitive areas or UNESCO sites. Wind farms (4.3), hydroelectric projects (4.5) and pumped hydropower storage projects (4.10) located within or near biodiversity-sensitive areas, were subject to an Appropriate Assessment (AA or Special Ecological Assessment in Greek) as part of the EIA and environmental permitting procedure of the projects). Based on the AA findings, we have implemented all necessary mitigation and/or compensation measures to address potential environmental impacts effectively, while environmental monitoring is conducted on an annual basis as per issued environmental permits in force of these projects.

7.8Minimum Safeguards (MS)

The final step for Taxonomy-alignment assessment involves the evaluation of compliance with the minimum (social) safeguards (MS). The MS include all procedures implemented to ensure that identified Taxonomy-eligible economic activities are carried out in alignment with:

- The OECD Guidelines for Multinational Enterprises (OECD MNE Guidelines)
- The UN Guiding Principles on Business and Human Rights (UNGPs), including the principles and rights set out in the eight fundamental conventions identified in the Declaration of the International Labor Organization (ILO) on Fundamental Principles and Rights at Work
- The International Bill of Human Rights

In the absence of further guidance from the European Commission, the MS assessment is based on the "Final Report on Minimum Safeguards" published by the Platform on Sustainable Finance (PSF) in October 2022[5].

The scope of the MS covers the following four topics:

- Human rights (including labor and consumer rights)
- Corruption and bribery
- Taxation
- Fair competition

[5] https://finance.ec.europa.eu/system/files/2022-10/221011-sustainable-finance-platform-finance-report-minimum-safeguards_en.pdf.

A two-dimensional assessment approach is followed to assess compliance with MS. On the one hand, assessing whether adequate processes have been implemented to prevent negative impacts (procedural dimension). On the other hand, assessing whether outcomes are monitored to check whether processes are effective (outcome dimension).

Employee and value chain behavior is crucial for complying with EUT MS. TERNA ENERGY Group is committed to ethical business conduct, as detailed in its Code of Conduct, and aligns its operations with the UN's 17 Sustainable Development Goals and national energy targets. Corporate responsibility is integrated into the Group's Sustainable Development Policy, adhering to ESG (Environmental-Social-Governance) criteria across the four MS dimensions.

Annual training is mandatory for employees and part of the Group's business strategy. In supply chain and business relationships, the same ethical conduct is expected as within the Group. MS requirements are embedded in business contracts and the Supplier's Code of Conduct, promoting practices for human rights, ethics, environmental protection, safety, meritocracy, transparency, product quality, and fair competition. Suppliers must uphold these ethical principles and ensure compliance among employees and subcontractors. Supplier selection and evaluation processes include due diligence on human rights, anti-corruption, and anti-bribery. Additionally, the Group regularly assesses complaints related to ethics, integrity, and compliance, adjusting procedures as needed.

Human Rights (including labor and consumer rights)

In alignment with the United Nations Guiding Principles on Business and Human Rights (UNGPs) and the OECD Guidelines for Multinational Enterprises, including the OECD Due Diligence Guidance for Responsible Business Conduct, a comprehensive approach has been implemented to identify, prevent, and address any actual or potential negative impacts on human rights. The publicly accessible human rights statement outlines the strategy, high-impact areas, and the measures and processes in place to prevent adverse human rights impacts. This strategy is underpinned by a detailed impact analysis that encompasses all business units and subsidiaries.

Procedures are established to ensure swift remedial action in the event of a serious human rights violation, providing necessary support to affected individuals. The effectiveness of these processes is closely monitored through inspections at facilities and construction sites by qualified personnel, alongside regular reviews of legislative and regulatory changes. A grievance mechanism is available for individuals who believe their human rights have been compromised by the activities of TERNA ENERGY Group or its value chain partners.

During the financial year 2024, TERNA ENERGY Group has not been convicted of any violation of labor law or human rights. In addition, TERNA ENERGY Group has not been involved in a case dealt with by an OECD National Contact Point and was not questioned by the Business and Human Rights Resource Center (BHRRC).

Corruption and bribery

Anti-corruption is a fundamental component of TERNA ENERGY Group's business strategy and Code of Conduct. To prevent and address corrupt practices, the Group develops specific control measures across its activities, following a thorough risk assessment, to deter and avoid corruption and bribery. In alignment with this commitment, an Anti-Corruption and Bribery Management System is installed and operational, based on the ISO 37001 standard requirements. An anti-corruption policy has been published and communicated to employees, suppliers, and business partners, and is publicly accessible on the Group's website. Regular training on anti-corruption rules and their application is mandatory for employees, with specialized training provided to those identified as being particularly exposed to corruption risks.

In the financial year 2024, zero violations of corruption and bribery have been reported.

Taxation

In line with ethical business values, tax governance and tax compliance are important elements of oversight, with a commitment to complying with all relevant tax laws and regulations. The tax governance framework is based on the assessment of selected relevant risks and the application of appropriate safeguards, managed by a team of dedicated and qualified employees who work closely with Group management. Therefore, the approach to tax compliance is transparent, sustainable in the long term, and complies with the Code of Conduct.

In the financial year 2024, TERNA ENERGY Group has not been convicted in court for any major violation of tax laws.

Fair competition

All activities are conducted in accordance with applicable competition laws and regulations, taking into account the laws of all jurisdictions where activities might have anti-competitive effects. The Group's guidelines for fair competition and ethical business conduct aim to achieve and maintain fair competition in a free market environment for the entire group by fostering a corresponding corporate culture. These guidelines assist employees in preventing, detecting, and addressing any competition violations. Raising awareness and providing training that addresses competition law risks associated with business activities are of particular importance to ensure fair competition.

In 2024, there were no convictions of violation of competition laws in court for the Group.

(Amounts in thousands of Euros unless mentioned otherwise)

7.9Key performance indicators (KPIs) and accounting policies

The Key Performance Indicators (KPIs) include the KPI of turnover, the KPI of capital expenditure and the KPI of operating expenditure. For the presentation of the KPIs of the EU Taxonomy, we use the tables provided in Annex II of Delegated Regulation (EU) 2021/2178, as supplemented by Delegated Regulations (EU) 2023/2486 and (EU) 2022/2014. As the KPIs should include the results of the Taxonomy alignment assessment conducted for the previous reporting year, we also present in the tables the corresponding data for the alignment of FY2023.

As none of the Group's activities are related to natural gas and nuclear energy (activities 4.26-4.31), the specific disclosure requirements introduced by the supplementary Delegated Act C/2022/0631 concerning activities in certain energy sectors are not applicable as shown in table 4.

Table 4: Nuclear energy and fossil gas related activities disclosure

	Nuclear energy related activities	
1	The undertaking carries out, funds or has exposures to research, development, demonstration and deployment of innovative electricity generation facilities that produce energy from nuclear processes with minimal waste from the fuel cycle.	NO
2	The undertaking carries out, funds or has exposures to construction and safe operation of new nuclear installations to produce electricity or process heat, including for the purposes of district heating or industrial processes such as hydrogen production, as well as their safety upgrades, using best available technologies.	NO
3	The undertaking carries out, funds or has exposures to safe operation of existing nuclear installations that produce electricity or process heat, including for the purposes of district heating or industrial processes such as hydrogen production from nuclear energy, as well as their safety upgrades.	NO
	Fossil gas related activities	
4	The undertaking carries out, funds or has exposures to construction or operation of electricity generation facilities that produce electricity using fossil gaseous fuels.	NO
5	The undertaking carries out, funds or has exposures to construction, refurbishment, and operation of combined heat/cool and power generation facilities using fossil gaseous fuels.	NO
6	The undertaking carries out, funds or has exposures to construction, refurbishment and operation of heat generation facilities that produce heat/cool using fossil gaseous fuels.	NO

(Amounts in thousands of Euros unless mentioned otherwise)

Table 5: Turnover KPI for the financial year 2024

Financial year 2024				Substantial contribution criteria						DNSH criteria ('Do Not Significantly Harm')									
Economic Activities	Code	Turnover	Proportion of Turnover, FY2024	Climate Change Mitigation (CCM)	Climate Change Adaptation (CCA)	Water (WTR)	Pollution (PPC)	Circular Economy (CE)	Biodiversity (BIO)	CCM	CCA	WTR	PPC	CE	BIO	Minimum Safeguards	Proportion of Taxonomy-aligned (A.1), FY2023	Category enabling activity	Category transitional activity
Text		*TEUR*	*%*	*Y; N; N/EL*	*Y; N; N/EL*	*Y; N; N/EL*	*Y; N; N/EL*	*Y; N; N/EL*	*Y; N; N/EL*	*Y/N*	*Y/N*	*Y/N*	*Y/N*	*Y/N*	*Y/N*	*Y/N*	*%*	*E*	*T*
A. TAXONOMY-ELIGIBLE ACTIVITIES																			
A.1 Environmentally sustainable activities (Taxonomy-aligned)																			
Electricity generation using solar photovoltaic technology	CCM 4.1	3,344.59	1.0%	Y	N	N/EL	N/EL	N/EL	N/EL		Y			Y	Y	Y	1.0%		
Electricity generation from wind power	CCM 4.3	297,777.37	85.8%	Y	N	N/EL	N/EL	N/EL	N/EL		Y			Y	Y	Y	72.5%		
Electricity generation from hydropower	CCM 4.5	4,934.77	1.4%	Y	N	N/EL	N/EL	N/EL	N/EL		Y	Y			Y	Y	2.1%		
Electricity generation from bioenergy	CCM 4.8	2,234.89	0.6%	Y	N	N/EL	N/EL	N/EL	N/EL		Y	Y	Y		Y	Y	0.7%		
Storage of electricity	CCM 4.10	0.00	0.0%	Y	N	N/EL	N/EL	N/EL	N/EL		Y	Y		Y	Y	Y	0.0%	*E*	
Turnover of environmentally sustainable activities (Taxonomy-aligned) (A.1)		308,291.62	88.8%	100%													76.2%		
of which Enabling		0.00	0	0														E	
of which Transitional		-	0	0															T
A.2 Taxonomy-eligible but not environmentally sustainable (not Taxonomy-aligned activities)																			
				EL; N/EL	*EL; N/EL*	*EL; N/EL*	*EL; N/EL*	*EL; N/EL*	*EL; N/EL*										
		0.00	0.0%																
Turnover of Taxonomy-eligible but not environmentally sustainable activities (not Taxonomy-aligned activities) (A.2)		0.00	0.0%																
A. Turnover of Taxonomy-eligible activities (A.1+A.2)		308,291.62	88.8%			%	%	%	%								76.2%		
B. TAXONOMY-NON-ELIGIBLE ACTIVITIES																			
Turnover of Taxonomy-non-eligible activities		38,812.39	11.2%																
Total		347,104	100.0%																

(Amounts in thousands of Euros unless mentioned otherwise)

Table 6: Capital Expenditure (CapEx) KPI for the financial year 2024

Financial year 2024				Substantial contribution criteria						DNSH criteria ('Does Not Significantly Harm')									
Economic Activities	**Code**	**CapEx**	**Proportion of CapEx, FY2024**	**Climate Change Mitigation (CCM)**	**Climate Change Adaptation (CCA)**	**Water (WTR)**	**Pollution (PPC)**	**Circular Economy (CE)**	**Biodiversity (BIO)**	**CCM**	**CCA**	**WTR**	**PPC**	**CE**	**BIO**	**Minimum Safeguards**	**Proportion of Taxonomy-aligned (A.1), FY2023**	**Category enabling activity**	**Category transitional activity**
Text		*TEUR*	*%*	*Y; N; N/EL*	*Y; N; N/EL*	*Y; N; N/EL*	*Y; N; N/EL*	*Y; N; N/EL*	*Y; N; N/EL*	*Y/N*	*Y/N*	*Y/N*	*Y/N*	*Y/N*	*Y/N*	*Y/N*	*%*	*E*	*T*
A. TAXONOMY-ELIGIBLE ACTIVITIES																			
A.1. Environmentally sustainable activities (Taxonomy-aligned)																			
Electricity generation using solar photovoltaic technology	CCM 4.1	2,053.50	1.9%	Y	N	N/EL	N/EL	N/EL	N/EL		Y			Y	Y	Y	0.1%		
Electricity generation from wind power	CCM 4.3	14,661.45	13.7%	Y	N	N/EL	N/EL	N/EL	N/EL		Y			Y	Y	Y	51.3%		
Electricity generation from hydropower	CCM 4.5	33.19	0.0%	Y	N	N/EL	N/EL	N/EL	N/EL		Y	Y			Y	Y	0.1%		
Electricity generation from bioenergy	CCM 4.8	290.50	0.3%	Y	N	N/EL	N/EL	N/EL	N/EL		Y	Y	Y		Y	Y	0.0%		
Storage of electricity	CCM 4.10	74,016.19	69.0%	Y	N	N/EL	N/EL	N/EL	N/EL		Y	Y		Y	Y	Y	43.2%	*E*	
Turnover of environmentally sustainable activities (Taxonomy-aligned) (A.1)		91,054.83	84.9%	100%													94.7%		
of which Enabling		74,016.19	81%														43.2%	E	
of which Transitional		-	0	0															T
A.2 Taxonomy-eligible but not environmentally sustainable (not Taxonomy-aligned activities)																			
				EL; N/EL	*EL; N/EL*	*EL; N/EL*	*EL; N/EL*	*EL; N/EL*	*EL; N/EL*										
		0.00	0.0%																
Turnover of Taxonomy-eligible but not environmentally sustainable activities (not Taxonomy-aligned activities) (A.2)		0.00	0.0%																
A. Turnover of Taxonomy-eligible activities (A.1+A.2)		91,054.83	84.9%	%	%	%	%	%	%								94.7%		
B. TAXONOMY-NON-ELIGIBLE ACTIVITIES																			
Turnover of Taxonomy-non-eligible activities		16,251.86	15.1%																
Total		107,307	100.0%																

(Amounts in thousands of Euros unless mentioned otherwise)

Table 7: Operational Expenditure (OpEx) KPI for the financial year 2024

Financial year 2024				Substantial contribution criteria						DNSH criteria ('Does Not Significantly Harm')									
Economic Activities	Code	Opex	Proportion of Opex, year 2024 (4)	Climate Change Mitigation (CCM)	Climate Change Adaptation (CCA)	Water (WTR)	Pollution (PPC)	Circular Economy (CE)	Biodiversity (BIO)	CCM	CCA	WTR	PPC	CE	BIO	Minimum Safeguards	Proportion of Taxonomy-aligned (A.1), FY2023	Category enabling activity	Category transitional activity
Text		*TEUR*	*%*	*Y; N; N/EL*	*Y; N; N/EL*	*Y; N;*	*Y; N;*	*Y; N;*	*Y; N; N/EL*	*Y/N*	*Y/N*	*Y/N*	*Y/N*	*Y/N*	*Y/N*	*Y/N*	*%*	*E*	*T*
A. TAXONOMY-ELIGIBLE ACTIVITIES																			
A.1. Environmentally sustainable activities (Taxonomy-aligned)																			
Electricity generation using solar photovoltaic technology	CCM 4.1	84.02	0.3%	Y	N	N/EL	N/EL	N/EL	N/EL		Y			Y	Y	Y	0.8%		
Electricity generation from wind power	CCM 4.3	27,384.15	97.3%	Y	N	N/EL	N/EL	N/EL	N/EL		Y			Y	Y	Y	86.9%		
Electricity generation from hydropower	CCM 4.5	342.26	1.2%	Y	N	N/EL	N/EL	N/EL	N/EL		Y	Y			Y	Y	0.8%		
Electricity generation from bioenergy	CCM 4.8	203.23	0.7%	Y	N	N/EL	N/EL	N/EL	N/EL		Y	Y	Y		Y	Y	0.8%		
Storage of electricity	CCM 4.10	0.36	0.0%	Y	N	N/EL	N/EL	N/EL	N/EL		Y	Y		Y	Y	Y	0.0%	*E*	
Turnover of environmentally sustainable activities (Taxonomy-aligned) (A.1)		28,014.03	99.5%	100%													89.3%		
of which Enabling		0.36	0.001%															E	
of which Transitional		0	0	0															T
A.2 Taxonomy-eligible but not environmentally sustainable (not Taxonomy-aligned activities)																			
				EL; N/EL	*EL; N/EL*	*EL; N/EL*	*EL; N/EL*	*EL; N/EL*	*EL; N/EL*										
		0.00	0.0%																
Turnover of Taxonomy-eligible but not environmentally sustainable activities (not Taxonomy-aligned activities) (A.2)		- €	0.0%																
A. Turnover of Taxonomy-eligible activities (A.1+A.2)		28,014.03	99.5%	%	%	%	%	%	%								89.3%		
B. TAXONOMY-NON-ELIGIBLE ACTIVITIES																			
Turnover of Taxonomy-non-eligible activities		129.23	0.5%																
Total		28,143.25	100.0%																

7.10Accounting policy, definitions and additional information

The consolidated financial statements for TERNA ENERGY Group for 2024 fiscal year (FY2024) have been prepared in compliance with the International Financial Reporting Standards (IFRS). The subsequent sections provide details about the turnover, capital expenditures (CapEx), and operational expenditures (OpEx) of the Group's subsidiaries, which were previously introduced in this report. By converting the Group's environmentally sustainable practices and outcomes into financial metrics such as turnover, CapEx, and OpEx, investors and financial institutions can gain a clear understanding, enabling them to make well-informed and strategic decisions. The method used to calculate the eligibility and alignment key performance indicators (KPIs) is described below.

Turnover KPI

Definition

The proportion of Taxonomy-aligned economic activities in the Group's total turnover has been calculated as part of net turnover derived from products and services associated with Taxonomy-aligned economic activities (numerator) divided by the net turnover (denominator) for the financial year from 1.1.2024 to 31.12.2024.

The denominator of the turnover KPI is based on the consolidated net turnover in accordance with IAS 1.82(a). cf. note 4.1.9 Revenue of the Annual Financial Report for the Year 2024.

The numerator for the turnover KPI is defined as the net turnover derived from goods and services related to economic activities aligned with the Taxonomy, i.e.

- Activity 4.1 "Electricity generation using solar photovoltaic technology" generates net turnover from supplying energy into the energy grid
- Activity 4.3 "Electricity generation from wind power" generates net turnover from supplying energy into the energy grid
- Activity 4.5 "Electricity generation from hydropower" generates net turnover from supplying energy into the energy grid
- Activity 4.8 "Electricity generation from bioenergy" generates net turnover from supplying energy into the energy grid.

Activity 4.10 Storage of electricity is not included in the FY2024 turnover, as these projects are currently under construction.

Reconciliation

The consolidated net turnover can be reconciled to the consolidated financial statements, see Consolidated Statement of Comprehensive Income of our Annual Financial Report for FY2024 ("Revenue").

Capital expenditure (CapEx)

Definition

The CapEx KPI is defined as Taxonomy-aligned CapEx (numerator) divided by the total CapEx (denominator). Total CapEx consists of additions to tangible fixed assets (IAS 16), intangible fixed assets (IAS 38), right-of-use assets (IFRS 16) and investment properties (IAS 40) during the fiscal year, before depreciation, amortization, and any re-measurements, including those resulting from revaluations and impairments, as well as excluding changes in fair value. Additions resulting from business combinations are also included. Goodwill is not included in CapEx, as it is not defined as an intangible asset in accordance with IAS 38. For further details on the accounting policies regarding CapEx, see note 4.1.3 Intangible assets and 4.1.4 Tangible assets for FY2024.

The numerator consists of the following categories of Taxonomy-eligible CapEx:

1. CapEx related to assets or processes that are associated with Taxonomy-aligned economic activities ("*category A*"):

Assets and processes are associated with Taxonomy-aligned economic activities when they are essential components necessary to execute an economic activity. Consequently, all CapEx invested into the following areas are considered in the numerator of the CapEx KPI:

- the solar photovoltaic plants (under activity 4.1)
- the wind farms (under activity 4.3)
- the hydropower plants (under activity 4.5)
- the biogas plant (under activity 4.8)
- the pumped hydropower storage projects (under activity 4.10)

We generally follow the generation of external revenues as a guiding principle to identify economic activities that are associated with CapEx under *category A*.

2. CapEx that are part of a plan ("CapEx Plan") to upgrade a Taxonomy-eligible economic activity in order to become Taxonomy-aligned or to expand a Taxonomy-aligned economic activity ("*category B*"):

No specific upgrade plans have been set since there are no activities in the TERNA ENERGY Group portfolio classified as Taxonomy-eligible and non-aligned. Moreover, there are no specific plans to expand economic activities aligned with the EUT Regulation, as the Group's core business involves electricity generation from RES.

3. CapEx related to the purchase of output from Taxonomy-aligned economic activities and individual measures enabling certain targeted activities to become low-carbon or lead to greenhouse gas reductions (*"category C"*).

Reconciliation

Total CapEx can be reconciled to the consolidated financial statements, see Chapter 8 Intangible Assets, 9 Rights in use of Assets and 10 Tangible Assets of our Annual Financial Report for FY 2024 ("table of changes in intangible assets, in right-of-use assets, in tangible assets"). They are the total of the movement types (acquisition and production costs):

- Additions
- Additions through business combinations for intangible assets, rights to use property, plant and equipment and property, plant and equipment

To avoid double counting in the capital expenditure (and operating expenditure) indicator, capital expenditure (and operating expenditure) related to purchased products and sub-measures already considered in "category a" (i.e., capital expenditure and operating expenditure related to assets or processes associated with economic activities aligned with the Taxonomy) is counted only once. Due to limited verification of individual investments by most suppliers, most aligned capital expenditures relate to activities 4.1, 4.3, 4.5, 4.8, and 4.10, and the individual assessment of capital expenditures does not have a material impact on aligned key performance indicators (KPIs).

Operating Expenditures (OpEx)

Definition

The OpEx KPI is defined as Taxonomy-aligned OpEx (numerator) divided by total OpEx (denominator). Total OpEx includes direct non-capitalized costs related to research and development, building renovation measures, short-term leases, maintenance and repair, and other direct expenditures for the day-today servicing of assets of property, plant, and equipment. This includes:

- Research and development expenses recognized during the reporting period as detailed in the Statement of Comprehensive Income within the Annual Financial Report for 2024. In accordance with the consolidated financial statements (IAS 38.126), this includes all non-capitalized costs directly attributable to research or development activities.
- Non-capitalized lease volumes determined under IFRS 16, covering expenses for short-term and low-value leases (refer to note 35 on Cost of sales, administrative, and research & development expenses in

(Amounts in thousands of Euros unless mentioned otherwise)

the Annual Financial Report for 2024). Although low-value leases are not specifically mentioned in the Disclosures Delegated Act, they have been interpreted to be included.

- Maintenance, repair, and other direct expenditures for the day-to-day servicing of property, plant, and equipment assets, determined based on maintenance and repair costs. These costs appear in various line items within the Statement of Comprehensive Income, including production costs (maintenance in operations), sales and distribution costs (maintenance logistics), and administration costs (such as IT system maintenance). Building renovation measures are also included.

In general, this involves staff costs, service costs, and material costs for daily servicing, as well as for regular and unplanned maintenance and repair activities, all directly allocated to PP&E. Exclusions from the OpEx KPI include expenditures related to the day-to-day operation of PP&E, such as raw materials, employee costs for machine operation, and utilities necessary for PP&E operation. Amortization and depreciation are also excluded.

Direct costs for training and other human resources adaptation needs are excluded from both the denominator and numerator, as Annex I to the Disclosures Delegated Act lists these costs only for the numerator, preventing a mathematically meaningful calculation of the OpEx KPI.

Additional Clarifications: For FY2024, no extra allocation keys for personnel expenses connected to asset maintenance were applied due to lack of sufficient information. Other production personnel expenses are excluded from operating costs as per the EUT guidelines.

Contextual information

On November 28th 2024, Masdar, the United Arabic Emirates' (UAE) clean energy leader, acquired 70% of TERNA ENERGY Group's outstanding shares to become majority shareholder. The acquisition reflects Masdar's confidence in the Group's growth plan targeting renewable energy operational capacity of 6GW by 2029, as well as the strength of the Greek market and its renewables sector.

Due to the acquisition and subsequent changes in the Group's other business segments (non RES related business segments), changes across the Group's KPI denominators compared to the previous reporting year FY2023 occurred. Moreover, CapEx is notably lower compared to the previous reporting year due to the completion of RES projects that were under construction now in operation. Finally, significant increase of the aligned proportion of Turnover and OpEx KPIs is noted compared to FY2023 considering the operation of several RES projects in FY2024 and the increase in RES R&D activities during the reporting year.

Turnover KPI

Quantitative analysis of the numerator

A quantitative analysis of the turnover's numerator is presented below, where revenue is listed by geographic area of operation. In FY2024, no key drivers of change were identified compared to the previous reporting year 2023. Nonetheless, significant increase of the aligned proportion of Turnover KPI is noted compared to FY2023, mainly due to the commencement of operation of several RES projects in FY2024.

Table 8: Quantitative breakdown of Turnover numerator

Geographical sector	Turnover for the financial year 2024 (TEUR)
Greece	287,617.2
East Europe	20,674.4
Total	**308,291.6**

(Amounts in thousands of Euros unless mentioned otherwise)

Capital Expenditures (CapEx)

Quantitative analysis at the economic activity aggregated level

For FY2024, the CapEx that are aligned with the EUT are associated with activities 4.1, 4.3, 4.5, 4.8, and 4.10. In the table below, a breakdown of the amounts included in the numerator is presented. As already mentioned, FY2024 CapEx denominator is notably lower compared to the previous reporting year FY2023 due to the completion of RES projects under construction, which are now in operation.

Table 9: Quantitative analysis of the CapEx numerator at the economic activity aggregated level

Activity	Additions to tangible fixed assets (TEUR)	Internally generated or purchased intangible assets (TEUR)	Internally generated or purchased intangible assets (TEUR)	Total (TEUR)
4.1	687.26	0	1,366.25	2,053.51
4.3	10,675.99	777.83	3,207.63	14,661.45
4.5	0	0	33.19	33.19
4.8	290.50	0	0	290.50
4.10	73,916.51	46.31	53.37	74,016.19
Total	**85,570.26**	**824.14**	**4,660.44**	**91,054.84**

Operating Expenditures (OpEx)

Quantitative analysis of the numerator

The following table shows the quantitative breakdown of the OpEx numerator into its individual components based on the definition of operating expenditure in Delegated Act (EU) 2021/2178 as in force. Significant increase of the aligned proportion of the OpEx KPI should be noted compared to FY2023 considering the operation of several RES projects in FY2024 and the increase in RES R&D activities during the reporting year.

Table 10: Quantitative analysis of OpEx numerator

Activity	Research and Development (TEUR)	Short-term leases (TEUR)	Maintenance and repair (TEUR)	Total (TEUR)
4.1	64.67	0.27	19.08	84.02
4.3	5,927.42	828.16	20,628.57	27,384.15
4.5	148.71	28.47	165.08	342.26
4.8	0	7.59	195.64	203.23
4.10	0	0.36	0	0.36
Total	**6,140.80**	**864.85**	**21,008.37**	**28,014.02**

(Amounts in thousands of Euros unless mentioned otherwise)

H. Transactions with related parties

The Company's transactions with related parties pursuant to the provisions of IAS 24 have been conducted under normal market conditions. In the year 2024 the amounts of sales and purchases as well as balances of the Company's and Group's assets and liabilities as of 31/12/2024 arising from transactions with related parties are presented in Note 37 of the financial statements.

Transactions with members of the BoD

The total amount paid to the members of the Board of the Group accounted for 4.987 Euros (for the Parent Company: 4.027 Euros), 1.682 Euros (for the Parent Company: 1.370 Euros) related with Board Rewards, while amount of 3.305 Euros (for the Parent Company: 2.657 Euros) are related with remuneration for professional services.

I. Share Capital Structure, Treasury Shares, and other information

Share Capital Structure

The share capital of the Company amounts to Thirty-Four Million Seven Hundred Five Six Thousand Five Thousand Five Hundred Twenty-Seven Euros (€ 35.506.527,00) and is divided into one hundred and fifteen million eight hundred fifty-five thousand and ninety units (118.355.090). with a face value of thirty cents (€ 0,30) each.

The Company's shares are listed and traded in the "Main Market" category of the Athens Stock Exchange. From each share derive all the rights and obligations defined by the Law and the Articles of Association of the Company.

Restrictions on the transfer of the Company's shares

The transfer of the Company's shares is performed as stipulated by the Law and there are no restrictions on their transfer from its Articles of Association.

Significant direct participation according to the provisions of Law 3556/2007

The Shareholders, who as of 31/12/2024 held a percentage greater than 5%, based on the total number of shares issued, are listed in the following table:

Shareholder's name	Shares	Percentage	
MASDAR HELLAS SINGLE MEMBER S.A.	102.234.403	86,3794%	direct

Treasury Shares

During the period 01/01/2024 - 31/12/2024 the Company did not purchase any Treasury Shares. On 31/12/2024 the Company owned 653.046 Treasury Shares. These shares represented a percentage 0,55% of the paid-up share capital of the Company.

Facilities and Branches

In the context of its business activity, the Company creates Branches, Construction sites and other similar facilities. At 31st December 2024 the Company had 64 facilities.

Athens, 20/03/2025
On behalf of the Board of Directors,

Georgios Peristeris
Chairman of the Board of Directors

(Amounts in thousands of Euros unless mentioned otherwise)

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

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 management 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, with the deviation set out in the table below with an explanation of the reason for non-compliance. The HCGC can be found at the following address 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 key value of the Group's development.

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

Article	HCGC text	Explanation	Data-Comments
2.2.15.	The company ensures that the diversity criteria relate not only to the members of the Board of Directors but also to their senior management with specific gender representation targets as well as timelines for achieving them.	The selection of senior management personnel is related to the specific requirements and qualifications necessary for each position, depending on the sector of activity and the response to the current demand for executives in the market. The Company hires the most suitable candidate each time, taking into account the need for balanced representation by gender given the supply of executives.	*25,7% of the Group's total personnel consists of women.* *30% of the Management positions of the Group's organizational chart are filled by women.*

Internal Rules of Operation

The Company has Internal Rules of Operation ("IRO"), which were approved and entered into force by virtue of the decision of the Company's Board of Directors dated 16.07.2021. The most recent revision of the Internal Rules of Operation was approved by virtue of the decision of the Company's Board of Directors dated 12.07.2023. 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 provided for in 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

The Board of Directors of the Company formulates the vision of the Group, defines its development strategy and ensures its effective implementation, aiming at safeguarding and promoting the long-term interests of its Shareholders.

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 competent managers on a daily basis, in order to gain immediate perception of these risks and to proceed promptly and dynamically to make the required decisions and corrective measures.

The operation of the Board of Directors is governed by Rules of Operation.

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

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

Convening of General Assemblies

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

Corporate governance

- Defines and supervises the implementation and observance 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 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.
- 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.

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

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 ordinary General Assembly for approval, proposing at the same time the regular reserve. Ensures that the annual corporate and consolidated financial statements, the annual management report, the corporate governance statement, as well as the Remuneration Report of article 112 of Law 4548/2018 are prepared and published in accordance with the provisions of the legislation, proposes the dividends to be distributed, fulfills the implementation of the publicity provided for in articles 12 and 13 of Law 4548/2018 as in force.

Internal Control System

- Ensures the adequate and effective operation of the Company's Internal Audit System, including the risk management system and 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 reporting lines 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 how to promptly and fully disclose to the Board of Directors 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 at regular intervals with a view to ensuring 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 following proposal of the Audit Committee.
- Approves the Rules of Operation of the Internal Audit Unit.

The current Board of Directors of the Company was elected by the General Assembly of 23.06.2021, for a five-year term. Furthermore, as a result of the amendment of article 9 of the Company's Articles of Association, which was decided by the Extraordinary General Assembly of 14.12.2021, the term of office of the members of the Board of Directors was reduced to four years. Following the resignation of Ms. Sofia Kounenaki - Efraimoglou as Independent Non-Executive Member of the Board of Directors of the Company and from all her responsibilities, and in particular from her position as member and Chairperson of the

(Amounts in thousands of Euros unless mentioned otherwise)

Nominations Committee and as member of the ESG Committee of the Company, the Board of Directors, at its meeting held on July 31, 2024, decided not to replace the resigned independent non-executive member and to continue the term of the Board of Directors with the remaining ten (10) members, of which two (2) are executive and eight (8) are non-executive, and of these, three (3) are independent non-executive members within the meaning of Article 9 of Law 4706/2020.

Then, on 27.11.2024, the following members submitted their resignation:

1.Georgios Spyrou, Executive Member of the Board of Directors,

2.Aristotle Spiliotis, Executive Member of the Board of Directors,

3.Michael Gourzis, Non-Executive Member of the Board of Directors,

4.Nikolaos Voutychtis, Non-Executive Member of the Board of Directors, and

5.Andreas Taprantzis, Independent Non-Executive Member of the Board of Directors.

Following this, the Board of Directors, accepting the recommendation of the Nominations Committee of 28.11.2024, unanimously decided to elect Mr. Abdulaziz Mohamed Abdulla Alobaidli AlHammadi (Masdar Chief Operating Officer), Mohammed Mazin Khan (Masdar Chief Financial Officer), Nikolas Meitanis (Masdar Executive Director of Strategy), Faisal Tahir Bhatti (Masdar Director of M&A) and Ahmed Abdelrahim Yousif Mohamed Alawadhi (Masdar Director, Development and Investment (Europe & ME)) as new non-executive members of the Board of Directors, whose composition is as follows:

Composition of the Board of Directors

FULL NAME	CAPACITY	BEGINNING OF TERM OF OFFICE	END OF TERM OF OFFICE	AGE	GENDER	YEARS OF SERVICE
PERISTERIS GEORGIOS	Chairman – Executive Member	24/06/2021	23/06/2026	68	M	15 YEARS
MERGOS GEORGIOS	Vice-Chairman – Independent & Non-Executive Member	24/06/2021	23/06/2026	76	M	7 YEARS & 10 MONTHS
MARAGOUDAKIS EMMANOUIL	CEO	24/06/2021	23/06/2026	73	M	27 YEARS & 6 MONTHS
SARKISIAN MARINA	Independent Non-Executive Member	24/06/2021	23/06/2026	54	F	3 YEARS & 9 MONTHS
KARAPANAGIOTI TATIANA	Independent Non-Executive Member	24/06/2021	23/06/2026	53	F	3 YEARS & 9 MONTHS
ABDULAZIZ MOHAMED ABDULLA ALOBAIDLI ALHAMMADI	Non-Executive Member	28/11/2024	23/06/2026	42	M	1 MONTH
MOHAMMED MAZIN KHAN	Non-Executive Member	28/11/2024	23/06/2026	39	M	1 MONTH
NIKOLAS MEITANIS	Non-Executive Member	28/11/2024	23/06/2026	50	M	1 MONTH
FAISAL TAHIR BHATTI	Non-Executive Member	28/11/2024	23/06/2026	38	M	1 MONTH
AHMED ABDELRAHIM YOUSIF MOHAMED ALAWADHI	Non-Executive Member	28/11/2024	23/06/2026	42	M	1 MONTH

	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**
PERISTERIS GEORGIOS	√	√	√	√	√	√	√	√	√
MERGOS GEORGIOS	√	√	√	√	√	√	√	√	√
MARAGOUDAKIS EMMAN.	√	√	√	√	√	√	√	√	√
SPYROU GEORGIOS (until 27.11.2024)	√	√	√	√	√	√	√		√
SPILIOTIS ARISTOTLE (until 27.11.2024)	√	√	√	√		√	√		√
GOURZIS MICHAEL (until 27.11.2024)			√		√	√	√	√	√
VOUTYCHTIS NIKOLAOS (until 27.11.2024)	√	√	√			√	√		√
SARKISIAN MARINA			√	√		√	√		√
TAPRANTZIS ANDREAS (until 27.11.2024)	√	√	√	√		√	√	√	√
KOUNENAKI-EFRAIM. SOFIA (until 31.07.2024)	√	√	√	√				√	√
KARAPANAGIOTI TATIANA			√	√					√

ABDULAZIZ MOHAMED ABDULLA ALOBAIDLI ALHAMMADI (from 28.11.2024)		√		√	√	√	√	√	√
MOHAMMED MAZIN KHAN (from 28.11.2024)		√		√	√	√	√	√	√
NIKOLAS MEITANIS (from 28.11.2024)				√	√	√	√	√	√
FAISAL TAHIR BHATTI (from 28.11.2024)	√	√		√	√	√	√	√	√
AHMED ABDELRAHIM YOUSIF MOHAMED ALAWADHI (from 28.11.2024)		√		√	√	√	√	√	√

In the exercise of their duties and their meetings in 2024, the Members of the Board of Directors (both existing and resigned) 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 shares.

(Amounts in thousands of Euros unless mentioned otherwise)

The Board of Directors held sixteen (16) 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	NUMBER OF MEETINGS REPRESENTED	ATTENDANCE AT MEETINGS
PERISTERIS GEORGIOS	**16**	**16**	**0**	**100%**
MERGOS GEORGIOS	**16**	**16**	**0**	**100%**
MARAGOUDAKIS EMMAN.	**16**	**16**	**0**	**100%**
SPYROU GEORGIOS	**15**	**15**	**0**	**100%**
SPILIOTIS ARISTOTLE	**15**	**15**	**0**	**100%**
GOURZIS MICHAEL	**15**	**15**	**0**	**100%**
VOUTYCHTIS NIKOLAOS	**15**	**15**	**0**	**100%**
SARKISIAN MARINA	**16**	**16**	**0**	**100%**
TAPRANTZIS ANDREAS	**15**	**15**	**0**	**100%**
KOUNENAKI-EFRAIMOGLOU SOFIA	**9**	**9**	**0**	**100%**
KARAPANAGIOTI TATIANA	**16**	**16**	**0**	**100%**
ABDULAZIZ MOHAMED ABDULLA ALOBAIDLI ALHAMMADI	**1**	**1**	**0**	**100%**
MOHAMMED MAZIN KHAN	**1**	**1**	**0**	**100%**
NIKOLAS MEITANIS	**1**	**1**	**0**	**100%**
FAISAL TAHIR BHATTI	**1**	**1**	**0**	**100%**
AHMED ABDELRAHIM YOUSIF MOHAMED ALAWADHI	**1**	**1**	**0**	**100%**

During the meetings and work of the Board of Directors for the entire year 2024, 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.

His responsibilities include convening and directing the works 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 other members of the Board of Directors. He also ensures the effective coordination and uninterrupted communication between all members of the Board of Directors and between the Company and the shareholders - investors.

(Amounts in thousands of Euros unless mentioned otherwise)

Finally, the duty of the Chairman is to provide timely, clear and reliable information to the members of the Board of Directors on all activities and operations of the Company, to ensure the smooth integration and cooperation among them, as well as to motivate them to have active and substantial participation in corporate affairs and business decision-making.

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

Chief Executive Officer

The Chief Executive Officer monitors and controls the implementation of the Company's strategic objectives and the management of its day-to-day affairs and sets its guidelines. He supervises and ensures its smooth, systematic 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 Managing Director is Mr. Emmanouil Maragoudakis.

Vice-Chairman of the Board of Directors (Lead Independent Director)

The Independent Vice-Chairman of the Board of Directors stands in for the Chairman of the Board of Directors in all his responsibilities, when he is absent or unavailable. He also leads the meetings of the non-executive members of the Board of Directors and monitors and ensures smooth and effective communication between the Committees of the Board of Directors and the Board of Directors itself. He coordinates the non-executive members of the Board of Directors, including independent members, in fulfilling their obligations. He is available and attends the General Assemblies of the Company's Shareholders in order to discuss with them corporate governance issues, if they arise.

Lead Independent Director of the Board of Directors and Head of the Independent Non-Executive Members is Mr. Georgios Mergos.

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 provided for in article 9 of Law 4706/2020, as applicable.

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

<table>
<tr><th>Name</th><th>Reasons for independence</th></tr>
<tr><td>MERGOS GEORGIOS</td><td rowspan="3">(a) do not hold shares representing more than 0.5% of the Company's share capital and (b) do not have any relationship of dependance 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). Moreover, the Members meet the criteria of the Suitability Policy.</td></tr>
<tr><td>SARKISIAN MARINA</td></tr>
<tr><td>KARAPANAGIOTI TATIANA</td></tr>
</table>

The Board of Directors at its meeting on 07-02-2024 and 28-11-2024, reviewed and confirmed the fulfillment of the independence criteria provided for in article 9 of Law 4706/2020, in accordance with the specific provisions of the relevant Minutes of Meeting.

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

(Amounts in thousands of Euros unless mentioned otherwise)

On 31.12.2024 the shares of the Company held by the Members of the Board of Directors as well as its Manager Executives are shown in the table below.

FULL NAME	SHARES	PERCENTAGE
FAFALIOS EMMANOUIL	**40.000**	**0,03%**
VERRIOPOULOS MICHALIS	**70.000**	**0,06%**
PAIZANIS ILIAS	**35.000**	**0,03%**

Evaluation of the Board of Directors

The Board of Directors regularly evaluates its effectiveness, the fulfillment of its duties, as well as those of 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 Vice-Chairman in cooperation with the Nominations Committee and its results are discussed by the BoD, while following the evaluation, the BoD 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 Committee.

On January 14, 2025, a questionnaire was distributed for the evaluation of the members of the Board of Directors of the Company for the year 2024. The questionnaire was drafted, distributed and processed by the Nominations Committee with the Chairman of the Committee, Ms. Marina Sarkisian Ochanesoglou, in charge of the evaluation. The questionnaire was divided into seven main evaluation sections, which included: i) Evaluation (as a body) of the BoD, ii) Evaluation of Board Committees, iii) Evaluation of the Chairman, Vice-Chairman, CEO, Corporate Secretary and iv) Individual evaluation of the members of the BoD.

The overall conclusion from the evaluation was that the members, as a group, are knowledgeable and consistently informed about developments in the industry as well as in the regulatory framework. Each member shall be fully aware of its respective responsibilities.

Executive Committee

The Company's Articles of Association provide for the possibility of establishing an Executive Committee in order to assist the Board of Directors and the Management by enhancing the sound and responsible administration and operation of the Company, in order to meet the needs of the sectors in which it operates.

The Board of Directors of the Company at its meeting of 24.06.2021 established the Executive Committee and at its meeting of 12.07.2023 amended the structure of the Executive Committee, which now consists of five members:

1. Emmanouil Maragoudakis
2. Georgios Agrafiotis
3. Michael Verroiopoulos
4. Emmanouil Fafalios
5. Elias Paizanis

Terms of operation

The Executive Committee meets regularly on a weekly basis every working Tuesday of the month at 10 a.m., if required and extraordinarily whenever necessary, with or without an agenda.

Any member of the Committee may request in writing that it be convened to discuss specific inquiries.

The Chairman may convene the Committee extraordinarily or change the day or frequency of meetings.

Meetings shall be held either physically or remotely by means of any technology enabling discussion or written exchange of views.

The Executive Committee meets validly if at least four of its five members are present or represented, and its decisions are always taken by unanimity. If unanimity is not reached, the matter shall be referred to the Board of Directors of the Company for decision making.

The Executive Committee elects a Secretary, who keeps the minutes of the meetings or is assisted by the Corporate Secretary or other lawyer of the Company.

The Minutes of the Meetings of the Executive Committee shall be signed by all members present at the meeting. Copies and extracts from minutes shall be signed by the person authorised by the Executive Committee by special decision.

The Executive Committee has the following responsibilities:

• The management of the daily operations of the Company.

• The representation of the Company judicially and extrajudicially, with the possibility of further authorization to third parties, generally or for specific acts.

• The acquisition, establishment or transfer of rights in rem on movable (excluding securities) or contractual rights on movable and immovable property, with a consideration of up to the amount of Euros Twenty Million (€ 20.000.000).

• The approval of the acquisition, establishment or transfer of rights in rem in movable (excluding securities) by or to subsidiaries or of contractual rights in movable and immovable property of subsidiary companies.

• The provision of credits, guarantees or financial support to companies consolidated with TERNA ENERGY S.A. up to the amount of Euros Twenty Million (€ 20.000.000).

• The undertaking or award of service contracts with a consideration of up to Euro Two Millions (€ 2.000.000) per contract or annually.

• Participation in public or other tenders as well as in public or private, bidding or bidding auctions.

• Sponsorships or donations in favor of third parties up to the amount of Euros Fifty Thousand (€ 50.000) per case.

• The commencement of construction sites, branches or other facilities of the Company in Greece and abroad.

• The appointment of Operation, Health and Safety Managers of the Company's facilities.

The Executive Committee reports on its activities to the Board of Directors on a quarterly basis.

Progress Report

The topics discussed at the Executive Board meetings during 2023 can be summarised as follows:

1. Authorization to lawyers.
2. Provision of guarantees in favor of subsidiaries for the issuance of letters of guarantee.
3. Participation in tenders
4. Real estate leases
5. Granting of Authorizations
6. Establishment of new subsidiaries

The Executive Committee was abolished by the Decision of the Board of Directors of the Company dated 28.11.2024.

Independent Non-Executive Members of the BoD

According to article 7 of Law 4706/2020 on Corporate Governance, the non-executive members of the Board of Directors, including independent non-executive members, have the obligation to monitor and examine the Company's strategy and its implementation, as well as the achievement of its objectives, to ensure the effective supervision of the executive members, including the monitoring and control of its performance and finally to examine and express views on the proposals submitted by the executive members, on the basis of existing information.

The Independent Non-Executive Members of the Board of Directors of the Company met and prepared their annual report dated 24 May 2024, and subsequently submitted it to the Annual General Assembly of Shareholders in accordance with article 5 par. 9 of Law 4706/2020.

3. BoD Committees

The Board of Directors is supported by the following Committees:

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.terna-energy.com/wp-content/uploads/2021/07/TENERGY_Audit_Committee_Charter_July_2021_GR.pdf

Committee Composition

The General Assembly on 14.06.2023, following the recommendation of the Nominations Committee to the Board of Directors on 24.05.2023 and the corresponding recommendation of the Board of Directors to the General Assembly, elected a new Audit Committee with a two-year term, which was constituted into body corporate on 10.07.2023 as follows:

1. Georgios Mergos, Independent Non-Executive member of the BoD, appointed as Chairman of the Committee,
2. Andreas Taprantzis, Independent Non-Executive member of the BoD and
3. Nikolaos Kalamaras, who is not a member of the Board of Directors and meets the independence criteria provided for in article 9 of Law 4706/2020.

Following the meeting of the Board of Directors of the Company held on 28.11.2024 and its decision to replace the resigned members of the Company's Committees following the change of control due to the acquisition by "Masdar Hellas" of 70% of the shares of TERNA ENERGY, and in particular, as regards the Audit Committee, the letter of resignation of Mr. Andreas Taprantzis, Independent Non-Executive Member of the Board of Directors of the Company and Member of the Audit Committee, dated 27.11.2024, the Audit Committee was restructured as follows:

1. Georgios Mergos, Independent Non-Executive member of the BoD, Chairman
2. Tatiana Karapanagioti, Independent Non-Executive member of the BoD, Member
3. Nikolaos Kalamaras, Independent Third party, not a member of the BoD, Member and Secretary.

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 sufficient knowledge in the field of auditing and accounting.

Terms of operation

The Audit Committee meets on average 10 times a year in compliance with its action plan agreed at the beginning of the financial year in order to effectively 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 a relevant invitation via e-mail to those expected to attend or an electronic invitation through a teleconference platform, if the meeting is held via videoconference.

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

Decisions are made by the majority of the members present.

The Committee may invite members of the Company's Management, executives of the Company or its subsidiaries, or any other person (employee, partner, etc.) to participate in meetings and provide relevant information, where necessary.

It organises meetings with the external auditors (see below) and meetings with the Executive Directors.

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 will be 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 corporate and consolidated financial statements and other financial reporting and examines their reliability. Ensures the smooth conduct of internal audit work by providing its support to the competent Internal Audit Unit and periodically evaluates the adequacy and reliability of the methods and procedures used to carry out its work. Its main objective is the early diagnosis and analysis of business risks so that the Board of Directors can react quickly to address them.
- In addition, the Committee investigates any transactions of the Company with any related person and submits relevant reports to the Board of Directors in order to examine with absolute transparency the possibility of conflicting interests and to prevent possible harm or damage to the Company.
- The Audit Committee receives the reports of the Internal Audit Unit, evaluates their content, proposes to the Board of Directors the head of the Unit, evaluates its efficiency and effectiveness and based on these recommends the continuation or termination of its 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

(Amounts in thousands of Euros unless mentioned otherwise)

the adequacy of knowledge, professional consistency, independence and effectiveness of the regular auditor, and based on these recommendations to the Board of Directors the continuation or termination of the performance of his 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 Committee.

Activities of the Audit Committee for the year 2024

During 2024, the Audit Committee met nine (9) times in full quorum.

FULL NAME	NUMBER OF MEETINGS HELD DURING HIS TERM OF OFFICE	NUMBER OF MEETINGS ATTENDED	ATTENDANCE AT MEETINGS
Georgios Mergos	**9**	**9**	**100%**
Andreas Taprantzis	**8**	**8**	**100%**
Nikolaos Kalamaras	**9**	**9**	**100%**
Tatiana Karapanagioti	**1**	**1**	**100%**

The topics of the meetings included meetings with the Head of the Internal Audit Unit, the Head of the General Division of Financial and Administrative Departments and the Certified Auditors Grant Thornton & KPMG.

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

Financial reporting

It examined and confirmed the correctness of the process of preparing the corporate and consolidated financial statements (interim biannual and annual) for the financial year 2023 and the year 2024 (interim half-year) following the regular briefing the Committee had from the Head of the General Division of Financial and Administrative Department, in the presence of the Head of the Finance Division.

The Committee was informed by the Chartered Auditors Accountants about the Audit Report and in particular about the Key Audit Matters incorporated in it for the audit of the financial year 2023, for the Overview Report of the six-month period ended on 30/06/2024 as well as for the planning of the audit for the year 2024.

The Committee evaluated the content of the Supplementary Audit Report submitted by the Chartered Auditors Accountants for the financial year 2023 in accordance with article 11 of Regulation 537/2014 of the European Union and Law 4449/2017 (article 31, par. 1a).

The Committee was informed about the purpose and approved the acceptable 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, which proposes in turn to the General Assembly of Shareholders, the approval of the financial statements for the year 2023 and the election of Chartered Auditors Accountants for the audit of the year 2024.

Internal Audit Unit

The Committee was at all times informed and cooperated with the Head of the Internal Audit Unit, who was present at all meetings of the Committee.

The Committee approved and monitored the progress of the implementation of the Annual Audit Program for the financial year 2024 and was informed about the results obtained from the audits carried out in order to inform the Board of Directors.

The Committee evaluated the findings arising from the conduct of the audit projects and was informed about the implementation of the corrective actions agreed between the Internal Audit Unit and the heads of the audited units.

The Committee was informed about the budget for the financial year 2025 regarding the operation of the Internal Audit Unit and recommended its approval to the CEO.

The Committee was informed about each training activity of the Internal Audit Unit's executives and evaluated the purpose and results of each training program.

Risk Management

The Committee was informed about any new risks that were included in the Risk Register within the financial 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 harmonization of the Company with the current legislation. The Committee dealt more intensively with issues related to Law 4706/2020 on corporate governance of sociétés anonymes.

The Committee has been updated on the action plan of the Compliance Unit for the financial year 2025 (according to the 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 applied by the Group in the context of its evaluation in March 2023.

The Committee informed the Board of Directors on IT security issues.

3.2 Remuneration Committee

The main purpose of the Remuneration Committee is to formulate a proposal for the preparation and periodic review of the Remuneration Policy, to examine the information in the Company's Remuneration Report, to provide a relevant opinion and to formulate proposals regarding the remuneration range of persons governed by the Remuneration Policy. The above proposals/opinions of the Committee are submitted to the Board of Directors, which decides on these issues or makes recommendations to the General Assembly, where required.

The Committee is established by decision of the Board of Directors.

The operation of the Remuneration Committee is governed by articles 10 and 11 of Law 4706/2020 as well as the Corporate Governance Code adopted by the Company, as applicable from time to time.

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

TENERGY_Regulation_of_Remuneration_Committee_July_2021_GR.pdf (terna-energy.com)

Committee composition

With the decision of the Board of Directors of the Company dated 24.06.2021, the Remuneration Committee was established which was constituted into body corporate as follows:

Andreas Taprantzis, Chairman

Georgios Mergos,Member

Michael Gourzis, Member

Following the meeting of the Board of Directors of the Company held on 28.11.2024 and its decision to replace the resigned members of the Company's Committees following the change of control due to the acquisition by "Masdar Hellas" of 70% of the shares of TERNA ENERGY, and in particular, as regards the Remuneration Committee, the letter of resignation of Mr. Andreas Taprantzis, Independent Non-Executive Member of the Board of Directors of the Company and Chairman of the Remineration Committee, and Mr. Michael Gourzis, Non-Executive Member of the Board of Directors of the Company and Member of the Remuneration Committee, dated 27.11.2024, the Remuneration Committee was restructured as follows:

1. Georgios Mergos, Chairman, Independent Non-Executive member of the BoD
2. Marina Sarkisian-Ochanesoglou, Independent Non-Executive member of the BoD
3. Ahmed Abdelrahim Yousif Mohamed Alawadhi, Non-Executive member of the BoD.

Terms of operation

The Committee meets at least four (4) times a year and whenever circumstances require.

The Chairman of the Committee is responsible for convening it and is responsible for planning and conducting 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 remotely using technology. Committee decisions shall be taken 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 means of an invitation sent at least two (2) working days prior to the meeting and, in the case of a meeting outside the head offices, at least five (5) working days prior to the meeting. 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 to the holding of the meeting and decision making.

The minutes of meetings are kept by a person appointed by the Chairman of the Committee as secretary who, in addition to keeping the minutes of the meetings, assumes the role of technical support and coordination of the work of the Committee, as well as the organization, commissioning and preparation of studies carried out either internally or commissioned by 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 prepare a specific project. The Secretary of the Committee, the technical or scientific advisor and the legal advisor are appointed by a Decision of the Committee recorded in the minutes of the relevant meeting.

External experts or special advisors 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.

Responsibilities of the Committee

- Formulates proposals to the Board of Directors regarding the Remuneration Policy or its revision.
- Ensures that the Company has a clear, objective, well-documented and transparent Remuneration Policy in accordance with applicable legislation and is consistent with the Company's business strategy, market conditions, profile and risk appetite and does not encourage excessive and short-term risk-taking.
- Formulates proposals to the Board of Directors regarding the range of remuneration of persons falling within the scope of the Remuneration Policy, in accordance with article 110 of Law 4548/2018, and regarding the remuneration of the Company's managers, as well as the head of the Internal Audit Unit and makes a relevant proposal on them to the Board of Directors, which decides on them to the General Assembly, where required.
- Monitors the implementation of the Remuneration Policy.
- Examines the information included in the final draft of the Annual Remuneration Report, providing an opinion to the Board of Directors before its submission to the General Assembly.
- Examines and submits proposals to the Board of Directors regarding share options, stock award programs, additional retirement benefit programs and any other long-term reward program.
- May invite managers and members of the Board of Directors to its meetings, in order to ensure that it receives comprehensive information for the proper fulfillment of its duties.

Method of Evaluation

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

Activities of the Remuneration Committee for the year 2024

During 2024 the Committee met three (3) times in full quorum.

FULL NAME	NUMBER OF MEETINGS HELD DURING HIS TERM OF OFFICE	NUMBER OF MEETINGS ATTENDED	NUMBER OF MEETINGS REPRESENTED	ATTENDANCE AT MEETINGS
Andreas Taprantzis	**3**	**3**	**-**	**100%**
Georgios Mergos,	**3**	**3**	**-**	**100%**
Michael Gourzis	**3**	**3**	**-**	**100%**

3.3 Nominations Committee

The main purpose of the Nominations Committee is to assist the Board of Directors by proposing to it persons suitable for obtaining the status of member of the Board of Directors, based on the principles and criteria provided for in the Suitability Policy.

Composition

With the decision of the Board of Directors of the Company dated 24.06.2021, the Nomination Committee was established, which was constituted into body corporate as follows:

1. Sofia Kounenaki-Efraimoglou, Chairperson
2. Marina Sarkisian-Ochanesoglou, Member
3. Nikolaos Voutychtis, Member

Following the resignation of Ms Sofia Kounenaki-Efraimoglou, the Board of Directors of the Company at its meeting of 31 July 2024, decided to appoint the independent non-executive member Mr. Andreas Taprantzis as a replacement of Ms S. Kounenaki-Efraimoglou in the Nominations Committee of the Company. Following the meeting of the Board of Directors of the Company held on 28.11.2024 and its decision to replace the resigned members of the Company's Committees following the change of control due to the acquisition by "Masdar Hellas" of 70% of the shares of TERNA ENERGY, and in particular, as regards the Remuneration Committee, the letter of resignation of Mr. Andreas Taprantzis, Independent Non-Executive Member of the Board of Directors of the Company and Chairman of the Nominations Committee, and Mr. Nikolaos Voutychtis, Non-Executive Member of the Board of Directors of the Company and Member of the Nominations Committee, dated 27.11.2024, the Nominations Committee was restructured as follows:

1. Marina Sarkisian-Ochanesoglou, Chairperson, Independent Non-Executive member of the BoD
2. Tatiana Karapanagioti, Independent Non-Executive member of the BoD
3. Ahmed Abdelrahim Yousif Mohamed Alawadhi, Non-Executive member of the BoD.

Terms of operation

The term of office of the members of the Nominations Committee coincides with the term of office of the Board of Directors, with the possibility of renewal. In any case, the term of office of the members of the Committee shall not exceed nine (9) years in total.

The Committee meets at least four (4) times a year and whenever circumstances require.

The Chairman of the Committee is responsible for convening it and is responsible for planning and conducting 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. A member of the Committee may authorize another member in writing to represent him/her at a particular meeting and to vote on his behalf on the items on the agenda. No member may represent more than one other member of the Committee.

The Committee meets at least once a year to examine the 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 20.12.2023 decided to assign the task of evaluating the Corporate Governance System and its Board of Directors and Committees to Grant Thornton, the conclusion of which is set out at the end of this Statement.

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 convened in time during the same year, that member shall be deemed to have resigned.

Each member is notified of the place, time and date of each meeting by means of an invitation sent at least two (2) working days before the meeting. The invitation contains the items on the agenda of each meeting and any accompanying material, otherwise decisions may be taken only if no member of the Committee objects. 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 to the meeting and the making of decisions.

The Rules of Operation of the Nomination Committee, approved by the Board of Directors of the Company, are posted at the following link:

TENERGY_Regulation_of_Nominations_Committee_July_2021_GR.pdf (terna-energy.com)

Responsibilities of the Committee

- The main role of the Nominations Committee is to look for and recommend the appropriate candidates for election to the Board of Directors of the Company.
- The Committee determines the eligibility criteria of the members of the Board of Directors, in order to ensure individual and collective suitability.
- 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.
- The Committee investigates, highlights 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, following the process of recruitment/selection of senior managers and the process of appointment of senior managers and provision of authorizations.
- 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

According to the Hellenic Corporate Governance Code adopted by the Company, the Board of Directors must annually evaluate its effectiveness, as well as its Committees and the Chairman. In this context, on January 14, 2025, a questionnaire was distributed to evaluate the current members of the Company's Board of Directors, who participated in the Board throughout the year 2024. The questionnaire was prepared, distributed and processed by the Nominations Committee, with Ms. Marina Sarkisian Ochanesoglou, the Chairperson of the Committee, in charge of the evaluation. The questionnaire was divided into seven main evaluation sections, which included: i) Evaluation (as a body) of the Board of Directors, ii) Evaluation of Board Committees, iii) Evaluation of the Chairman, Vice Chairman, Chief Executive Officer, Corporate Secretary and iv) Individual evaluation of the Board members.

The overall conclusion from the assessment was that these members, as a group, are well informed and consistently up to date with developments in the industry and the regulatory framework. Each member is fully aware of the responsibilities assigned to them.

It is also noted that the Board of Directors at its meeting of 20.12.2023 decided to entrust the evaluation of the adequacy and effectiveness of the Corporate Governance System to Grant Thornton, whose conclusion that no material weaknesses have been identified in the Company's Corporate Governance System, is presented at the end of the Corporate Governance Statement for the year 2023.

During 2024 the Nominations Committee met two (2) times.

(Amounts in thousands of Euros unless mentioned otherwise)

FULL NAME	NUMBER OF MEETINGS HELD DURING HIS/HER TERM OF OFFICE	NUMBER OF MEETINGS ATTENDED	NUMBER OF MEETINGS REPRESENTED	ATTENDANCE AT MEETINGS
Sofia Kounenaki-Efraimoglou,	**1**	**1**	**0**	**100%**
Marina Sarkisian-Ochanesoglou,	**2**	**2**	**0**	**100%**
Nikolaos Voutychtis,	**2**	**2**	**0**	**100%**
Andreas Taprantzis	**1**	**1**	**0**	**100%**

3.4 Investment Committee

The Investment Committee is established by the Board of Directors. Its main role is to help ensure that new investments are aligned with the Company's objectives and have a benefit to the Company.

Committee Composition

The Board of Directors of the Company at its meeting of 24.06.2021 established the Investment Committee, which was constituted as follows:

1. Emmanouil Maragoudakis, Chairman
2. Nikolaos Voutychtis, Member
3. Aristotelis Spiliotis, Member

Following the meeting of the Board of Directors of the Company held on 28.11.2024 and its decision to replace the resigned members of the Company's Committees following the change of control due to the acquisition by "Masdar Hellas" of 70% of the shares of TERNA ENERGY, and in particular, as regards the Investment Committee, the letter of resignation of Mr. Aristotelis Spiliotis, Executive Member of the Board of Directors of the Company and Member of the Investment Committee, and Mr. Nikolaos Voutychtis, Non-Executive Member of the Board of Directors of the Company and Member of the Investment Committee, dated 27.11.2024, the Investment Committee was restructured as follows:

1. Faisal Tahir Bhatti,Chairman, Non-Executive member of the BoD

2.Abdulaziz Mohamed Abdulla Alobaidli AlHammadi,Non-Executive member of the BoD

3. Emmanouil Maragoudakis,Executive member of the BoD

4.Ahmed Abdelrahim Yousif Mohamed Alawadhi, Non-Executive member of the BoD

as a result of a related amendment of the Internal Regulations for the operation of the Investment Committee with regard to its composition.

Terms of operation

The Committee meets following an invitation of its Chairman to examine investment or divestment proposals and to prepare a relevant recommendation to the Board of Directors.

The invitation sets the agenda, place and time of the meeting.

Meetings are held either physically or remotely by means of any technology enabling discussion or written exchange of views.

In order for a decision to be made, a quorum of 80% of the members of the Committee is required to be present in person either at the meeting venue or at another venue using conference technologies.

A member of the Committee may authorize another member in writing to represent him at a particular meeting and to vote on his behalf on the items on the agenda. No member may represent more than one other member of the Committee.

Decisions of the Committee shall be made by unanimity of its members present in person or represented.

The Committee appoints a Secretary, who keeps the minutes of the meetings or is assisted by the Corporate Secretary or other lawyer of the Company.

The minutes of the meetings of the Committee are signed by all members present at the meeting.

Responsibilities of the Committee

- Ensures that new investments are in line with the Company's approved strategy or that they constitute new decisions that the Board of Directors approves. Specifically, all Committee decisions for investments over €10 million are forwarded to the Board of Directors for approval as well as strategic investment decisions that are not included in the approved strategy of the Company, regardless of the amount. For investments approved by the Committee up to the amount of 10 million Euros and are not classified as strategic, the Committee may recommend their approval by the Chief Executive Officer, who makes the final decision.
- Evaluation of the return on implemented investments.
- Monitoring the Company's performance per business activity in achieving goals.
- Examination of new investments and submission of a relevant proposal to competent bodies of the Company / to the Board of Directors of the Company regarding:
- the capital adequacy of the Company for the implementation of the investment,
- the assessment of the business risks associated with the implementation of each investment proposal,
- the documentation of its feasibility and confirmation that the implementation is part of the approved strategy of the Company or leads to the development of new market segments
- Examines partnerships of subsidiaries aimed at establishing new companies or joint ventures of strategic importance with third parties, mergers and acquisitions of companies.

Activities of the Investment Committee for the year 2024

During 2024, the Investment Committee met three (3) times in full quorum, to approve new investments and collaborations.

3.5 ESG Committee

The Company's ESG Committee was established at the Board of Directors meeting held on 24.06.2021 and its purpose is to monitor the Company's performance and recommends environmental, social and governance (ESG) improvements to the Board of Directors in order to create value for the Company, which is regularly evaluated based on its performance on these issues. The Committee's work includes, inter alia, monitoring the integration of non-financial ESG factors into business strategy and decision-making, with the aim of providing the Company with added value and being ready to adapt to changes in the environment in which it operates.

The Chairman of the Committee is elected by the members of the Committee or by the Board of Directors. The Chairman of the Committee is an independent non-executive member of the BoD. The term of office of the members of the Committee is equal to the term of office of the BoD.

The members of the Committee as a whole have the required knowledge and experience regarding the Company's activity and especially regarding sustainable development, environmental, social and governance issues in order to adequately perform the role of the Committee.

The Committee appoints a Secretary, who keeps the minutes of the meetings or is assisted by the Corporate Secretary of the Company or another lawyer of the Company. The Secretary of the Committee is responsible for the general support of its operation and monitors the communication of the Committee's recommendations to the Board of Directors and the relevant decisions approved by the Board of Directors to the involved units of the Company and/or the Group. Legal support in the work of the Committee may be provided either by the Corporate Secretary, who is provided by the Company's Internal Regulations of Operation to be a lawyer, or by another lawyer of the Group.

The ESG Committee meets whenever necessary, but at least 4 times a year, in order to perform its duties effectively.

Company executives may participate in the meeting of the Committee, provided that, depending on the field of their duties, their participation is deemed necessary for the effective operation of the Committee. The role of these persons is to carry out studies, suggest or provide clarification on the issues discussed in the Committee.

Responsibilities of the Committee

The Committee has, inter alia, the following responsibilities:

- Promotes and monitors the integration of ESG criteria into business strategy and decision-making.
- Examines the Sustainable Development Policy and other policies related to issues within its competence, as well as their revisions, and proposes them to the Board of Directors for approval.
- Monitors the implementation of the Sustainable Development Policy and other ESG policies.
- Monitors the materiality analysis process.
- Examines the content of the Company's annual report on ESG issues contained in the annual and CSR reports and proposes them to the Board of Directors for approval.
- Approves the Company's strategic goals for carbon dioxide (CO_2) emission reduction, water management, and other ESG issues and proposes them to the Board of Directors for approval. At the same time, the Committee is informed about the implementation plan for the achievement of these objectives and informs the Board of Directors.
- The Committee is informed about the Company's participation in ESG management programs, such as TCFD, SBTi, CBT.
- The Committee informs the Board of Directors on matters falling within the Committee's competence and proposes measures for improvement if necessary.
- The Committee monitors new developments on ESG issues in Greece and internationally and promotes their incorporation into the Company's policies.
- The Committee is informed, examines and, where appropriate, gives opinions or approves relevant issues promoted by the management.
- The Committee conducts annually reviews on its work with any suggestions for improving its operation and efficiency, by submitting a relevant summary report to the BoD.

Composition

The Board of Directors of the Company at its meeting on 24.06.2021 established the ESG Committee, the composition of which was subsequently expanded by decision of 16.07.2021. The Committee was constituted into body corporate as follows:

1. Marina Sarkisian - Ochanesoglou, Chairperson
2. Sofia Kounenaki - Efraimoglou, Member
3. Tatiana Karapanagioti, Member
4. Georgios Agrafiotis, Member

After the resignation of Ms Sofia Kounenaki Efraimoglou, the Board of Directors of the Company at its meeting of 31 July 2024 decided that the ESG Committee will continue its work with a three-member composition, as, according to its Operating Regulations, the replacement of the resigned member is not required.

Following the meeting of the Board of Directors of the Company held on 28.11.2024 and its decision to replace the resigned members of the Company's Committees following the change of control due to the acquisition by "Masdar Hellas" of 70% of the shares of TERNA ENERGY, the ESG Committee, was restructured as follows:

1. Marina Sarkisian - Ochanesoglou, Chairperson, Independent Non-Executive member of the BoD
2. Ahmed Abdelrahim Yousif Mohamed Alawadhi, Non-Executive member of the BoD
3. Nikolaos Meitanis, Non-Executive member of the BoD
4. Tatiana Karapanagioti, Non-Executive member of the BoD

Activities of the ESG Committee for 2024

The ESG Committee during 2024 met one (1) time with a full quorum.

4. Detailed CVs of BoD members, BoD committee members, BoD Secretary and senior executives

Georgios Peristeris

In 1980 he received a degree in Civil Engineering from NTUA. His activity with TERNA S.A. began in 1981. From 1982-1984 he was Director of Construction of major Hydraulic and Railway projects. In 1984 he assumed the duties of Chairman and CEO of TERNA S.A. Since 1997 he has been developing intense business activity in the field of Renewable Energy Sources (RES). In fact, in the same year he founded TERNA ENERGY S.A. where he has served as Chairman and from 2000 until today he is Chairman of the Hellenic Association of Renewable Energy Producers (ESIAPE). The Association is a founding member and is represented in the Board of Directors of the respective European Renewable Energies Federation (EREF).

Emmanouil Maragoudakis

He holds a degree in Mechanical Engineering from Newcastle University, UK and a Master's degree in Production Management and Construction Technology from the University of Strathclyde, Scotland. He started his professional career as a factory manager at VIDOMET S.A., where he worked from 1980 to 1988. From 1988 to 1989 he was plant manager at Sabo S.A., specializing in the manufacture and installation of mechanical equipment. From 1988 to 2013 he was the CEO of VIOMEK S.A. In 1997 he started his collaboration with the Group and today he holds the position of CEO.

Georgios Mergos

He 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. Before joining 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 IOBE, consulting with International Organizations and as an Expert with the European Commission (DG External Relations), on development cooperation issues 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.

Marina Sarkisian Ochanesoglou

Ms. Sarkisian Ochanesoglou holds a degree in Civil Engineering from the Imperial College of Science, Technology and Medicine in London and an MSc in Environmental Engineering from the same university. Since May 2020 she is a Member of the Board of Directors of Cenergy Holdings. She has more than twenty years of experience in environmental management and climate change. She worked for 15 years at the Environmental Service of Athens International Airport S.A. in positions of responsibility in Climate Change, Air Quality and Aviation Noise. Previously, she has worked as an independent environmental consultant (1994-1997) with Ecos Meletitiki and Panagopoulos & Associates, participating in a wide range of Environmental Impact Assessment Studies for infrastructure projects and other studies.

Tatiana Karapanagioti

Ms. Karapanagioti is the founder and CEO of FULLVIEW, a strategic communications company with clientele from the banking, industrial and wider business sectors. She is also currently Chairman of the Civil Non-Profit Society, Journalism Initiative, Member of the Advisory Board of ELIAMEP, Member of the Advisory Board of DESMOS, Member of the Board of Directors of the Association of Friends of Music and Member of the Board of Directors of insidestory.gr. She has received the Gold Medal of Honour from the Republic of Austria in 2018. She has served as Minister of Culture and Tourism in the caretaker Government of Pikrammenos, May-June 2012, as well as Member of Parliament, February-April 2012. She has extensive experience as a Communication Consultant, 09/2011-12/2017. As founder and CEO of FULLVIEW, she has deep knowledge and long experience in communication, media relations and perception of the operation of the State and market operators. Previously, as Executive Producer of LYNX PRODUCTIONS, 09/2005-08/2011 she was involved in the production of journalistic and informative programs in collaboration with private and public television channels. Also, as founder and CEO of URGH PRODUCTIONS, Founder and CEO, 09/2005-09/2015 in the production of educational and cultural documentaries in collaborations with private and public television channels, with the Athens Concert Hall (Athens Concert Hall), the Lambrakis Foundation, etc. She was editor of THEATIS MAGAZINE, 2005-2006, editor of SALVO PUBLICATIONS, ROYAL COLLEGE OF ART, London, 2001-2003 and participated in solo and group photography exhibitions, Athens & London, 2000-2010.

Abdulaziz Mohamed Abdulla Alobaidli AlHammadi

Mr. Abdulaziz Alobaidli is Chief Operating Officer at Masdar for the Renewable Energy portfolio, as well as Engineering, Supply Chain and Energy Services. Mr. Alobaidli previously served as General Manager at Masdar's subsidiary, Shams Power Company, from 2015 to 2018.

Mr. Alobaidli has worked for TAQA since 2018, leading the domestic power and water generation business, where he oversaw a portfolio of 22.4 gigawatts of capacity and 1120 million imperial gallons per day.

With over 16 years of experience in the energy and utilities sector, including renewable energy, Mr. Alobaidli has served on the boards of several water generation and desalination companies in the UAE and the Middle East.

During his career, Mr. Alobaidli has been involved in a number of renewable energy projects, including the Shams 1 CSP project, the Noor Abu Dhabi PV project and, most recently, the Al Dhafra PV project.

Mr. Alobaidli holds an M.Sc in Energy Engineering (specializing in power plant technology) from RWTH Aachen University in Germany and a B.Sc in Mechanical Engineering from UAE University. He received the Emirates Energy Award in 2013 and was a member of the Review Committee of the Zayed Future Energy Prize.

Mohammed Mazin Khan

As Chief Financial Officer of Masdar, Mazin Khan has over 20 years of invaluable experience in the utilities and renewable energy sectors. With a focus on business and financial strategy, corporate and project finance, commercial negotiations and business development activities, Mazin has a proven track record of financial success in complex and dynamic environments.

Prior to joining Masdar, Mr. Khan held various senior finance positions, including roles at Abu Dhabi National Energy Company (TAQA), PwC Canada and Ernst & Young Middle East. During his tenure at these organizations, Mazin played a key role in formulating financial strategies, managing corporate and project finance and overseeing various financing and risk management initiatives.

Mr. Khan is an experienced financial professional and a Chartered Accountant certified by the Institute of Chartered Accountants in England and Wales. He is also a member of the Association of Chartered Certified Accountants, bringing a breadth of financial experience and leadership to the Masdar team.

Dr. Nikolas Meitanis

Dr Nikolas Meitanis joined Masdar in 2010 to work on the Abu Dhabi Carbon Capture and Storage Network project and other carbon market related activities. Over the years he has held various commercial, investment management and strategy roles. Most recently, Dr. Meitanis supported Masdar's CEO and C-suite on various initiatives including strategy formulation, business development, stakeholder engagement and held various management responsibilities.

Dr. Meitanis holds a Ph.D. in low energy nuclear physics from the Massachusetts Institute of Technology.

Faisal Tahir Bhatti

Business development specialist with proven experience in sourcing, structuring and financing complex deals with a proven track record of achieving exceptional results with over US$1.5 billion of new development deals and over US$1 billion of loans and refinancings closed since joining Tabreed in 2014.

Certified Chartered Accountant with experience in Business Development, Finance, Financial Planning, Investor Relations, Accounting, Strategy Development, Project Finance, Debt Restructuring, M&A and IFRS.

Ahmed Abdelrahim Yousif Mohamed Alawadhi

As Director of Business Development & Investment at Masdar, Mr. Ahmed Al Awadhi has 20 years of experience in engineering and energy with a focus on the renewable energy sector. He was involved in the establishment of EON Masdar Integrated Carbon, a joint venture between Masdar and EON. On secondment from Masdar to the UAE Ministry of Energy, he led the organisation and establishment of clean energy and climate change services at the Ministry. As Masdar's Director of Business Development and Investment, he is responsible for implementing Masdar's growth strategy through overseeing Masdar's local and global clean energy business and project origination, development and investment activities.

Nikolaos Kalamaras

Mr. Kalamaras is a graduate of the Athens School of Economic and Commercial Sciences (former 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 in 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 Nominations Committee, the Audit Committee of the same company and

Chairman the Audit Committee of its subsidiary, TERNA ENERGY SINGLE MEMBER FINANCE SOCIETE ANONYME. 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.

Dimitra Chatziarseniou

Ms. 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 Corporate Secretary of GEK TERNA S.A. and TERNA ENERGY SA. She 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 esteemed 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.

External professional commitments of the BoD members.

FULL NAME	EXTERNAL PROFESSIONAL COMMITMENTS
PERISTERIS GEORGIOS	Chairman and CEO of GEK TERNA SA
MERGOS GEORGIOS	• Member of the BoD of IOBE • Member of the BoD of Maniatakeio Institute • Member of the BoD of FRIGO DEBTCO PLC
MARAGOUDAKIS EMMANOUIL	• CEO of ENERMEL S.A. • Chairman of the BoD of EKAPEK S.A. • Chairman of the BoD of ENVIRONMENTAL PEL/SOU MAE
SARKISIAN MARINA	Independent Non-Executive Member of the BoD of Cenergy Holdings
KARAPANAGIOTI TATIANA	CEO FULLVIEW MAE

5. 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 control 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 determines the operating framework of internal audit, approves the procedures for conducting and evaluating its results and decides on its staffing, 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 department, which is independent, does not belong hierarchically to any other organizational unit and is supervised by the Company's Audit Committee.

The contribution of the Audit Committee evaluates the adequacy and efficiency of the 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.

5.1 Risk Assessment Report – consequences of any findings – Management response

The Company is driven by continuous sustainable development and the continuous expansion of its portfolio both in RES and in new areas of activity. Equity, fairness, inclusion, entrepreneurship, integrity, personal participation and informed decision-making are the basic operating principles of the 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.

Risk Management Policy

The Company has an internal control, quality assurance and risk management system. The Company has also established a separate Risk Management Policy, which is posted on its official website at https://www.terna-energy.com/enimerosi-ependyton/ir-etairiki-diakyvernisi/diacheirisi-kindynon/, which also applies to the preparation of the Company's and the Group's Financial Statements. Also, the implementation manual of the Internal Rules of Operation describes the risk management policy and procedures.

The Risk Manager 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 Risk Management Unit(RMU).

Divisions-General prepare and submit to the Risk Manager studies that capture the most significant risks, taking into account the following levels of consideration:

- Identifying, analyzing, assessing and managing risks in project development, construction and operation
- Portfolio management in terms of operating and general administrative expenses,
- Portfolio management in the company's fields of activity
- Management of enterprise risks through processes at Group level.

The Risk Management Unit, incorporating a holistic approach, worked closely with the Compliance Officer to create specialized registries.

IT and Information Security

Information security is a priority for the Company. Administratively, the monitoring of actions to strengthen the Company's IT and Information Security system has been assigned to the Deputy CEO, Mr. G. Agrafiotis. In the Company, the use of artificial intelligence is carried out responsibly and in full compliance with the principles of ethics and data protection. Currently, the Company has two Microsoft 365 Copilot licenses, which are used exclusively for experimental purposes. According to Microsoft, Microsoft 365 Copilot complies with strict privacy and security standards, ensuring that the organization's data is not used to train artificial intelligence models.

Risk Management in the preparation of Financial Statements

Risk management during the preparation of corporate and consolidated Financial Statements is implemented at three levels of control and risk management until their preparation by the Controller. The financial statements are then forwarded to the Director of Financial and Administrative Services for review and approval.

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

It should be noted that the Group-wide launch of SAP S/4HANA automatically implements a series of controls and ensures that a wide range of risks are addressed in the preparation of financial statements.

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 (intermediate, biannual and annual) following and updating by the Director of Financial and Administrative Services, it recommends to the Board of Directors their approval and their signature and publication.

5.2 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 control systems.

In the financial year 2024, the Audit Committee: (a) Monitored the Internal Audit, Risk Management and Compliance functions to ensure the correctness of their operation and their independence. (b) Monitored the adequacy and effectiveness of the Internal Audit System and, taking into account the content of the audit reports of the Internal Audit Unit, submitted relevant recommendations to the Board of Directors for its further improvement and reinforcement. (c) Monitored the Risk Management process and, taking into account the Risk Management reports, submitted recommendations to the Board of Directors regarding the identification, assessment and management of risks. (d) Monitored the compliance procedures of the Company and the Group with the laws and regulations regulating its organization, operation and activities and, taking into account the reports of the Compliance Unit, submitted recommendations to the Board of Directors regarding the revision of the Company's internal regulatory framework.

The Internal Audit Unit submitted to the Audit Committee, and through it to the Board of Directors, the Annual Audit Project Plan for 2025, which was prepared on the basis of a risk assessment and was prepared in accordance with §5, article 15 of Law 4706/2020 and which may be revised during the financial year.

6. REMUNERATION REPORT OF THE MEMBERS OF THE BOARD OF DIRECTORS OF THE COMPANY "TERNA ENERGY SOCIETE ANONYME INDUSTRIAL COMMERCIAL TECHNICAL " FOR THE FINANCIAL YEAR 1.1.2024 – 31.12.2024.

Introduction

This Remuneration Report has been prepared by the Remuneration Committee of the Company "TERNA ENERGY SOCIETE ANONYME INDUSTRIAL COMMERCIAL TECHNICAL " (hereinafter: the Company), in accordance with the provisions of article 112 of the law. 4548/2018 and provides to shareholders an overview of the remuneration of the members of the Board of Directors of the Company for the financial year 1.1.2024 – 31.12.2024. The remuneration of the members of the Board of Directors complies with the approved Remuneration Policy and the applicable legislation.

The Remuneration Committee consists of three (3) non-executive members of the BoD, the majority of whom are independent and the Chairman of the Committee is an independent, non-executive member.

The Remuneration Committee consists of the following members:

1. Mr. Georgios Mergos, Chairman, Independent Non-Executive Member of the BoD
2. Mrs. Marina Sarkisian – Ochanesoglou, Independent Non-Executive Member of the BoD
3. Mr. Ahmed Abdelrahim Yousif Mohamed Alawadhi, Non-Executive Member of the BoD

The Remuneration Committee:

- Ensures that the Company has a clear, objective, well-documented and transparent Remuneration Policy in accordance with applicable legislation and is consistent with the Company's business strategy, market conditions, profile and risk appetite and does not encourage excessive and short-term risk-taking.
- Formulates proposals to the Board of Directors regarding the range of remuneration of persons falling within the scope of the Remuneration Policy, in accordance with article 110 of Law 4548/2018, and regarding the remuneration of the Company's managers, and in particular the head of the internal audit unit, and makes a relevant recommendation to the Board of Directors, which decides on them or proposes to the General Assembly.
- Monitors the implementation of the Remuneration Policy.
- Supervises compliance with the relevant decisions regarding the remuneration of persons falling within the scope of the Remuneration Policy, at least as defined by applicable law.
- Examines and submits proposals for general guidelines as well as appropriate policies and practices regarding the formulation of the remuneration framework of employees, Board members and managers.
- Examines the information included in the final draft of the annual remuneration report, providing an opinion to the Board of Directors before its submission to the General Assembly.
- Examines and submits proposals to the Board of Directors regarding stock option programs, stock awards, additional retirement benefit programs and any other long-term reward programs.
- Examines and advises the Board of Directors on policies and systems for determining annual fixed and variable remuneration and benefits at all levels of the Company.
- Monitors the effectiveness of the Company's Remuneration Policy in relation to attracting and retaining BoD members of recognized prestige and experience and competent management executives.
- It may use the services of external consultants in cases where it deems it necessary for the preparation of studies or projects related to its responsibilities.
- It ensures that the approach adopted by each non-listed subsidiary of the Group in relation to remuneration complies with the principles of the Company's Remuneration Policy.
- Examines and submits proposals to the Board of Directors regarding the total size of annual variable remuneration.
- Submits proposals to the Board of Directors for business strategies in the part of their connection with remuneration.
- It may invite managers and members of the Board of Directors to its meetings, in order to ensure that it receives comprehensive information for the proper fulfillment of its duties.

The Company's Remuneration Policy, as revised by the decision of the Annual General Assembly of shareholders of June 23, 2021, is posted on the Company's website.

Annual Remuneration Report of BoD members

According to article 112 of Law 4548/2018, the Board of Directors of the Company is obliged to prepare a clear and comprehensible remuneration report, which contains a comprehensive overview of the total remuneration regulated in the Remuneration Policy for the last financial year and the information required at least by the above article 112 of Law 4548/2018, as in force from time to time.

The report also includes all kinds of allowances granted or due to persons whose remuneration has been included in the Remuneration Policy during the last financial year, regardless of whether they are newly elected or older members of the Board of Directors.

The remuneration report is submitted for discussion to the Annual General Assembly of shareholders as the subject of the agenda. The vote of the shareholders on the remuneration report is advisory.

The remuneration report covers, on the one hand, (i) the existing rights of the members of the Board of Directors and the respective General Managers and the Company's obligations towards the above persons and, on the other hand, (ii) the terms under which remuneration will be provided to existing BoD members, taking into account the salary and working conditions of employees.

This Remuneration Report aims to review compliance with the approved Remuneration Policy, the current legislative framework and to enhance transparency regarding the payment of all types of remuneration in a way that is understandable, clear and comprehensive. In particular, this Remuneration Report:

- Presents in a transparent manner the structure of all kinds of remuneration covered by the Remuneration Policy.
- Contributes to the dissemination and consolidation of the principles of transparency, meritocracy, justice, proportionality in the implementation of the remuneration framework from the top to the bottom of the organization, taking into account the type and level of each remuneration with the importance and weight of the responsibilities of each position and the performance of each executive.
- Demonstrates the Company's ability to formulate and implement competitive remuneration packages, which are in line with market practices and at the same time are capable of attracting or retaining capable and remarkable executives within corporate structures.
- Notes the reasonable and fair level of remuneration that should aim to create goodwill both in the long term and through the achievement of shorter-term objectives with a view to preventing decisions with excessive business risk and maintaining viability and profitability.
- Provides information on the total remuneration that has been granted or paid, broken down into their individual components, the distinct recording of fixed and any variable remuneration, including the control of any remuneration referred to in paragraph 2 of article 109 of Law 4548/18 and the way in which the total remuneration complies with the approved Remuneration Policy.
- Monitors the general implementation of the basic guidelines for the management and payment of remuneration to the members of the Board of Directors, the CEO and the General Managers in accordance with the Company's Organizational Chart and the approved Remuneration Policy.
- Examines cases of conflict of interest.

This Remuneration Report refers to the Members of the Board of Directors and the General Manager as provided for in the provisions of article 112 of Law 4548/2018.

The remunerations recorded include both the fixed part and any variable part of the remuneration. These reflect all kinds of remuneration from any company consolidated in the Group, as defined in article 32 of Law 4308/2014. Finally, there was no record of the existence or use of any possibility to recover variable remuneration. Pursuant to Article 112 of the Treaty, 2 (g) of Law 4548/2018, no deviations from the approved Remuneration Policy according to article 110 par. 7 were found. Therefore, explanations are not required for exceptional circumstances, in respect of which a deviation from the Remuneration Policy has occurred.

(Amounts in thousands of Euros unless mentioned otherwise)

Approved remuneration based on remuneration policy

The Executive Chairman and the Chief Executive Officer, as members of the BoD, may receive annually a fixed remuneration of the A+ scale defined below, taking into account the payments pursuant to article 5.1(b.1) of the Remuneration Policy. The upper limit of total fixed remuneration for the Executive Chairman is set at € 1.000.000. The remuneration may come entirely from BoD fees or from the sum of (a) remuneration of a fixed relationship of scale A+ as defined in the Remuneration Policy and up to the amount determined by a relevant decision of the Board of Directors and (b) remuneration of a BoD member.

Executive members of the Board of Directors who receive remuneration from other roles within the Company, as members of the Board of Directors and members of committees of the Board of Directors receive a fixed remuneration per year, which is calculated in the total annual sum of their fixed remuneration.

In case the Company wishes to proceed with the preparation of a service contract or any other special relationship of article 109 par.3 of Law 4548/2018, where fees will be paid to a person governed by the Remuneration Policy, the provisions of articles 99-101 of Law 4548/2018 will apply.

In addition, the executive members of the Board of Directors who hold roles and managerial positions either in the Company or in Group companies and are paid either as employees through relevant contracts signed with these legal entities, or as freelancers through contracts for the provision of services or work on a regular basis, have in any case the same rights and obligations to fixed remuneration, compensation and severance clauses, variable remuneration and benefits, in full compliance both in terms of social security, tax and labor legislation, as well as in terms of corporate governance legislation.

The Executive Members of the Board of Directors may be paid in total for their services to companies of the Group, with annual fixed remuneration falling within the ranges from B (from € 40.000 to € 100.000), A (from € 60.000 to € 160.000) to A + (from € 120.000).

The remuneration table of the Members of the Board of Directors as well as the respective remuneration of those provided by the Company's Remuneration Policy is presented.

FULL NAME	POSITION	SCALE OF FIXED GROSS REMUNERATION OF BOD MEMBERS	COMMITTEES	VARIABLE FEES
Peristeris Georgios	Chairman	A+	-	do not exceed 100% of the constants
Maragoudakis Emmanouil	CEO	A+	-	do not exceed 100% of the constants
Spyrou Georgios	Executive Director	A	-	do not exceed 100% of the constants
Gourzis Michael	Non-executive member, Member of the Audit Committee	up to 40.000 €	up to 10.000 € per committee	-
Mergos Georgios	Independent non-executive member, Chairman of the Audit Committee, Member of the Remuneration Committee	up to 40.000 €	up to 10.000 € per committee and up to 30.000 € as Chairman	-

(Amounts in thousands of Euros unless mentioned otherwise)

			of the Audit Committee	
Kalamaras Nikolaos	Member of the Audit Committee, Specialist in Auditing-Accounting	-	Up to 30.000 €	-
Aristotelis Spiliotis	Executive Member	-	-	-
Nikolaos Voutychtis	Non-executive member, Member of the Nominations Committee	up to 40.000 €	up to 10.000 € per committee	-
Tatiana Karapanagioti	Independent non-executive member, Member of the ESG Committee	up to 40.000 €	up to 10.000 € per committee	-
Andreas Taprantzis	Independent non-executive member, Chairman of the Remuneration Committee & Member of the Audit Committee	up to 40.000 €	up to 10.000 € per committee	-
Marina Sarkisian - Ochasenoglou	Independent non-executive member, Chairperson of the ESG Committee, Member of the Nominations Committee	up to 40.000 €	up to 10.000 € per committee	-
Sofia Kounenaki Efraimoglou	Independent non-executive member, Chairman of the Nominations Committee & Member of the ESG Committee	up to 40.000 €	up to 10.000 € per committee	-

In addition to the above, all Board Members are provided with Additional Benefits that include liability insurance, participation in the Company's Group Health Insurance Policy, coverage of corporate expenses, coverage of travel expenses and overnight stays for Independent Non-Executive Members of the Board of Directors residing outside Athens. No company car is provided to the members of the Board of Directors with the exception of the CEO of the Company. Further, to certain members of the Board of Directors as well as to the General Manager, the Company also provides a credit card for the sole purpose of paying expenses incurred on behalf of the Company in accordance with the table below.

Name	**Banking Institution**	**Credit limit**
Georgios Peristeris	ALPHA BANK	15.000,00
Emmanouil Maragoudakis	ALPHA BANK	15.000,00
Georgios Agrafiotis	ALPHA BANK	15.000,00

Remuneration of the Board of Directors and Committees of the Company and Group companies:

For the Executive, Non-Executive and Independent Non-Executive Members of the BoD, Fixed Annual Remuneration is provided for their participation in the BoD and their participation in the BoD Committees, which may be granted once a year from the taxed profits of the Company, as was done during the financial year 2024.

The General Assembly of 20/06/2024 approved by a majority of 92,88% of those present the payment of remuneration, pursuant to article 109 of Law 4548/2018, to the members of the Board of Directors and the members of the Company's Committees for the financial year 2023 of a total amount of € 1.370.000, from the taxed profits of the Company until the year 2023. The Table below presents the remuneration and benefits granted by the Company to the members of the Board of Directors during the year 2024:

(Amounts in thousands of Euros unless mentioned otherwise)

N/A	NAME	POSITION ON THE BOARD OF DIRECTORS	PARTICIPATION IN BOD COMMITTEES	FIXED REMUNERATION FROM TERNA ENERGY		FACILITIES			VARIABLE REMUNERATION FROM TERNA ENERGY	FIXED REMUNERATION FROM SUBSIDIARIES		VARIABLE REMUNERATION SUBSIDIARY COMPANIES	TOTAL VARIABLE REMUNERATION	TOTAL FIXED REMUNERATION	TOTAL REMUNERATION	VARIABLE REMUNERATION RATE IN TERMS OF CONSTANTS	COMMENTS
				FIXED REMUNERATION	REMUNERATION OF THE BOARD OF DIRECTORS & COMPANY COMMITTEES	COMPANY CAR	GROUP LIFE - HEALTH / LIABILITY INSURANCE POLICY	TRAVEL EXPENSES	FIXED REMUNERATION	REMUNERATION OF THE BOARD OF DIRECTORS & COMPANY	GROUP COMPANY BOD REMUNERATION	SHORT-TERM VARIABLE REMUNERATION (BONUS)					
1	Peristeris Georgios	CHAIRMAN		0	700.000	NO	NO	NO	0	0	0	0	0	700.000	700.000	0,00%	
2	Maragoudakis Emmanouil	CHIEF EXECUTIVE OFFICE	INVESTMENT	0	100.000	YES	€ 1.046	NO	0	259.800	0	0	0	359.800	359.800	0,00%	
3	Spyrou Georgios*	EXECUTIVE DIRECTOR, EXECUTIVE MEMBER		0	70.000	NO	€ 1.046	NO	0	91.400	108.000	0	0	269.400	269.400	0,00%	
4	Gourzis Michael	NON-EXECUTIVE MEMBER	REMUNERATION	0	50.000	NO	NO	NO	0	0	0	0	0	50.000	50.000	0,00%	
5	Mergos Georgios	VICE-CHAIRMAN, INDEPENDENT NON-EXECUTIVE MEMBER	CONTROL, REMUNERATION	0	90.000	NO	€ 1.046	NO	0	0	0	0	0	90.000	90.000	0,00%	
6	Kalamaras Nikolaos	NON-MEMBER OF THE BOARD	AUDIT COMMITTEE	0	20.000	NO	No insurance	NO	0	0	0	0	0	20.000	20.000	0,00%	
7	Agrafiotis Georgios	GENERAL MANAGER	ESG	0	0	NO	€ 1.046	NO	0	220.000	0	0	0	220.000	220.000	0,00%	
8	Aristotelis Spiliotis	EXECUTIVE MEMBER	INVESTMENT	0	50.000	NO	€ 1.046	NO	0	81.400	0	0	0	131.400	131.400	0,00%	
9	Nikolaos Voutychtis	NON-EXECUTIVE MEMBER	INVESTMENT, NOMINATIONS	0	60.000	NO	No insurance	NO	0	0	0	0	0	60.000	60.000	0,00%	
10	Tatiana Karapanagioti	INDEPENDENT NON-EXECUTIVE MEMBER	ESG	0	50.000	NO	No insurance	NO	0	0	0	0	0	50.000	50.000	0,00%	
11	Andreas Taprantzis	INDEPENDENT NON-EXECUTIVE MEMBER	CONTROL, REMUNERATION	0	60.000	NO	No insurance	NO	0	0	0	0	0	60.000	60.000	0,00%	
12	Marina Sarkisian - Ochasenoglou	INDEPENDENT NON-EXECUTIVE MEMBER	ESG, NOMINATIONS	0	60.000	NO	No insurance	NO	0	0	0	0	0	60.000	60.000	0,00%	
13	Sofia Kounenaki Efraimoglou	INDEPENDENT NON-EXECUTIVE MEMBER	ESG, NOMINATIONS	0	60.000	NO	No insurance	NO	0	0	0	0	0	60.000	60.000	0,00%	
	Total			0	1.370.000				0	652.600	108.000	0	0	2.130.600	2.130.600	0,00%	

*Regarding the total fixed remuneration of Mr. Spyrou for the year 2024, the increased remuneration is justified due to extraordinary increased obligations for the development of two new projects in Poland and Bulgaria.

(Amounts in thousands of Euros unless mentioned otherwise)

Variable Remuneration and Benefits:

In the context of the stock award program, the Management of the company "TERNA ENERGY S.A." informed the Investors that in order to implement the approved stock award program approved by the Extraordinary Meeting of the Company's shareholders dated December 16, 2020, and following their contribution to the achievement of financial goals, the implementation of new projects as well as the increase of the Company's profitability, were distributed to twenty-six (26) Executives a total of 250.000 New Shares resulting from share capital increases with capitalization of premium accounts and representing 0,21% of the paid-up share capital. The disposal of the shares took place through an over-the-counter transaction on 08/11/2024.

The members of the Board of Directors who received bonus shares and the number of shares they received each of them are as follows:

NAME	Number of shares
Peristeris Georgios	125.000
Maragoudakis Emmanouil	26.000
Spyrou Georgios	15.000
Agrafiotis Georgios	12.000

Comparative Table of Total Annual Remuneration of BoD Members

The Comparative Table of Total Annual Remuneration of Members of the Board of Directors of the Company, Fixed and Variable, as well as the Average Annual Gross Remuneration of Employees for the years 2020 - 2024 is presented below (article 112 par. 2 b of Law 4548/2018). The Table presents the total remuneration of the members of the Board of Directors, the EBIDTA of the Group, the taxed profits of the Group after minority interests, the Group's staff, the gross remuneration and the average annual remuneration of employees.

TOTAL REMUNERATIONS OF BoD MEMBERS		EBIDTA	NET PROFIT	EMPLOYEES	GROSS ANNUAL SALARIES	AVERAGE ANNUAL REMUNERATION
YEAR	€	GROUP* millios €	GROUP* millios €	GROUP	EMPLOYEES €	€
2024	2.130.600	210,3	70,6	447	12.339.149	27.604
2023	2.111.800	177.7	62	453	11.043.180	24.378
2022	2.088.000	115.9	21.6	427	9.905.374	23.198
2021	1.616.790	161.8	69.4	355	8.625.988	24.299
2020	1.056.984	194.7	71.8	334	8.666.236	25.947

*Gross annual remuneration includes all employees employed in both continuing and discontinued operations

Approval and Publication of the Remuneration Report

According to Art. 112 para. 3 of Law 4548/18, the remuneration report is submitted for discussion to the Annual General Assembly, as an item of the agenda. The vote of the shareholders on the remuneration report is advisory. The Board of Directors must explain in the next Remuneration Report how the above result of the vote was considered at the ordinary General Assembly.

According to Art. 112 para. 4 of Law 4548/18, this Remuneration Report together with the date and results of the advisory vote of the General Assembly is submitted to publicity formalities and remains available on the Company's website at least for as long as provided by the aforementioned provision. The Remuneration Report does not include special categories of personal data within the meaning of Article 9 para. 1 of Regulation (EU) 2016/679 of the European Parliament and of the Council (L 119/1) or personal data concerning the marital status of the members of the Board of Directors of the Company. The Company processes personal data of the members of the Board of Directors included in the Remuneration Report under article 112 for the purpose of increasing corporate transparency regarding the remuneration of the members of the Board of Directors, with the aim of enhancing the accountability of members and the supervision of shareholders over such remuneration. Without prejudice to any longer period provided for by a special provision, the Company shall not disclose personal data included in the Remuneration Report after ten (10) years have elapsed since the publication of this Remuneration Report. According to Art. 112 para. 6 of the aforementioned law, the Members of the Board of Directors have ensured that the Remuneration Report has been prepared and is planned to be published, in accordance with the requirements of the provisions of article 112 para. 6 of Law 4548/2018.

7. Sustainability Policy

The Company has a Suitability Policy for the Members of the Board of Directors, which was prepared by its Nominations 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 General Assembly of the Company's shareholders dated 23.06.2021 following the approval of the Board of Directors dated 02.06.2021 and entered into force from the date of its approval by the General Assembly. Individual amendments require re-approval by the Board of Directors, while the Review of the Policy requires a Decision of the General Assembly.

Revision is characterized by 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.

In addition, the increased monitoring needs of the framework of Corporate Governance, Risk Management, Compliance, as well as the operation of Company Sectors such as Human Resources, Information Technology, Information Security Management, Health, Safety and Environment were taken into account, with management or supervision responsibilities assigned to executive members of the BoD. At the same time, the possibility of contributing to the responsibilities and/or technical support of the Board Committees was taken into account.

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 objectives of the Company, with the aim of promoting the corporate interest.

The aim of this 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 protecting and enhancing shareholder value, rather than a typical gathering of executives who manage corporate affairs without the capacity for constructive cooperation and growth prospects.

The Policy takes into account best practices and is harmonized 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 efficiency in the selection and during the term of office of the members of the Board.

Furthermore, during the preparation of the Policy, the size, internal organization, risk appetite, nature, scale and complexity of the Company's activities were taken into account, which during 2024 included, but not limited to, the sectors of construction, concessions, energy, real estate management and development, mining, waste management, services, PPP projects, the operation of large infrastructure projects.

The guiding principles governing this policy are as follows:

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

8. Diversity policy

The Company has and implements a diversity policy in order to promote an appropriate level of differentiation in the Board of Directors and a diverse group of members. The Policy is based on 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 the existence of diversity allows the Company to exploit market opportunities and effectively manage risks.

The Board can perform well if it consists of a wide range of members with diverse but complementary groups of skills or knowledge. 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 accumulation of a wide range of qualifications and skills during the selection of Board members, the 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 sole role of choice to have the criteria of individual suitability identified in this 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.

9. 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 process was drafted in the context of 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 concept 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.

10. 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 (SDGs) 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 operation 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 the 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 regarding 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 loyal 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 strengthening 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 and 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 states 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 in the corporate operation (Code of Ethics and 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 makes sure to incorporate 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 the 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.

The mandated corporate responsibility team is responsible for the effective management of Sustainable Development and corporate responsibility issues. The team consists of specialized executives coming from all key Group Divisions. The Division for Strategic Communication, Press Office, CSR and Sustainable Development has undertaken the task of coordination.

The Chairman and CEO, through the direct reference line of the Strategic Communication, Press Office, CSR and Sustainable Development Division, has undertaken the overall management / supervision of Sustainable Development issues, sealing the commitment of the Group's top management towards a sustainable operation.

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.

IV. INDEPENDENT AUDITOR'S REPORT

(Translated from the original in Greek)

To the Shareholders of
Terna Energy S.A.

Report on the Audit of the Separate and Consolidated Financial Statements

Opinion

We have audited the Separate and Consolidated Financial Statements of Terna Energy S.A. (the "Company") which comprise the Separate and Consolidated Financial Position as at 31 December 2024, the Separate and Consolidated Statements of Comprehensive Income, Changes in Equity and Cash Flow for the year then ended, and notes, comprising material accounting policies and other explanatory information.

In our opinion, the accompanying Separate and Consolidated Financial Statements present fairly, in all material respects, the separate and consolidated financial position of Terna Energy S.A. and its subsidiaries (the "Group") as at 31 December 2024 and its separate and consolidated financial performance and its separate and consolidated cash flows for the year then ended, in accordance with International Financial Reporting Standards (IFRS), as adopted by the European Union.

Basis for Opinion

We conducted our audit in accordance with International Standards on Auditing (ISA), as incorporated in Greek legislation. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Separate and Consolidated Financial Statements section of our report. We are independent of the Company and the Group in accordance with the International Ethics Standards Board for Accountants International Code of Ethics for Professional Accountants, as incorporated in Greek legislation, and with the ethical requirements that are relevant to the audit of the separate and consolidated financial statements in Greece and we have fulfilled our other ethical responsibilities in accordance with the requirements of the applicable legislation. 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 Separate and Consolidated Financial Statements of the current period. These matters and the relevant significant assessed risks of material misstatement were addressed in the context of our audit of the Separate and Consolidated Financial Statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

Impairment Assessment of non-current assets

See Notes 3.1(ii), 3.2(iv), 4.1.1 (α), 4.1.3, 4.1.4, 4.1.5, 8, 10 and 11 to the Separate and Consolidated Financial Statements.

The key audit matter	How the matter was addressed in our audit
As of 31 December 2024, the Group has recognized “Tangible Assets” amounting to EUR 1 408 million and “Intangible Assets” amounting to EUR 68 million in the consolidated financial statements which mostly concern the operating sector "Electricity and Renewable Energy Sources". In the separate financial statements as of 31 December 2024, the Company has recognized “Tangible Assets” amounting to EUR 69 million, “Intangible Assets” amounting to EUR 4 million and investments in subsidiaries amounting to EUR 360 million which are accounted for at cost, adjusted for any impairment where necessary. In accordance with IFRS, management performs impairment tests for Tangible Assets and Tangible Assets with definitive useful lives at the end of each reporting period, when indications exist that the carrying value of each Cash Generating Unit (CGU) exceeds its recoverable amount. Respectively, regarding the investments in subsidiaries, the impairment is examined when relevant indications exist. The Group assesses the recoverable amount of CGUs/subsidiaries based on value in use. The calculation of value in use requires estimates by Management relating to variables as production of electricity, the selling price of electricity, the budgeted net operating profits, earnings before financial and investing activities, depreciation and amortization and impairments, the discount	Regarding this matter, our audit procedures included, among others, the following: 1. We examined management’s assessment and analysis regarding the existence of indications of impairment of non-current assets. 2. For the CGU where indications of impairment exist, we performed the following: A. With the support of our valuation experts: i we evaluated the appropriateness of the methods applied for the identification of recoverable amount of CGUs; ii we evaluated the reasonableness of the key assumptions and estimates of future cash flows. The key assumptions that were evaluated included the electricity production, the selling price of electricity, the budgeted net operating profits revenue, the earnings before financial and investing activities, depreciation and amortization and impairments and the discount rate used in the future cash flow projections; iii we performed a sensitivity analysis on the key assumptions adopted; iv our assessment also included a comparison of the key assumptions used in management's valuation

rate and the current and future market conditions. The above estimates require significant judgement from the Management and include a level of uncertainty. Consequently, we consider the impairment assessment and the impairment exercise of non-current assets, where needed, as a key audit matter. Disclosures regarding the assumptions and the methodology used for the calculation of the impairment are important to provide clarity to the separate and consolidated financial statements.	models, with external data and market trends, our knowledge of the Company and the industry as well as the assumptions used in the previous year and v we confirmed the mathematical accuracy of discounted cash flow models for the identification of value in use of CGUs. B. We evaluated the reliability of management's estimates during the preparation of the business plans, by comparing the previous budget and estimates to the actual performance of the CGUs. We assessed the reasons for any deviations and we evaluated their potential impact on future performance. C. Finally, we assessed the appropriateness and the adequacy of the related disclosures in the separate and consolidated financial statements, regarding the above issues.

Other mater

The Separate and Consolidated Financial Statements of Terna Energy for the prior year ended 31 December 2013 were audited by another audit firm for which the Certified Auditor issued an audit report on 29 April 2024 expressing an unmodified opinion.

Other Information

The Board of Directors is responsible for the other information. The other information comprises the information included in the Board of Directors' Report, for which reference is made in the "Report on Other Legal and Regulatory Requirements" and the Declarations of the Members of the Board of Directors but does not include the Separate and Consolidated Financial Statements and our Auditor's Report thereon.

Our opinion on the Separate and Consolidated Financial Statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the Separate and Consolidated Financial Statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the Separate and Consolidated Financial Statements, or our knowledge obtained in the audit, or otherwise appears to be materially misstated. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Responsibilities of the Board of Directors and Those Charged with Governance for the Separate and Consolidated Financial Statements

The Board of Directors is responsible for the preparation and fair presentation of the Separate and Consolidated Financial Statements in accordance with IFRS as adopted by the European Union, and for such internal control as the Board of Directors determines is necessary to enable the preparation of separate and consolidated financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the Separate and Consolidated Financial Statements, the Board of Directors is responsible for assessing the Company's and the Group'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 Board of Directors either intends to liquidate the Company and the Group or to cease operations, or has no realistic alternative but to do so.

The Audit Committee of the Company is responsible for overseeing the Company's and the Group's financial reporting process.

Auditor's Responsibilities for the Audit of the Separate and Consolidated Financial Statements

Our objectives are to obtain reasonable assurance about whether the Separate and Consolidated Financial Statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditors' 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 which have been incorporated in 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 influence the economic decisions of users taken on the basis of these Separate and Consolidated Financial Statements.

As part of an audit in accordance with ISAs, which have been incorporated in 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 separate and consolidated 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 the Board of Directors.
- Conclude on the appropriateness of the Board of Directors' 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 and the Group's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditors' report to the related disclosures in the Separate and Consolidated 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 auditors' report. However, future events or conditions may cause the Company or the Group to cease to continue as a going concern.
- Evaluate the overall presentation, structure, and content of the Separate and Consolidated Financial Statements, including the disclosures, and whether the separate and consolidated financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- Plan and perform the group audit to obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Group to express an opinion on these Group Financial Statements. We are responsible for the direction, supervision and review of the audit work performed for purposes of the group audit. We remain solely responsible for our audit opinion.

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 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 Separate and Consolidated Financial Statements of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

Report on Other Legal and Regulatory Requirements

1 Board of Directors' Report

The Board of Directors is responsible for the preparation of the Board of Directors' Report and the Corporate Governance Statement that are included in this report. Our opinion on the financial statements does not cover the Board of Directors' Report and we do not express an audit opinion thereon. Our responsibility is to read the Board of Directors' Report and, in doing so, consider whether, based on our financial statements audit work, the information therein is materially misstated or inconsistent with the financial statements or our audit knowledge. Based solely on that work pursuant to the requirements of paragraph 1, cases aa, ab and b of article 154C of Law 4548/2018, we note that:

(a) The Board of Directors' Report includes a Corporate Governance Statement which provides the information set by Article 152 of Law 4548/2018.

(b) In our opinion, the Board of Directors' Report has been prepared in accordance with the applicable legal requirements of Articles 150 and 153 of Law 4548/2018 and its contents correspond with the accompanying Separate and Consolidated Financial Statements for the year ended 31 December 2024.

(c) Based on the knowledge acquired during our audit, relating to Terna Energy S.A. and its environment, we have not identified any material misstatements in the Board of Directors' Report.

2 Additional Report to the audit Committee

Our audit opinion on the Separate and Consolidated Financial Statements is consistent with the Additional Report to the Audit Committee of the Company dated 17 March 2025, pursuant to the requirements of article 11 of the Regulation 537/2014 of the European Union (EU).

3 Provision of non-Audit Services

We have not provided to the Company and its subsidiaries any prohibited non-audit services referred to in article 5 of Regulation (EU) 537/2014.

The permissible non-audit services that we have provided to the Company and its subsidiaries during the year ended 31 December 2024 are disclosed in Note 33 of the accompanying Separate and Consolidated Financial Statements, respectively.

4 Appointment of Auditors

We were appointed for the first time as Certified Auditors of the Company based on the decision of the Annual General Shareholders' Meeting dated 20 June 2024.

5 Operations Regulation

The Company has an Operations Regulation in accordance with the content provided by the provisions of the article 14 of Law 4706/2020.

6 Assurance Report on the European Single Electronic Reporting Format

Subject Matter

We were engaged to perform a reasonable assurance engagement to examine the digital files of the company Terna Energy S.A. (the Company or/and Group), which were prepared in accordance with the European Single Electronic Format (ESEF) and that include the Separate and Consolidated financial statements of the Company and the Group for the year ended as at 31 December 2024 in XHTML format (5493006164JBW2E60O73-2024-12-31-en.xhtml), and also the file XBRL (5493006164JBW2E60O73-2024-12-31-en.zip) with the appropriate mark up of the those consolidated financial statements, including other explanatory information (Notes to the Financial Statements) (hereafter 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 defined by the European Commission Delegated Regulation (EU) 2019/815, as in force (hereafter “the ESEF Regulation”) and the 2020/C 379/01 Commission Interpretative Communication issued on 10 November 2020, as required by the Law 3556/2007 and the relevant announcements of the Hellenic Capital Markets Commission and the Athens Stock Exchange.

In summary, these Criteria provide, among others, the following:

All the annual financial reports must be prepared in XHTML format.

With respects to the consolidated financial statements based on International Financial Reporting Standards (IFRS), the financial information that is included in the Consolidated Balance Sheet, Consolidated Statements of Income and Comprehensive Income, Changes in Equity and Cash Flow, as well as in the Notes to the Consolidated Financial Statements, must be marked up with XBRL tags and “block tag”, in accordance with the ESEF Taxonomy, as in force. The technical requirements for the ESEF, including the relevant taxonomy, are included in the ESEF Regulatory Technical Standards.

Responsibilities of the Board of Directors and those charged with governance

The Board of Directors is responsible for the preparation and filing of the Separate and Consolidated Financial Statements of the Company and the Group, for the year ended as at 31 December 2024, in accordance with the Applicable Criteria and for such internal control as the Board of Directors determines is necessary to enable the preparation of digital files that are free from material misstatement, whether due to fraud or error.

Auditors’ Responsibilities

Our responsibility is to issue this Report regarding the evaluation of the Subject Matter, based on our work performed, which is described below in the “Scope of Work Performed” section.

Our work was conducted in accordance with International Standard on Assurance Engagements 3000 (Revised) “Assurance Engagements Other than Audits or Reviews of Historical Financial Information” (hereafter “ISAE 3000”).

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

We believe that the evidence we have obtained is sufficient and appropriate and support the conclusion expressed in this assurance report.

Professional ethics and quality management

We are independent of the Company and the Group, throughout this engagement and have complied with the requirements of the International Code of Ethics for Professional Accountants issued by the International Ethics Standards Board for Accountants, the ethics and independence requirements of Law 4449/2017 and Regulation (EU) 537/2014.

Our firm applies 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 consequently maintains a comprehensive quality management system that includes documented policies and procedures regarding compliance with ethical requirements, professional standards and applicable legal and regulatory requirements.

Scope of work performed

The assurance work we performed covers only the items included in the 214/4/11-02-2022 Decision of the Hellenic Accounting and Auditing Standards Oversight Board and the Guidelines for the assurance engagement and report of Certified Auditors on the European Single Electronic Reporting Format (ESEF) of issuers with shares listed in a regulated market in Greece”, as these were issued by the Institute of Certified Public Accountants of Greece on 14 February 2022, in order to obtain reasonable assurance that the financial statements of the Company that are prepared by the Board of Directors of the Company comply in all material respects with the Applicable Criteria.

Conclusion

Based on the procedures performed and the evidence obtained, we express the conclusion that the Separate and Consolidated Financial Statements of the Company and the Group for the year ended as of 31 December 2024 in XHTML format (5493006164JBW2E60O73-2024-12-31-en.xhtml), and the XBRL file (5493006164JBW2E60O73-2024-12-31-en.zip) marked up with respects to the Consolidated Financial Statements,including the other explanatory information (Notes to financial statements), have been prepared, in all material respects, in accordance with the requirements as defined in the Applicable Criteria.

Athens, 20 March 2025

KPMG Certified Auditors S.A.
AM SOEL 186

Anastasios Kyriacoulis, Certified Auditor Accountant
A.M. SOEL 39291

ANNUAL SEPARATE AND CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED AS AT DECEMBER 31st, 2024 (1 January 2024-31 December 2024)

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

The accompanying annual separate and consolidated financial statements were approved by the Board of Directors of TERNA ENERGY S.A. as of 20/03/2025 and have been published on the Company's website www.terna-energy.com**,** as well as on the Athens Stock Exchange's website.

The annual financial statements of consolidated subsidiaries in compliance with the Decision of the Board of Directors of Hellenic Capital Market Commission Num. 8/754/14.4.2016, as amended on 23/9/2020, are posted at www.terna-energy.com.

(Amounts in thousands of Euros unless mentioned otherwise)

CONSOLIDATED AND SEPARATE STATEMENT OF FINANCIAL POSITION AS OF DECEMBER 31st, 2024

		GROUP		COMPANY	
	Note	31/12/2024	31/12/2023	31/12/2024	31/12/2023
ASSETS					
Non-current assets					
Intangible assets	8	68.443	69.762	3.594	2.533
Tangible assets	10	1.408.238	1.332.557	68.844	62.758
Right-of-use assets	9	35.348	30.830	24.253	22.897
Investement in subsidiaries		–	–	360.364	354.831
Investment in joint ventures		1	4.164	168	4.476
Other long-term receivables	14	2.582	5.631	111.962	138.352
Receivables from derivatives	22	13.858	17.810	1.000	3.082
Financial Assets – Concessions	7	–	60.558	–	–
Investments in equity interests		4.050	5.268	4.050	5.268
Deferred tax assets	31	23.205	21.875	10.338	9.228
Total non-current assets		**1.555.725**	**1.548.455**	**584.573**	**603.425**
Current assets					
Inventories		10.822	9.632	5.572	6.036
Trade receivables	16	27.248	78.825	84.097	114.889
Receivables from contracts with customers	18	27.610	44.179	3.523	13.246
Prepayments and other receivables	17	118.823	131.748	22.753	31.960
Income tax receivables		3.047	4.767	1.670	1.830
Other short-term investments		3.923	7.549	3.923	3.221
Receivables from derivatives	22	2.550	5.650	286	525
Cash and cash equivalents	19	241.111	248.027	53.123	53.082
Total current assets		**435.134**	**530.377**	**174.947**	**224.789**
TOTAL ASSETS		**1.990.859**	**2.078.832**	**759.520**	**828.214**
EQUITY AND LIABILITIES					
Share capital	28	35.507	35.432	35.507	35.432
Share premium	28	209.120	209.195	209.120	209.195
Reserves	29	70.504	66.404	4.920	9.282
Retained earnings		172.815	184.141	22.501	79.731
Total equity attributable to the shareholders of the parent		**487.946**	**495.172**	**272.048**	**333.640**
Non-controlling interest		1.090	11.034	–	–
Total equity		**489.036**	**506.206**	**272.048**	**333.640**

(Amounts in thousands of Euros unless mentioned otherwise)

CONSOLIDATED AND SEPARATE STATEMENT OF FINANCIAL POSITION AS OF DECEMBER 31st, 2024

		GROUP		ENTITY	
	Note	**31/12/2024**	**31/12/2023**	**31/12/2024**	**31/12/2023**
Long-term liabilities					
Long-term loans	20	967.118	1.054.264	339.073	366.433
Lease liabilities	21	33.143	28.836	22.487	21.209
Liabilities from derivatives	22	11.729	9.655	645	–
Provision for staff indemnities		203	301	175	272
Other provisions	24	23.124	19.253	4.904	4.704
Grants	25	159.020	162.812	9.273	10.105
Liabilities from contracts with customers		2.536	2.646	2.536	2.646
Deferred tax liabilities	31	56.623	52.792	–	–
Other long-term liabilities		11.402	10.558	11.402	10.541
Total long-term liabilities		**1.264.898**	**1.341.117**	**390.495**	**415.910**
Short-term liabilities					
Suppliers	26	38.220	62.664	15.886	25.703
Short-term loans	20	40.609	–	40.609	–
Long-term liabilities carried forward	20	99.800	112.848	20.458	14.788
Lease liabilities	21	2.208	1.990	1.547	1.472
Liabilities from derivatives	22	5.658	7.933	2.648	5.663
Liabilities from contracts with customers		8.328	8.778	2.886	13.882
Accrued and other short-term liabilities	27	30.255	29.822	12.943	17.078
Income tax payable	31	11.847	7.474	–	78
Total short-term liabilities		**236.925**	**231.509**	**96.977**	**78.664**
Total liabilities		**1.501.823**	**1.572.626**	**487.472**	**494.574**
TOTAL LIABILITIES AND EQUITY		**1.990.859**	**2.078.832**	**759.520**	**828.214**

Note:
The accompanying notes form an integral part of these Annual Separate and Consolidated Financial Statements.

(Amounts in thousands of Euros unless mentioned otherwise)

CONSOLIDATED AND SEPARATE STATEMENT OF COMPREHENSIVE INCOME OF FISCAL YEAR 2024

		GROUP		COMPANY	
	Note	01/01 - 31/12/2024	01/01 - 31/12/2023*	01/01 - 31/12/2024	01/01 - 31/12/2023*
Continuing Operations					
Revenue	32	347.104	252.216	75.037	76.518
Cost of sales		(141.654)	(102.603)	(53.682)	(61.457)
Gross profit		**205.450**	**149.613**	**21.355**	**15.061**
Administrative and distribution expenses		(47.439)	(31.113)	(31.960)	(15.265)
Research and development expenses		(6.187)	(5.371)	(6.111)	(5.124)
Other income/(expenses)	34	4.076	10.866	2.808	6.401
Operating results		**155.900**	**123.995**	**(13.908)**	**1.073**
Financial income	35	1.391	824	7.218	4.773
Financial expenses	35	(65.462)	(49.093)	(20.241)	(21.652)
Gains/(losses) from financial instruments measured at fair value		1.189	(1.912)	1.189	(1.912)
Revenue from participating interest and other investments	35	47	–	26.991	50.036
Gains/(Losses) from disposals and valuation of participations and other investments		702	507	(479)	(876)
Share of results of assosiates and joint ventures	, 12	–	(33)	–	–
Profit before tax from continuing operations		**93.767**	**74.288**	**770**	**31.442**
Income tax expense	31	(23.217)	(17.223)	2.341	2.900
Net profit for the year from continuing operations		**70.550**	**57.065**	**3.111**	**34.342**
Discontinued Operations					
Net (losses)/profit for the year from discontinued operations	6	**(36.541)**	**5.021**	**(21.114)**	**(2.332)**
Net (losses)/profit for the year from continuing and discontinued operations		**34.009**	**62.086**	**(18.003)**	**32.010**
Other comprehensive income					
Items subsequently reclassified in the Income Statement					
Foreign exchange translation differences from incorporation of foreign operations					
- Gains of the current year		811	3.241	–	–
Cash flows hedges					
-(Losses)/gains of the current year		(1.526)	(4.106)	(1.140)	12.260
-Reclassification to Income Statement		833	265	–	–
Corresponding income tax		143	855	247	(2.694)
Total		**261**	**255**	**(893)**	**9.566**
Items not subsequently reclassified in the Income Statement					
Gains from valuation of participating interest at fair value		195	176	195	176
Actuarial gains/(losses) from defined benefit plans		5	(15)	8	(3)
Corresponding income tax		(44)	(37)	(45)	(37)
Total		**156**	**124**	**158**	**136**
Other comprehensive (loss)/income for the year (after tax)		**417**	**379**	**(735)**	**9.702**
Discontinued Operations					
Other comprehensive income from discontinued operations		**(980)**	**(1.341)**	**–**	**197**
-Reclassification to Income Statement from discontinued operations		**3.008**	**–**	**–**	**–**
Total		2.028	(1.341)	–	197
Other comprehensive (loss)/income for the year (after tax)		**2.445**	**(962)**	**(735)**	**9.899**
Total comprehensive (loss)/income for the year		**36.454**	**61.124**	**(18.738)**	**41.909**

(Amounts in thousands of Euros unless mentioned otherwise)

CONSOLIDATED AND SEPARATE STATEMENT OF COMPREHENSIVE INCOME OF FISCAL YEAR 2024

	Note	GROUP	
		01/01 -31/12/2024	01/01 -31/12/2023
Net profit for the year attributed to:			
Shareholders of the parent from:			
- Continuing operations		70.426	56.680
- Discontinued operations		(37.127)	2.985
Total		**33.299**	**59.665**
Non-controlling interests from:			
- Continuing operations		124	385
- Discontinued operations		586	2.036
Total		**710**	**2.421**
Net Earnings/(losses) after taxes from Continuing Operations and Discontinued operations		**34.009**	**62.086**
Total comprehensive income for the year attributed to:			
Shareholders of the parent from:			
- Continuing operations		70.843	57.058
- Discontinued operations		(35.099)	1.645
Total		**35.744**	**58.703**
Non-controlling interests from:			
- Continuing operations		124	386
- Discontinued operations		586	2.035
Total		**710**	**2.421**
Total comprehensive income		**36.454**	**61.124**
Basic Earnings per share (in Euro) attributed to shareholders of the parent from			
- Continuing operations	30	0,59612	0,48453
- Discontinued operations	30	(0,31426)	0,02552
- Continuing Operations and Discontinued operations	30	**0,28186**	**0,51005**
Diluted Earnings per share (in Euro) attributed to shareholders of the parent from			
- Continuing operations	30	0,59612	0,48453
- Discontinued operations	30	(0,31426)	0,02552
- Continuing Operations and Discontinued operations	30	**0,28186**	**0,51005**

Note:
**The comparative figures of the Group and the Company for the financial year 2023 have been revised in order to include only continuing operations, as a consequence of the recognition of the Group's Construction and Concessions segments as discontinued operations, in accordance with the requirements of IFRS 5 "Non-current assets held for sale and discontinued operations" (see Notes 5 and 7).*
The accompanying notes form an integral part of these Annual Separate and Consolidated Financial Statements.

(Amounts in thousands of Euros unless mentioned otherwise)

CONSOLIDATED AND SEPARATE STATEMENT OF CASH FLOWS OF FISCAL YEAR 2024

	Note	GROUP		COMPANY	
		01/01 - 31/12/2024	**01/01 - 31/12/2023***	**01/01 - 31/12/2024**	**01/01 - 31/12/2023***
Cash flows from operating activities					
Profit before tax from continuing operations		93.767	74.288	770	31.442
Adjustments for reconciliation of net flows from operating activities					
Amortisation/depreciation of intangible, tangible and right-of-use assets	8, 9, 10	57.031	52.463	6.667	7.533
Grants' amortisation	25	(3.840)	(4.971)	(832)	(1.152)
Impairment		1.632	1.564	1.278	1.410
Liabilities write-off		–	(3)	–	–
Provisions	24	154	189	22	47
Interest and related income	35	(1.391)	(824)	(7.218)	(4.773)
Interest and other financial expenses	35	65.462	49.093	20.241	21.652
Results from intangible and tangible assets, investment property and right-of-use assets		148	12	–	2
Revenue from participating interest and other investments		(749)	(507)	(27.692)	(50.543)
Results from derivatives	22	(1.189)	1.912	(1.189)	1.912
Proportion in profit after income tax on associates and joint ventures	, 12	46	85	–	–
Foreign currency exchange differences	34	(532)	(1.617)	–	–
Results from Share based payments programms	29	2.313	603	2.313	603
Operating (loss)/profit before changes in working capital		**212.852**	**172.287**	**(5.640)**	**8.133**
(Increase)/Decrease in:					
Inventories		(2.338)	(1.344)	(684)	(583)
Trade receivables and receivables from contracts with customers		(42.978)	(17.473)	(23.977)	22.708
Prepayments and other short term receivables		(3.522)	3.132	(2.211)	433
Increase/(Decrease)\ in:					
Suppliers and liabilities from contracts with customers		5.056	6.468	(1.702)	(27.429)
Accrued and other short term liabilities		(15.949)	1.241	(13.958)	3.121
Other long term receivables and liabilities		(124)	(124)	(117)	(122)
Income tax paid		(13.894)	(16.954)	37	3.161
Net cash (outflows)/inflows from operating activities-continuing operations		**139.103**	**147.233**	**(48.252)**	**9.422**
Cash flows from operating activities dicontinued	7	47.743	(8.106)	33.451	(20.924)
Net cash (outflows)/inflows from operating activities		**186.846**	**139.127**	**(14.801)**	**(11.502)**

(Amounts in thousands of Euros unless mentioned otherwise)

CONSOLIDATED AND SEPARATE STATEMENT OF CASH FLOWS OF FISCAL YEAR 2024

		GROUP		ENTITY	
	Note	**01/01 - 31/12/2024**	**01/01 - 31/12/2023***	**01/01 - 31/12/2024**	**01/01 - 31/12/2023***
Cash flows from investing activities					
Acquisition of tangible and intangible fixed assets	8, 10	(110.975)	(197.794)	(14.339)	(6.479)
Disposal of tangible and intangible fixed assets	8, 10	65	36	136	11.289
Grants collected		–	1.462	–	–
Rebated grants (capital)		–	(2.868)	–	–
Interest and related income collected		1.966	766	5.866	4.726
Payments for acquisition of companies		(16.609)	(2.769)	(29.012)	(1.819)
Proceeds from changes in participating interest		–	5.498	9.339	43.746
Cash and cash equivalent of acquaried companies and of companies whose consolidation was discontinued		44	–	–	–
Payments for acquisition of shares, bonds and other securities		(454)	(4.054)	(454)	(4.054)
Disposal of shares, bonds and other securities		227	–	227	–
Dividends received		47	–	27.515	49.771
Issued loans		(1.013)	(2.491)	(1.567)	(1.318)
Proceeds from issued loans		846	–	3.524	5.488
Net cash (outflows)/inflows from investing activities-continuing operations		**(125.856)**	**(202.214)**	**1.235**	**101.350**
Cash flows from investing activities dicontinued	7	45.635	(6.482)	60.482	303
Net cash (outflows)/inflows from investing activities		**(80.221)**	**(208.696)**	**61.717**	**101.653**
Cash flows from financing activities					
Share capital return of subsidiaries to non-controlling interests		(1.052)	–	–	–
Proceeds from long term loans	20	67.358	245.682	1.000	10.800
Payments for long term loans	20	(90.617)	(138.987)	(22.942)	(33.471)
Lease liability payments	21	(3.259)	(3.108)	(2.214)	(2.229)
Proceeds from short term loans	20	107.715	–	40.000	–
Payments of short term loans	20	(68.015)	(60.000)	–	(60.000)
Dividends paid	28	(45.130)	(44.390)	(44.858)	(44.585)
Dividends paid to non controlling interest of subsidiaries	28	(797)	(445)	–	–
Interest paid		(67.070)	(61.085)	(17.536)	(18.228)
Net cash outflows from financing activities-continuing operations		**(100.867)**	**(62.333)**	**(46.550)**	**(147.713)**
Cash flows from financting activities dicontinued	7	(13.321)	(12.774)	(325)	(273)
Net cash outflows from financing activities		**(114.188)**	**(75.107)**	**(46.875)**	**(147.986)**
Net decrease in cash and cash equivalents from continuing operations		(87.620)	(117.314)	(93.567)	(36.941)
Net increase/(decrease) in cash and cash equivalents from Discontinued operations		80.057	(27.362)	93.608	(20.894)
Net (decrease)/increase in cash and cash equivalents		**(7.563)**	**(144.676)**	**41**	**(57.835)**
Effect of exchange rate changes on cash & cash equivalents		647	807	–	–
Opening cash and cash equivalents	19	**248.027**	**391.896**	**53.082**	**110.917**
Closing cash and cash equivalents	19	**241.111**	**248.027**	**53.123**	**53.082**

Note:

**The comparative figures of the Group and the Company for the financial year 2023 have been revised in order to include only continuing operations, as a consequence of the recognition of the Group's Construction and Concessions segments as discontinued operations, in accordance with the requirements of IFRS 5 "Non-current assets held for sale and discontinued operations" (see Notes 5 and 7).*

The accompanying notes form an integral part of these Annual Separate and Consolidated Financial Statements.

(Amounts in thousands of Euros unless mentioned otherwise)

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY OF FISCAL YEAR 2023

	Note	Share capital	Share premium	Reserves	Retained Earnings	Subtotal	Non-controlling interests	Total
1 January 2023*		**34.757**	**209.870**	**107.180**	**129.287**	**481.094**	**10.082**	**491.176**
Net profit for the year from continuing and Discontinued operations		–	–	–	59.665	**59.665**	2.421	**62.086**
Other comprehensive income								**–**
Foreign exchange translation differences from incorporation of foreign operations		–	–	3.241	–	**3.241**	–	**3.241**
Gains/(losses) from valuation of participating interest at fair value (not reclassified in the Statement of Comprehensive Income)		–	–	138	–	**138**	–	**138**
Cast flows hedges	22	–	–	(2.986)	–	**(2.986)**	–	**(2.986)**
Actuarial losses from defined benefit plans		–	–	(14)	–	**(14)**	–	**(14)**
Other comprehensive income from dicontinued operations		–	–	(1.341)	–	**(1.341)**	–	**(1.341)**
Other comprehensive losses for the year (after tax)		**–**	**–**	**(962)**	**–**	**(962)**	**–**	**(962)**
Total comprehensive income for the year		**–**	**–**	**(962)**	**59.665**	**58.703**	**2.421**	**61.124**
Capitalization of reserves & retained earnings	28	675	(675)	–	(3)	**(3)**	–	**(3)**
Formation of reserves	29	–	–	9.812	(9.208)	**604**	–	**604**
Distribution of dividends	28	–	–	(2.826)	(42.400)	**(45.226)**	(1.469)	**(46.695)**
Transfers-Other movements		–	–	(46.800)	46.800	**–**	–	**–**
Transactions with shareholders		**675**	**(675)**	**(39.814)**	**(4.811)**	**(44.625)**	**(1.469)**	**(46.094)**
Total equity 31st December 2023*		**35.432**	**209.195**	**66.404**	**184.141**	**495.172**	**11.034**	**506.206**

Note:

**The comparative figures of the Group and the Company for the financial year 2023 have been revised in order to include only continuing operations, as a consequence of the recognition of the Group's Construction and Concessions segments as discontinued operations, in accordance with the requirements of IFRS 5 "Non-current assets held for sale and discontinued operations" (see Notes 5 and 7).*

The accompanying notes form an integral part of these Annual Separate and Consolidated Financial Statements.

(Amounts in thousands of Euros unless mentioned otherwise)

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY OF FISCAL YEAR 2024

	Note	Share capital	Share premium	Reserves	Retained Earnings	Subtotal	Non-controlling interests	Total
1 January 2024		**35.432**	**209.195**	**66.404**	**184.141**	**495.172**	**11.034**	**506.206**
Net profit for the year from continuing and Discontinued operations		–	–	–	33.299	**33.299**	710	**34.009**
Other comprehensive income								**–**
Foreign exchange translation differences from incorporation of foreign operations		–	–	811	–	**811**	–	**811**
Gains/(losses) from valuation of participating interest at fair value (not reclassified in the Statement of Comprehensive Income)		–	–	152	–	**152**	–	**152**
Cast flows hedges	22	–	–	(550)	–	**(550)**	–	**(550)**
Actuarial gains from defined benefit plans	23	–	–	4	–	**4**	–	**4**
Other comprehensive income from dicontinued operations		–	–	2.028	–	**2.028**	–	2.028
Other comprehensive income for the year (after tax)		**–**	**–**	**2.445**	**–**	**2.445**	**–**	**2.445**
Total comprehensive income for the year		**–**	**–**	**2.445**	**33.299**	**35.744**	**710**	**36.454**
Capitalization of reserves & retained earnings	28	75	(75)	–	–	**–**	–	–
Share capital return	28	–	–	–	–	**–**	(1.052)	**(1.052)**
Formation of reserves	29	–	–	11.799	(9.601)	**2.198**	112	**2.310**
Distribution of dividends	28	–	–	(5.021)	(40.147)	**(45.168)**	(1.815)	**(46.983)**
Disposal of subsidiaries	7.2	–	–	(194)	194	**–**	(7.899)	**(7.899)**
Transfers-Other movements		–	–	(4.929)	4.929	**–**	–	–
Transactions with shareholders		**75**	**(75)**	**1.655**	**(44.625)**	**(42.970)**	**(10.654)**	**(53.624)**
Total equity 31st December 2024		**35.507**	**209.120**	**70.504**	**172.815**	**487.946**	**1.090**	**489.036**

Note:

The accompanying notes form an integral part of these Annual Separate and Consolidated Financial Statements.

(Amounts in thousands of Euros unless mentioned otherwise)

SEPARATE STATEMENT OF CHANGES IN EQUITY OF FISCAL YEAR 2023

	Note	Share capital	Share premium	Reserves	Retained Earnings	Subtotal
1 January 2023*		**34.757**	**209.870**	**48.012**	**43.718**	**336.357**
Net profit for the year from continuing and Discontinued operations		–	–	–	32.010	**32.010**
Other comprehensive income						
Gains/(losses) from valuation of participating interest at fair value (not reclassified in the Statement of Comprehensive Income)		–	–	138	–	**138**
Cast flows hedges	22	–	–	9.566	–	**9.566**
Actuarial gains from defined benefit plans	23	–	–	(2)	–	**(2)**
Other comprehensive income from discontinued operations		–	–	197	–	**197**
Other comprehensive income for the year (after tax)		**–**	**–**	**9.899**	**–**	**9.899**
Total comprehensive income for the year		**–**	**–**	**9.899**	**32.010**	**41.909**
Capitalization of reserves & retained earnings	28	675	(675)	–	(3)	**(3)**
Formation of reserves	29	–	–	997	(394)	**603**
Distribution of dividends	28	–	–	(2.826)	(42.400)	**(45.226)**
Transfers-Other movements		–	–	(46.800)	46.800	**–**
Transactions with shareholders		**675**	**(675)**	**(48.629)**	**4.003**	**(44.626)**
31st December 2023*		**35.432**	**209.195**	**9.282**	**79.731**	**333.640**

Note:
**The comparative figures of the Group and the Company for the financial year 2023 have been revised in order to include only continuing operations, as a consequence of the recognition of the Group's Construction and Concessions segments as discontinued operations, in accordance with the requirements of IFRS 5 "Non-current assets held for sale and discontinued operations" (see Notes 5 and 7).*
The accompanying notes form an integral part of these Annual Separate and Consolidated Financial Statements.

(Amounts in thousands of Euros unless mentioned otherwise)

SEPARATE STATEMENT OF CHANGES IN EQUITY OF FISCAL YEAR 2024

	Note	Share capital	Share premium	Reserves	Retained Earnings	Total
1 January 2024		**35.432**	**209.195**	**9.282**	**79.731**	**333.640**
Net losses for the year from continuing and Discontinued operations		–	–	–	(18.003)	**(18.003)**
Other comprehensive income						
Gains/(losses) from valuation of participating interest at fair value (not reclassified in the Statement of Comprehensive Income)		–	–	152	–	**152**
Cast flows hedges	22	–	–	(893)	–	**(893)**
Actuarial gains from defined benefit plans	23	–	–	6	–	**6**
Other comprehensive income for the year (after tax)		**–**	**–**	**(735)**	**–**	**(735)**
Total comprehensive income for the year		**–**	**–**	**(735)**	**(18.003)**	**(18.738)**
Capitalization of reserves & retained earnings	28	75	(75)	–	–	**–**
Formation of reserves	29	–	–	2.520	(207)	**2.313**
Distribution of dividends	28	–	–	(1.306)	(43.861)	**(45.167)**
		–	–	88	(88)	**–**
Transfers-Other movements		–	–	(4.929)	4.929	**–**
Transactions with shareholders		**75**	**(75)**	**(3.627)**	**(39.227)**	**(42.854)**
31st December 2024		**35.507**	**209.120**	**4.920**	**22.501**	**272.048**

Note:
The accompanying notes form an integral part of these Annual Separate and Consolidated Financial Statements.

NOTE AND DISCLOSURES OF FINANCIAL STATEMENTS

1. GROUP GENERAL INFORMATION

TERNA ENERGY S.A. Group of companies (hereinafter "the Group" or "TERNA ENERGY") is a Greek Group of companies operating in the sector of renewable energy sources. The main operations of the Group pertain to construction and exploitation of installations of renewable sources of wind and hydroelectric energy, photovoltaic parks as well as other renewable energy sources (RES).

TERNA ENERGY is a successor of Technical Constructions Company (ETKA S.A.), established in 1949 (Government Gazette 166/21.06.1949), which TERNA ENERGY S.A. absorbed in 1999 and which was established in 1997 (Government Gazette 6524/11.09.1997). TERNA ENERGY is domiciled in Athens, Greece, 85 Mesogeion Ave. The Company has been listed on ATHEX since 2007.

The Group's operations are mainly performed in Greece, while the Group has also a strong presence in Balkans and Eastern Europe. The Group's operation is focused on n the construction, operation and exploitation of renewable energy plants such as wind farms, solar, hydroelectric and biomass power plants.

The companies of TERNA ENERGY Group included in the consolidated Financial Statements and their tax non-inspected Fiscal years are analytically recorded in Note 5 of the Financial Statements.

As of November 28, 2024, the Group is owned by Abu Dhabi Future Energy Company PJSC - Masdar ("Masdar"), after the successful completion of the acquisition of 70% of the shares of TERNA ENERGY S.A. from GEK TERNA S.A. and other shareholders. Furthermore, after the completion of the public offer procedure, MASDAR HELLAS MONOPOROSOPI S.A. holds a total of 115.519.691 Shares and voting rights of the Company, corresponding to approximately 97,60% of the total paid-up share capital.

The accompanying separate and consolidated Financial Statements as of 31st December 2024 were approved by the Board of Directors on 20/03/2025 and are subject to the final approval of the General Meeting of Shareholders. The Financial Statements are available to the investing public at the Company's premises (Greece, Athens, 85 Mesogeion Ave.), the Company's website on the Internet as well as ATHEX website.

2. FRAMEWORK FOR THE PREPARATION OF THE FINANCIAL STATEMENTS

2.1Disclosure Framework of Financial Statements

The Company's separate and consolidated financial statements as of December 31st, 2024 cover 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 Group 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 the Note 4, have been consistently applied in all the presented periods.

2.2Going Concern

In determining the appropriate basis for the preparation of the Company and Consolidated Financial Statements, Management must consider whether the Group has the ability to continue it's business for the foreseeable future. The Group's Management estimates that the Company and its subsidiaries have sufficient resources to ensure their ability to operate as a Going Concern for 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 Group and the Company thereby implementing the framework for the preparation of the Financial Statements for the year ended on 31/12/2024.

2.3Basis of measurement

The hereby Consolidated and Separate Financial Statements as of December 31st, 2024 have been prepared according to the principle of historical cost, apart from financial derivatives, liability for contingent consideration, investments in equity instruments and other short term investments, which are being measured at fair value.

2.4Presentation currency

The reporting currency is Euro (the currency of the Group's parent Headquarters) and all the amounts are presented in thousand Euro unless otherwise mentioned.

2.5Comparability

The comparative figures of the Group and the Company for the financial year 2023,as presented in the Statement of Comprehensive Income, Cash Flow Statement and Statement of Changes in Equity have been revised in order to include only continuing operations, as a consequence of the recognition as discontinued operations of the Group's Construction and Concessions segments, in accordance with the requirements of IFRS 5 "Non-current assets held for sale and discontinued operations" following the completion of the acquisition of the shares of TERNA ENERGY S.A. from Abu Dhabi Future Energy Company PJSC - Masdar ('Masdar') by GEK TERNA S.A. and other shareholders, and the simultaneous assignment to GEK TERNA Group of the construction activities of public works, infrastructure-related concessions and other projects of public interest as well as all renewable energy research activities in the United States, (see Management Report and Notes 5 and 7).

2.6New Standards, Interpretations and Amendments of Standards

The accounting principles applied for the preparation of the financial statements are the same as those followed in the preparation of the financial statements of the Group and the Company for the year ended 31st of December 2023, except for the adoption of the amendments of certain standards, the application of which became mandatory in the European Union for fiscal years beginning on 1 January 2024 (see Notes 2.6.1 and 2.6.2).

2.6.1New 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 consolidated and separate 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 consolidated and separate 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 consolidated and separate Financial Statements. The above have been adopted by the European Union with effective date of 01/01/2024.

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

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 Group 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 Group will examine the impact of the above on its Financial Statements. The above have not been adopted by the European Union.

Amendments to IFRS 9 and IFRS 7 "Contracts Referencing Nature-dependent Electricity" (effective for annual periods starting on or after 01/01/2026)

On 18 December 2024 the International Accounting Standards Board (IASB) issued amendments to IFRS 9 "Financial Instruments" and IFRS 7 "Financial Instruments: Disclosures" to help companies better report the financial effects of nature-dependent electricity contracts, which are often structured as power purchase agreements (PPAs). Nature-dependent electricity contracts help companies to secure their electricity supply from sources such as wind and solar power. The amount of electricity generated under these contracts can vary based on uncontrollable factors such as weather conditions. The amendments allow companies to better reflect these contracts in the financial statements, by a) clarifying the application of the 'own-use' requirements, b) permitting hedge accounting if these contracts are used as hedging instruments and c) adding new disclosure requirements to enable investors to understand the effect of these contracts on a company's financial performance and cash flows. The amendments are effective for accounting periods on or after 1 January 2026, with early application permitted. The Group 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 Group will examine the impact of the above on its Financial Statements. The above have not been adopted by the European Union.

2.7Use of estimations

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. Judgments, assumptions and estimates of the Management affect the amount of valuation of several asset and liability items, the amount recognized during the year regarding specific income and expenses as well as the presented estimates of contingent liabilities. Assumptions and estimates are assessed on an on-going basis according to historic experience and other factors, including expectations of future event outcomes, considered reasonable given the current conditions. The estimates and assumptions relate to the future and, consequently, the actual results may differ from the accounting calculations.

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

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, disclosures for contingent assets and liabilities as well as revenue and expenses during the presented periods.

Particularly, 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 Group and requires the most difficult, subjective, or complex judgments of the Management. Estimates and judgments of the Management are based on 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 evolution could affect the financial statements items in the upcoming 12 months are the following:

3.1 Significant management judgements

Key judgments of the Management, applied while implementing the Group and the Company accounting policies, which have the most significant impact on the financial statements (apart from those analyzed in Note 3.2), are analyzed as follows.

i) Recognition of deferred tax assets

The extent, to which deferred tax assets are recognized for unused tax losses, is based on the judgment regarding the extent, to which it is probable that sufficient taxable profits will be offset with these tax losses. To determine the amount of a deferred tax asset that can be recognized, significant judgments and estimates of the Group’s Management are required, based on future taxable profits, combined with future tax strategies to be pursued, as well as the uncertainties dominating in various tax frameworks, within which the Group operates (for further information please refer to Note 31).

ii) Impairment of non-financial assets

Non-financial assets are tested for impairment whenever events or changes in the effective conditions indicate that their book value may not be recoverable in accordance with the accounting policy described in Note 4.1.5 (for further information please refer to Notes 8 and 11).

iii) Acquisition of “business” according to the definition provided in IFRS 3 or acquisition of assets.

In accordance with IFRS 3 "Business Combinations", the Management determines whether a transaction or other event constitutes a business combination in accordance with the relevant definition of the Standard, i.e. whether the assets acquired, and liabilities assumed constitute a "business". In the event the acquired assets do not constitute a business, then the Group manages the transaction or other event as an acquisition of an asset. According to IFRS 3, the term "business" is defined as an integrated set of activities and assets that is capable of being conducted and managed for the purpose of providing a return in the form of dividends, lower costs, or other economic benefits directly to investors or other owners, members, or participants. The accounting treatment of acquisition of an asset (or group of assets) which do not constitute a "business" is carried out in accordance with the accounting policy described in Note 4.1.11.

3.2Uncertainty of estimates and assumptions

Specific amounts that are either included or affect the Financial Statements and the related disclosures are estimated, necessitating to make assumptions about values or conditions that cannot be known with certainty during the period of the Financial Statements preparation. An accounting estimate is considered significant when it is material to the financial position and the income statement of the Group and requires the most difficult, subjective, or complex judgments of the Management. The Group assesses such estimates on an ongoing basis, based on historical results and experience, while meetings with specialists, applying trends and other methods considered reasonable in the circumstances, as well as making projections regarding potential changes in the future.

i) Recognition of revenue from construction contracts

Managing revenue and expenses from a construction contract, depends on whether the result of the contract implementation can be reliably estimated (and is expected to bring profit to the constructor or the result of the implementation are expected to be loss-bearing). When the outcome of a construction contract can be reliably estimated, then revenue and expense of the contract are recognized over the term of the contract, as revenue and expense, respectively.

The Group uses the completion stage to determine the appropriate amount of revenue and expense which it will recognize in a specific period. Based on the input method under IFRS 15, the construction cost at every reporting date is compared to the total budgeted cost to determine the percentage of completion. The completion stage is measured based on the contractual costs incurred until the reporting date in relation to the total estimated cost of every construction project. The Group, therefore, makes significant estimates regarding the gross result with which every construction contract will be implemented (total budgeted cost of the construction contract implementation).

ii) Provision for income tax

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 and a provision for additional taxes that might arise during tax inspections.

The Group's companies are subject to various income taxation legislations. Significant estimates are required to determine the total provision for income tax, as presented in the Statement of Financial Position. The final tax determination is uncertain in respect of specific transactions and calculations. The Group recognizes liabilities for the projected tax issues based on the calculations as to the extent to which additional taxation will arise. In cases where the final tax result differs from the initially recognized amount, the differences affect the provisions for income tax and deferred tax for the period when it had been determined (for further information please refer to Note 31).

iii) Fair value measurement

The Management uses valuation techniques to determine the fair value of financial instruments (when no active market prices are available) and non-financial assets. This procedure involves making estimates and assumptions about the consideration that market participants would pay to acquire these financial instruments. The Management bases its assumptions on observable data, but this is not always feasible. In such cases, the Management uses the best available information for its estimates, based on its past experience, also taking into account the available information. Estimated fair values may differ from the actual values that would be made in the context of an ordinary transaction at the reporting date of the financial statements (further information is provided in Note 41).

The Group uses derivative financial instruments to manage a range of risks including interest rate and commodity prices risks. For the purpose of determining an effective hedging rate, the Group requires both - to declare its hedging strategy and to estimate that the hedge will be effective throughout the term of the hedging instrument (derivative). Further information regarding the use of derivatives is provided in Note 22.

Also, any contingent consideration provided by the Group during an acquisition is measured at its initial recognition, as well as at every reporting date of the financial statements, at its fair value. Contingent consideration is measured in accordance with the accounting policy described in Note 4.1.11 (for cases where the acquisition is a business combination) and under IFRS 3, or in accordance with the accounting policy described in Note 4.1.11 (for cases when acquisitions meet the effective prerequisites to be characterized as assets) (more information is presented in Notes 7 and 29).

iv) Estimates in calculation of the value in use of non-current assets

In accordance with the applied accounting policies and the requirements of IAS 36, the Group conducts a related impairment test on the assets at the end of each annual reporting period. The relevant test, in accordance with the requirements of IAS 36, may be carried out earlier, when there are indications of contingent impairment loss. If it is established that there are reasons for impairment, it is necessary to calculate value in use and fair value less costs to sell regarding every CGU. Recoverable amounts of CGUs are determined for impairment tests purposes, based on the value in use calculation, which requires making estimates. For the calculating of calculating value in use, estimated cash flows are discounted to their present value using a discount rate that reflects current market assessments of the time value of money as well as the risks associated with particular CGU. Estimate of future operating results is based on wind farm efficiency estimates based on wind data and historical data of comparable units. The key assumptions used to determine the recoverable number of various CGUs are recorded in Note 11 of the Financial Statements.

v) Useful lives of depreciated asset

For the calculating of depreciations, the Group examines the useful life and residual value of tangible and intangible assets in every reporting period in the light of technological, institutional, and economic developments as well as the experience of their exploitation. As at 31/12/2024, the Management estimates that useful lives represent the expected usefulness of assets.

vi) Provisions for rehabilitation of environment

The Group makes provision for its related obligations to dismantle the technical equipment of wind farms and other productive facilities and restoration of the environment resulting from the applicable environmental legislation or from binding practices of the Group. Provision for rehabilitation of the environment reflects the present value, as at the reporting date (based on the appropriate discount rate) of the rehabilitation obligation less the estimated recoverable amount of the materials, estimated to be disposed of and sold (further information is provided in Notes 4.1.17 and 24).

vii) Contingent liabilities and receivables

The existence of contingent liabilities and assets requires the management to make assumptions and judgments on on-going basis about the probability that future events will occur or not occur as well as the possible consequences that these events may have on the Company's and the Group's operations. Determining contingent liabilities and assets is a complex process that includes judgments regarding future events, laws, regulations, etc. Changes in crises or interpretations are likely to lead to an increase or decrease in the Company's contingent liabilities in the future. When additional information becomes available, the Group's Management reviews the facts, based on which it may also have to review its estimates (see Note 44).

4. SUMMARY OF SUBSTANTIAL AND OTHER ACCOUNTING POLICIES

4.1Substantial Accounting Policies

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

4.1.1Basis for consolidation

The accompanying consolidated financial statements include the financial statements of TERNA ENERGY and its subsidiaries as at 31/12/2024. The date of preparation of the Financial Statements of the subsidiaries is identical to that of the parent company.

Intra-group transactions and balances have been eliminated in the accompanying consolidated financial statements. Where required, the accounting policies of subsidiaries have been amended to ensure consistency with the accounting policies adopted by the Group. Note 5 provides a complete list of consolidated subsidiaries in line with the participating interest held by the Group.

Subsidiaries are consolidated from the date the Group acquires control over them and they cease to be consolidated at the date of termination of this control. Non-controlling interests constitute the component of equity of a subsidiary not directly or indirectly attributable to the parent. Losses relating to non-controlling interests (minority interests) of a subsidiary may exceed the rights of non-controlling interests in the subsidiary's equity. Gains or losses and each component of other comprehensive income are accounted for both by the owners of the parent and the non-controlling interests, even if, as a result, such non-controlling interests present deficit.

(a) Subsidiaries

Subsidiaries are all the companies, which the Parent has the power to control directly or indirectly through other subsidiaries and they are fully consolidated (full consolidation). The Company acquires and exercises control mainly through holding the majority of the voting rights of the subsidiaries. To define the control, the following conditions are examined, as recorded in IFRS 10:

1. The parent company has authority over the investee since it can direct the related (operational and financial) activities. This is achieved through appointing most of the members of the Board of Directors and the directors of the subsidiary by the Management of the parent.
2. The parent company holds rights with variable returns from its investment in the subsidiary. Other non-controlled investments are greatly dispersed and, therefore, cannot materially influence decision-making.
3. The parent company may exercise its authority over the subsidiary to influence the amount of its returns. This is the result of decision-making on subsidiary related matters through controlling the decision-making bodies (Board of Directors and Directors).

Changes in ownership interest in a subsidiary

In the case of changes in the parent's ownership interest in a subsidiary, it is examined whether the changes result in a loss of control or not.

- Changes in a parent's ownership interest in a subsidiary that do not result in a loss of control are accounted for as equity transactions (i.e. transactions with owners in their capacity as owners). In such circumstances, the carrying amounts of the controlling and non-controlling interests shall be adjusted to reflect the changes in their relative interests in the subsidiary. Any difference between the amount by which the non-controlling interests are adjusted and the fair value of the consideration paid or received shall be recognized directly in equity.
- In case the parents' ownership interest changes in such a way that there is loss of control, then the parent shall record the necessary accounting entries and recognize the result from the sale (derecognition of the assets, goodwill and liabilities of the subsidiary as of the date of loss of control, derecognition of the book value of non-controlling interests, determination of the result from the sale).
- When determining the sale result, any amount previously recognized in other comprehensive income in respect of that company is accounted for using the same method as would be applied by the Group in the event of direct sale of its assets or liabilities. That is to say, the amounts previously recognized in other comprehensive income are reclassified to the income statement. Following loss of control of a subsidiary, any investment in the former subsidiary is recognized according to the provisions of IFRS 9.

Investments in subsidiaries in the separate Financial Statements

Investments of the parent in its consolidated subsidiaries are measured at acquisition cost, adjusted for changes in fair value of the subsidiaries' contingent consideration less any accumulated impairment losses. The impairment test is carried out in accordance with the provisions of IAS 36.

(b) Joint arrangements

The Group applies IFRS 11 to all its joint arrangements. Under IFRS 11, joint arrangements are classified as joint operations or joint ventures, depending on the contractual rights and obligations of each investor. Jointly controlled entities are consolidated using the proportionate consolidation method (if it is a joint operation) or the equity method (if it is a joint venture).

Joint ventures: Joint ventures are accounted for using the equity method, under which participating interests in joint ventures are initially recognized at cost and subsequently readjusted in compliance with the Group's share of the profits (or losses) and other comprehensive income of the joint ventures. Under the joint venture model, joint venture schemes are the ones in which members have rights over the net assets of the investments and are liable up to the extent of their contribution to the capital of the company. If the Group's participating interest in joint venture losses exceeds the value of the participating interest, the Group discontinues recognizing further losses unless it has undertaken liabilities or has made payments on behalf of the joint venture. Allocation of operating results and other comprehensive results is proportional to the participating interest.

Unrealized gains on transactions between the Group and joint ventures are eliminated according to the Group's participating interest in joint ventures. Unrealized losses are also eliminated unless there is evidence of the transaction for impairment of the transferred asset.

Consolidation considers the percentage held by the Group, effective as at consolidation date. The structure of the business scheme is the key and determining factor in defining accounting treatment. The accounting policies of jointly controlled entities are consistent with those adopted and applied by the Group. The date of preparation of the financial statements of jointly controlled entities coincides with that of the parent Company.

Investments in joint ventures in the separate Financial Statements

Investments of the parent in joint ventures are measured at acquisition cost less than any accumulated impairment losses. The impairment test is carried out in accordance with the provisions of IAS 36.

(c) Investments in jointly controlled operations in the separate Financial Statements

The parent company's participation in joint operations is proportionately incorporated in the Company's Financial Statements. Specifically, their assets and liabilities are included in the Company's financial statements on a proportionate basis.

Joint operations: Joint operations are accounted for using the proportional consolidation method. In particular, the Group recognizes in the consolidated financial statements: (i) its assets (including its share in any of its assets it holds jointly), (ii) its liabilities (including its share of any jointly held liabilities), (iii) it shares in the proceeds of the sale from disposal of joint venture, and (iv) its expenses (including its share in any jointly incurred expenses). Essentially, these are tax joint operations, which do not constitute a separate entity within the framework of the IFRS. Their assets and liabilities are incorporated according to the effective proportions in the financial statements of the Company.

(d) Associates

Associates are entities over which the Group exercises significant influence but does not exercise control. The Group's investments in associates are accounted for using the equity method. The assumptions used by the Group suggest that holding participating interest of between 20% and 50% of a company's voting rights implies a significant influence over the investee unless it can be clearly demonstrated that this is not the case. Investments in associates are initially recognized at acquisition cost and then consolidated using the equity method.

According to this method, investments in associates are recognized at acquisition cost less any changes in the Group's participating interest in Equity after the initial acquisition date, less any provisions for impairment of those participating interests' value.

The consolidated statement of comprehensive income includes the proportion of the Group in the total income of associates. If the Group's participating interest in an Associate's loss exceeds the value of the participating interest, the Group discontinues recognizing further losses unless it has settled liabilities or made payments on the part of the associate and, in general, settled the payments arising from the shareholding. If the associate subsequently produces profits, the investor starts once again recognizing its share of profits only if its share of profits equals the share of losses it had not recognized.

Unrealized gains on transactions between the Group and associates are eliminated according to the Group's participating interest in associates. Unrealized losses are eliminated unless the transaction provides evidence of impairment of the transferred asset.

Accounting policies followed by associates do not differ from those used by the Group and the date of preparation of the financial statements of associates is the same as that of the parent.

Investments in associates in the separate Financial Statements

Investments of the parent in consolidated associates are measured at acquisition cost less any accumulated impairment losses. The impairment test is carried out in accordance with the provisions of IAS 36.

4.1.2Operating segments

The Board of Directors of the Company is the primary decision maker and reviews internal financial reporting in order to evaluate the performance of the Company and the Group and to make decisions on the allocation of resources. Management has determined areas of activity based on these internal reports.

The Group's activity is now focused on the construction, operation and exploitation of renewable energy plants such as wind farms, solar, hydro and biomass power plants (see in detail Note 1).

The main operating sectors of TERNA ENERGY in which the Group was active in the year 2024, based on the Group's internal reporting system, are divided between continuing operations in the field of renewable energy sources and discontinued operations in the areas of public works construction, concessions related to the operation of infrastructure and other projects of public interest (see Note 6).

4.1.3Intangible assets

The Group's intangible assets pertain to forestry use licenses where wind farms have been located, acquired licenses for Wind Farms operations and acquired software.

Upon initial recognition, the intangible assets acquired separately are recorded at acquisition cost. Intangible assets acquired as part of business combinations are recognized at fair value on the acquisition date.

Following initial recognition, the intangible assets are measured at cost less accumulated amortization and any impairment loss. Amortization is recorded based on the straight-line method during the useful life of the said assets. All the Group's intangible assets have a definite useful life.

The period and method of amortization are reviewed at least at the end of every annual reporting period. Changes in the expected useful life of each intangible asset are accounted for as a change in accounting estimates.

Methods of amortization and useful lives of the Group's intangible assets can be summarized as follows:

Category	Methods of amortization	Useful life in years
Software	Straight-line	3
Generation and energy units installation and operation licenses	Straight-line	30
Forestry plots use rights	Straight-line	30

Gains or losses arising from the write-off due to disposal of an intangible asset are calculated as the difference between the net revenue from the disposal and the current value of the asset and are recognized in the profit or loss of the period.

a) Software

Maintenance of software programs is recognized as an expense when the expense is realized. On the contrary, the costs incurred for improving or prolonging the return of software programs beyond their initial technical specifications, or respectively the costs incurred for the modification of the software, are incorporated in the acquisition cost of the intangible asset, only if requirements of IAS 38 “Intangible assets” apply.

(b) Forestry plots use rights

The value of the land use rights of the forestry land where the Wind Farms are installed includes the acquisition cost of these items less the amount of accumulated amortization and any impairment of their value.

(c) Generation and energy units' installation and operation licenses

Various types of licenses held by the Group enable it to construct energy units or generate the right to produce and sell energy. Effective market conditions provide the required indications regarding the recoverable amount of these licenses.

Upon acquisition, the Group recognizes these licenses as intangible assets at fair value and then measures them applying the cost model, according to which the asset is measured at cost (which is the acquisition fair value) less accumulated amortization and any accumulated provisions for impairment. Amortization is carried out on a straight-line basis over the useful life of those assets, which is 30 years for electricity generation from renewable energy sources. The amortization of the acquired licenses starts on the date of completion of the construction of each park and the date of electrification of the wind parks. Regarding the impairment tests, (see Note 4.1.5).

4.1.4Tangible Assets

Tangible fixed assets are recognized in the financial statements at acquisition values, less accumulated depreciation and any potential impairment losses. The acquisition cost includes all directly reimbursable costs incurred for the acquisition of these assets. Subsequent expenses are recorded as an increase in the book value of tangible assets or as a separate asset only to the extent that the said expenses increase the future economic benefits, expected to arise from the use of the fixed asset and that their cost can be measured reliably.

Tangible assets are written off when they are sold or withdrawn or when no further economic benefits are expected from their ongoing use. Gains and losses, arising from the write-off of tangible fixed assets, are included in the income statement for the year in which the asset is written off. Assets under construction include fixed assets under construction and are carried at cost. Assets under construction are not depreciated until the fixed asset is settled and put into operation.

Depreciation of tangible fixed assets (excluding land, which is not depreciated) is calculated based on the straight-line method over their estimated useful life as follows:

Property, plant and equipment	Useful life (in years)
Building and technical works	8 – 30
Machinery and technical installations	3 – 30
Vehicles	5 – 12
Furniture and fixtures	3 – 12

Useful life of tangible fixed assets is reviewed at least at the end of every reporting period.

When the book values of the tangible assets are higher than their recoverable value, then the difference (impairment) is recognized directly as an expense in the Income Statement. Upon sale of tangible assets, the differences between the received consideration and their book value are recognized as profits or losses in the Income Statement. Interest accrued on loans specifically or generally issued to finance the construction of tangible fixed assets is capitalized in the year when incurred, during the tangible asset's construction period, provided that the recognition criteria are met (see Note 10).

Repairs and maintenance are recognized as expenses in the results of the financial year in which they are incurred.

4.1.5Impairment of non-current assets (intangible and tangible assets/investments in consolidated companies)

In respect of tangible and intangible assets subject to depreciation/ amortization, an impairment test is performed when events or changes in circumstances indicate that their carrying amount may no longer be recoverable. When the net book value of tangible and intangible assets exceeds their recoverable amount, then the excess amount relates to an impairment loss is recognized directly as an expense in the income statement. Respectively, financial assets that are subjected to impairment testing (if the relative indications are effective) are the assets measured at acquisition cost or under equity method (investments in subsidiaries and associates). The recoverable amount of investments in subsidiaries and associates is determined in the same way as that in respect of non-financial assets.

For the impairment test purposes, assets are grouped at the lowest level for which cash flows can be separately identified. The recoverable amount of an asset is the higher of the asset's fair value less costs to sell and value in use. For the purpose of calculating value in use, Management estimates the future cash flows from the asset or cash-generating unit and selects the appropriate discount rate in order to calculate the present value of future cash flows.

Impairment loss is recognized for the amount, by which the book value of an asset or a Cash Generating Unit exceeds their recoverable amount, which is the highest between fair value less sale costs and value in use.

In order to define value in use, the Management determines the estimated cash flows for every Cash Generating Unit, by defining a suitable discount rate in order to calculate the Present Value of these cash flows. Discount factors are determined individually for every Cash Generating Unit and reflect the corresponding risk data, determined by the Management for every one of them. Further assumptions are used which are prevailing in the energy market. Considering that the Group operates in the renewable energy sector, the Management considers that it is in the position to generate reliable projections for a period of more than five years, as the key assumptions of the estimates can be reliably predicted by using historical data.

The impairment losses of Cash Generating units, first reduce the book value of goodwill allocated to them. Residual impairment losses are charged pro rata to the other assets of the particular Cash Generating Unit. With the exception of goodwill, all assets are subsequently reviewed for indications that their previously recognized impairment loss is no longer effective.

An impairment loss is reversed if the recoverable amount of a Cash Generating unit exceeds its book value.

In such a case, the increased book value of the asset will not exceed the book value that would have been determined (net depreciation), if no impairment loss had been recognized, for the asset in the previous years.

4.1.6Financial instruments

4.1.6.1Recognition and derecognition

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

The Group 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.

4.1.6.2Classification 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 and loss, and
- Financial assets at fair value through other comprehensive income without recycling cumulative profit and losses on derecognition (equity instruments).

Classification of every financial asset is defined according to:

- the Group's business model regarding management of financial assets, and
- the characteristics of their conventional cash flows.

All income and expenses related to financial assets recognized in the Statement of Comprehensive Income are included in the items "Other financial results", "Financial expenses" and "Financial income", except for the impairment of trade receivables included within operating results.

4.1.6.3Subsequent 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.

Financial assets measured at fair value through profit or loss

Financial assets at fair value through profit or loss include financial assets held for sale, financial assets designated at initial recognition at fair value through profit or loss, or financial assets that are required to be measured at fair value.

Financial assets are classified as held for sale if they are acquired for sale or repurchase in the foreseeable future. Derivatives, including embedded derivatives, are also classified as held for sale, unless defined as effective hedging instruments.

Financial assets with cash flows that are not only capital and interest payments are classified and measured at fair value through profit or loss, irrespective of the business model.

Financial assets classified at fair value through other comprehensive income (equity instruments)

In accordance with the relevant provisions of IFRS 9, at initial recognition, the Group may irrevocably choose to present in other results directly in equity the subsequent changes in the fair value of an equity instrument that is not held for sale.

Gains or losses from these financial assets are never recycled to the income statement. Dividends are recognized as other income in the income statement when the payment entitlement has been proved, unless the Group benefits from such income as a recovery of part of the cost of the financial asset - then such profit is recognized in the statement of comprehensive income. Equity instruments designated at fair value through other comprehensive income are not subject to an impairment test. This option is effective for every equity instrument separately.

The Group has chosen to classify investments in this category (see Note13).

4.1.6.4Impairment 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 for which the expected credit loss is recognized for the following 12 months,
- financial assets whose credit risk has deteriorated significantly since initial recognition, and which have no low credit risk (Stage 2). For these financial assets, the expected credit loss is recognized up to their maturity.
- financial assets for which there is objective evidence of impairment at the reporting date (Stage 3) and for which the expected credit loss is recognized up to maturity.

Trade receivables, other receivables and receivables from contracts with customers

The Group and the Company apply the simplified approach, stated in IFRS 9 to trade and other receivables as well as to receivables from construction contracts and receivables from leases, calculating the expected credit losses over the life of the above items. In this case, the expected credit losses represent the expected shortfalls in the contractual cash flows, considering the possibility of default at any point during the life of the financial instrument. While calculating the expected credit losses, the Group uses a provisioning matrix, grouping the above financial instruments based on the nature and maturity of the balances and taking into account available historical data in relation to the debtors, adjusted for future factors in relation to the debtors and the economic environment. Further analysis is presented in Notes 16, 17 and 18.

4.1.6.5Classification 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 (except derivatives that operate as hedging instruments, see Note 4.1.6.6).

Financial liabilities are classified as short-term liabilities unless the Group unconditionally retains the right to defer settlement of the financial liability for at least 12 months after the reporting date of the financial statements.

In particular:

(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

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.

4.1.6.6Derivative financial instruments and hedge accounting

The Group's risk management policies are in line with the provisions of standards and hedge accounting is being applied.

In the context of risk management, the Group uses:

- derivative financial instruments for the exchange of interest rates to hedge the risks associated with the future fluctuation of variable loan interest rates,
- derivative financial instruments to hedge the risk of change in electricity prices (options, forward contracts for the sale of electricity) and
- derivative financial instruments to hedge the risks associated with the future fluctuation of variable income (Fixed for Floating swap contract).

These derivative financial instruments are initially recognized at their fair value at the date of the contract and are subsequently measured at their fair value. Changes in the fair value of financial derivative instruments are recognized at every reporting date either in the income statement or in other comprehensive income, depending on the extent, to which the derivative financial instrument meets the requirements of hedge accounting and, if so, according to the nature of the hedging object.

On the transaction date, the Group records the relationship between the hedging instrument and the hedging item, as well as the risk management objective and risk hedging transaction strategy. The Group also records both - when creating the hedging transaction and afterwards – the extent to which the instruments used in these changes are effective in offsetting fluctuations in the cash flows of hedging items.

Derivative financial instruments are measured at fair value at the reporting date and changes to be recognized in the income statement. The fair value of these derivatives is determined primarily on a market value and is confirmed by the counterparty credit institutions. Exceptions are made regarding the derivatives that act as hedging instruments in cash flow hedges, for which special accounting is required. A hedging relationship is appropriate for hedge accounting when all the following criteria are met:

- the hedging relationship includes only eligible hedging instruments and eligible hedged items.
- at the inception of the hedging relationship there is a formal determination and documentation of the hedging relationship and the entity's risk management objective and its hedging strategy. The documentation includes determination of the hedging instrument, the hedged item, the nature of the hedged risk, and the manner in which the entity will assess whether the hedging relationship meets the effectiveness requirements (including an analysis of the sources of inefficiency of the hedge and how determination of the hedging factor).
- The hedging relationship covers all the following efficiency requirements: (a) there is an financial relationship between the hedged item and the hedging instrument, (b) the effect of the credit risk does not override the changes in value arising from this financial relationship, and (c) the hedging rate of the hedging relationship is the same resulting from the amount of hedged item actually hedged by the entity and the amount of the hedging instrument the entity actually uses to offset this amount of hedging item.

Future cash flows hedging

The component of changes in fair value that is attributable to effective risk hedging is recognized in equity. Any gain or loss arising from changes in fair value attributable to non-effective risk hedging is recognized directly in the statement of comprehensive income in the item "Profits from financial instruments measured at fair value". Cumulative amounts in equity are recycled through the Statement of Comprehensive Income to the income statement (from other comprehensive income to the income statement) in the periods in which the hedged item affects the income statement (when the projected hedged transaction is taking place). In forward interest rate swaps that include option (Interest rate CAP) the Group has elected to designate only the intrinsic value of the option as a hedge of the loan flows, recognizing the time value. The hedging cost is initially recognized in Other Comprehensive Income and is subsequently recycled from Other Comprehensive Income to Profit or Loss during the period of the hedge.

Hedge accounting is discontinued when the hedging instrument expires or is sold, terminated or exercised, or when the hedge no longer meets the hedge accounting criteria. The cumulative amount of gains or losses recognized directly in equity until that date remains in the reserves until the hedged item affects the Statement of Comprehensive Income. In the event that a hedged transaction is no longer expected to be realized, the net accumulated gains or losses recorded in the reserves are directly transferred to the Statement of Comprehensive Income.

4.1.6.7 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.

4.1.7Provisions, Contingent Assets and Liabilities

Provisions are recognized when the Group has present legal or imputed liabilities as a result of past events, their settlement is possible through resources' outflow and the exact liability amount can be reliably estimated. The provisions are reviewed on the reporting date of the Financial Statements and adjusted in order to reflect the present value of the expense expected for the settlement of the liability. When the effect of the time value of money is significant, the provision is calculated as the present value of the expenses expected to be incurred in order to settle this liability. If it is no longer probable that an outflow will be required in order to settle a liability for which a provision has been made, then it is reversed.

In cases where the outflow of economic resources due to current commitments is considered improbable or the provision amount cannot be reliably estimated, no liability is recognized in the financial statements. Contingent liabilities are not recognized in the financial statements but are disclosed unless the probability of an outflow of resources incorporating financial benefits is minimal. Potential inflows from economic benefits for the Group which do not meet the criteria of an asset are regarded as contingent assets and are disclosed when the inflow of the economic benefits is probable.

Provisions for rehabilitation of natural landscape

Concerning provisions for rehabilitation of natural landscapes, the Group recognizes the provisions made by the entities of the Group's energy sector for decommissioning wind turbines from Wind Farms and restoring the surrounding area. Decommissioning and rehabilitation provisions reflect the present value at the reporting date of the estimated cost less the estimated residual value of the recoverable materials. Provisions are reviewed at every reporting date of the Statement of Financial Position and are adjusted in order to reflect the present value of the expense, expected to be disbursed for settling the lability regarding decommissioning and rehabilitation. The related provision is recognized as an increase in the acquisition cost of wind turbines and is amortized on a straight-line basis over the 30-year term of the energy production contract.

Amortization -expense of the capitalized decommissioning and rehabilitation costs is included in the Statement of Comprehensive Income together with depreciation of Wind Farms. Any changes in estimates with respect to the estimated cost or the discount rate are added to or deducted from the cost of the asset, respectively. The effect of discounting the estimated cost is recognized in the income statement as an interest expense.

4.1.8Revenue

IFRS 15 established the core principle by applying the following steps for identifying revenue from contracts with customers:

1.Identify the contract(s) with a customer.

2.Identify the performance obligations in the contract.

3.Determine the transaction price.

4.Allocate the transaction price to the performance obligations in the contract.

5.Recognize revenue when (or as) the Group satisfies a performance obligation.

Revenue is recognized at the amount by which an entity expects to have in exchange for the transfer of the goods or services to a counterparty. When assigning a contract, the accounting treatment is also defined regarding the additional costs and the direct costs required to complete the contract. Revenue is defined as the amount that an entity expects to be entitled to in exchange for the goods or services it has transferred to a customer. If the promised consideration in a contract includes a variable amount, the entity estimates the consideration amount it would be entitled versus the transfer of the promised goods or services to customer. The consideration amount may vary due to discounts, price subsidies, refunds, credits, price reductions, incentives, additional performance benefits, sanctions or other similar items. The promised consideration may also change if the entity's entitlement to the consideration depends on the occurrence or non-occurrence of a future event. For example, a consideration amount will be variable if the product has been sold with a refund option or if a fixed amount promise has been given as an additional performance benefit to achieve a specific milestone.

The volatility associated with the consideration promised by a customer may be expressly stated in the contract. An entity estimates the amount of the variable consideration using one of the following methods, whichever method it considers best suited to the amount of consideration to which it will be entitled:

(a) Estimated value - the estimated value is equal to the sum of the probability-weighted amounts in a range of possible consideration amounts. Estimated value is an appropriate estimate of the variable amount if the entity has a large number of contracts with similar characteristics.

b) Most probable amount - the most probable amount is the only most probable amount in a range of possible consideration amounts (i.e., the only likely outcome of the contract). The most probable amount is an appropriate estimate of the variable amount if the contract has only two possible outcomes (for example, the entity provides additional performance or not).

The Group and the Company recognize revenue when it satisfies the performance of the contractual obligation by transferring the goods or services on the basis of this obligation. Acquisition of control by the client occurs when it has the ability to direct the use and to derive virtually all the economic benefits from this good or service. Control is transferred over a period or at a specific time. Revenue from the sale of goods is recognized when the goods are transferred to the customer, usually upon delivery to the customer, and there is no obligation that could affect the acceptance of the good by the customer.

Commitments for implementation performed over time

The Group recognizes revenue for a performance obligation implemented over time only if it can reasonably measure its performance in full compliance with the obligation. The Group is not in a position to reasonably measure progress in meeting a performance obligation when it does not have the reliable information required to apply the appropriate method of measuring progress. In some cases (e.g. during the initial stages of a contract), the entity may not be able to reasonably measure the outcome of a performance obligation, but it at least expects to recover the costs incurred to meet it.

In such cases, an entity shall recognize revenue only to the extent of the cost incurred until it is able to reasonably measure the outcome of the implementation obligation.

Revenue from rendering services is recognized in the accounting period in which the services are provided and measured according to the nature of the services to be provided. The receivable from client is recognized when there is an unconditional right for the entity to receive the consideration for the contractual obligations performed to the client.

A contractual asset is recognized when the Group or the Company has settled its liabilities to the counterparty before the latter has paid or before the payment is due, for example when the goods or services are transferred to the customer prior to the right of the Group or the Company to issue an invoice. The contractual obligation is recognized when the Group or the Company receives a consideration from the counterparty as an advance or when it reserves the right to a consideration which is postponed before the performance of the contractual obligations and transfer of goods or services. The contractual obligation is derecognized when the contract obligations are met and the revenue is recorded in the Income Statement.

Commitments for implementation performed at a specific time

When a commitment for implementation is not met over time (as outlined above), then the entity enforces the implementation commitment at a particular time. In determining when the client acquires control of a promised asset and the entity settles an implementation commitment, the entity examines the requirements for the acquisition control, as analytically recorded in IFRS 15.

The main categories of revenue recognized from implementation commitments fulfilled over time for the Group are as follows:

i) Revenue from contracts with customers related to construction operations

It relates to revenue from contracts with customers and results from implementation commitments that are fulfilled over time. For the purpose of complying with IFRS, the proceeds from the construction activity are accounted for progressively during construction, based on the input method of measurement in accordance with the provisions of IFRS 15 "Revenue from Contracts with Customers".

The input method recognizes revenue based on the entity's efforts or inflows towards fulfilling an implementation commitment (for example, the resources consumed, the hours worked, the costs incurred the time spent or the hours of operation of the machines consumed) in relation to the total expected inputs to fulfil this implementation commitment. The differences which arise as a consequence of the change in the contractual terms or claims are recognized in the financial accounts when the differences have been accepted by the counterparty or have been contractually agreed.

(ii) Sale of goods

Revenue from the sale of goods, after deduction of sales discounts, sales incentives and related VAT, is recognized when the significant risks and rewards of ownership of the goods are transferred to the buyer.

(iii) Revenue from sale of Electric Energy

It relates to revenue from contracts with customers and arises from implementation commitments that are fulfilled over time. Revenue from the Sale of Electric Energy is accounted for within the year it concerns. Under the preparation of the financial statements, the revenue from electricity purchased by DAPEEP or another customer not yet invoiced, is considered as revenue received but not invoiced.

Regarding the Group’s wind farms operating which sell electricity to energy market (Hellenic Energy Exchange) at market prices, revenue from the sale of electricity is recognized on the basis of the amount of electricity delivered at market prices for transactions, where all the revenue recognition criteria are met. In order to reduce its exposure to changes in energy prices in these markets, the Group uses the derivative instruments described in Note 4.1.6.6 above. The proceeds from the liquidation of these derivatives are included in the proceeds from the sale of electricity.

Green Certificates and Guarantees of Origin represent an economic benefit achieved by the operation of a wind farm. These Certificates are generated from the wind farms' electricity production and can be sold either through organized markets or directly to individual buyers under contracts. Proceeds from the sale of these Certificates are recognized as a component of revenue (Turnover) when they are sold.

(iv) Income from rentals

The income in question pertains to revenue from contracts with customers and arises from implementation commitments that are fulfilled over time. Income from rentals (operating leases) is recognized using the straight-line method according to the terms of the lease.

(v) Dividends

Dividends are accounted for when the right of recovery is finalized by the shareholders following the decision of the General Meeting of Shareholders.

(vi) Interests

Interest income is recognized on an accrual basis.

4.1.9Income tax

Income tax burden the fiscal year, consists of current tax, deferred tax and tax differences from previous years.

Current Tax

Current tax is calculated on the basis of the separate tax Statements of Financial Position of every company, included in the consolidated Financial Statements, according to the tax regulation effective in Greece or other tax frameworks under which the foreign subsidiaries operate. Expenditure on current income tax includes income tax that is based on the profits of each company as restated in its tax returns and provisions for additional taxes and is calculated according to the statutory or substantially statutory tax rates.

Deferred Income Tax

Deferred taxes are taxes or tax relief related to financial burdens or benefits accruing in the year but they have already been accounted for or to be accounted for by the tax authorities in different years. Deferred income tax is determined using the liability method, arising from the temporary differences between the carrying amount and the tax base of assets and liabilities. Deferred income tax is not accounted for if it arises from the initial recognition of an asset or liability in a transaction, other than a business combination that, when the transaction took place, did not affect either the accounting or the tax profit or loss.

Deferred income taxes are measured using the liability method in 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 recognized for all taxable temporary differences. Deferred tax assets are measured at every reporting date of the financial statements and are reduced to the extent that it is unlikely that there will be sufficient taxable profits against which part or all of the deferred income tax assets may be used.

Deferred tax assets and liabilities are measured at the tax rates expected to be effective for the year in which the asset will be incurred or the liability will be settled and are based on the tax rates (and tax laws) that are in effect or effectively in force as at the financial statements reporting date. In the event the time of reversing temporary differences cannot be clearly identified, the tax rate which is applicable, is the one of the next fiscal year of the Statement of Financial Position’s date.

Income tax related to items recognized in other comprehensive income is also recognized in other comprehensive income.

4.1.10Share capital, reserves and distribution of dividends

Common registered shares are recorded as equity. Costs, directly attributable to a component of equity net of tax effect, are monitored as a deduction to the Balance of Retained Earnings in equity. Otherwise, this amount is recognized as an expense in the period in question.

In cases when the Company or its subsidiaries acquire part of the Company's share capital (treasury shares), the amount paid, including any expense, net of tax, is deducted from equity until the shares are derecognized or sold. The number of treasury shares held by the Company does not reduce the number of shares in circulation but affects the number of shares included in the calculation of earnings per share.

In particular, the reserves are divided into:

Statutory reserves

In compliance with the Greek Commercial Law, companies shall transfer at least 5% of their annual net profits to a statutory reserve until such reserve equals 1/3 of the paid-up share capital. This reserve cannot be distributed during the Company's operations.

Development legislation reserves and other tax exempted reserves

These reserves refer to profits not taxed at the applicable tax rate in accordance with the applicable tax framework in Greece and include reserves arising from taxable profits and pertaining to the company's participation in development laws. These reserves will be taxable at the tax rate applicable at the time of their distribution to the shareholders or their conversion into share capital under certain circumstances.

Cash flows risk hedging reserves

The risk hedge reserve is used to record profits or losses on derivative financial products, which can be classified as future cash flow hedges and are recognized in other comprehensive income.

Foreign currency translation differences from incorporation of foreign operations

Foreign exchange differences arising on foreign currency translation, during the consolidation of foreign subsidiaries, are recognized in other comprehensive income and accumulated in other reserves. The cumulative amount is transferred to the income statement of the year when the amounts were transferred.

Other reserves

Other reserves mainly include actuarial losses of pension schemes.

The category of other reserves comprises:

(1) Actuarial gains/(losses) from defined benefit pension schemes arising from (a) actual adjustments (the effect of differences between previous actuarial assumptions and those eventually occurring) and (b) changes in actuarial assumptions.

(2) Changes in fair value of investments classified as equity investments.

Treasury shares reserves

The Company has proceeded to successive acquisitions of treasury shares through implementing the approved share buy-back plan in accordance with article 49 of Law 4548/2018. The total value of these acquisitions is presented in reserves as a deduction from Equity.

Share-based payments program

IFRS 2 "Share-based payments" requires an expense to be recognized when the Company acquires goods and services in exchange for shares (equity settled transactions) or stock options or in exchange for other assets equivalent in value to a given number of shares or rights on shares (cash-settled transactions). The Company provides rights to free distribution of shares to its executives. The fair value of the services of the executives, who are granted the rights to free distribution of shares, is recognized in accordance with IFRS 2 as an expense in the statement of comprehensive income, with a corresponding increase in equity as " Reserves from Share based payments programs", during the period the services for which the rights are granted are, received. The total option expense or free distribution during the vesting period is calculated based on the fair value of the options granted on the grant date.

Dividends

Dividends distributed to the Company's shareholders are recognized in the financial statements as a liability in the period in which the distribution proposal of the Management is approved by the Annual General Meeting of the Shareholders. Also, at the same time, the financial statements reflect the effect of the disposal of the results approved by the General Meeting and the possible formation of reserves.

4.1.11Business combinations - Acquisition of entities that are not an 'enterprise' according to the definition in IFRS 3

In accordance with IFRS 3 "Business Combination", the Group determines whether a transaction or other event constitutes a business combination as defined in the Standard, i.e. whether the assets acquired and liabilities assumed constitute a "business". In the event that the acquired assets are not a business, the Group shall account for the transaction or other event as an asset acquisition. According to IFRS 3, the term "business" identifies an integrated set of activities and assets, that is capable of being conducted and managed for the purpose of providing a return in the form of dividends, lower costs or other economic benefits directly to investors or to other owners, members or participants. The accounting treatment of a business combination does not apply to the acquisition of an asset (or group of assets) that does not constitute a "business".

In this context, in the case of acquisition of entities that do not meet the definition of "business" according to IFRS 3:

- The acquirer shall identify and recognize the individual identifiable assets acquired (including those assets that meet the definition of, and recognition criteria for intangible assets according to IAS 38) and liabilities assumed. In accordance with IFRS 3.2 (b), the cost of the group shall be allocated to the individual identifiable assets and liabilities on the basis of their relative fair values at the date of purchase.
- Goodwill or gain from a bargain purchase shall not be recognized from the transaction. The cost of the asset acquired (or group of assets) is allocated to the individual identifiable assets and liabilities based on their relative fair values at the date of purchase.
- In accordance with IAS 12.15, recognition of deferred tax is not permitted upon initial recognition of an asset or a liability in a transaction that is not a business combination. In this context, no deferred tax is recognized on the acquisition of assets.
- Costs associated with the acquisition of assets (e.g. fees of consultants, lawyers, accountants, appraisers and other professional and consulting fees) are recognized as an expense and are accounted for to profit or loss for in the period they are incurred.
- Any contingent consideration given by the Group is initially recognized at its fair value at the acquisition date. Changes in the fair value of the contingent consideration that meet the conditions for their classification as an asset or liability are recognized in the statement of comprehensive income.

4.2 Other Material Accounting Policies

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

4.2.1 Foreign currency translation

Functional and reporting currency

The consolidated financial statements are presented in Euro, which is the functional currency of the Group's as well as the Group's and Parent's reporting currency.

Transactions and balances in Foreign Currency

Foreign currency transactions are converted into the functional currency by using the exchange rates applicable on the date when the transactions were performed. The monetary assets and liabilities which are denominated in foreign currency are converted into the Group's functional currency on the Statement of Financial Position reporting date using the prevailing exchange rate on that day. Any gains or losses due to translation differences that result from the settlement of such transactions during the period, as well as from the conversion of monetary assets denominated in foreign currency based on the prevailing exchange rates on the Statement of Financial Position reporting date, are recognized in the Income Statement.

Non-monetary assets which are denominated in foreign currency and are measured at fair value are converted into the Group's functional currency using the prevailing exchange rate on the date of their fair value measurement. The Foreign exchange translation differences from non-monetary items measured at fair value are considered as part of the fair value and thus are recorded in the same account as the fair value differences.

Gains or losses arising from transactions in foreign currency as well as from the end of period valuation of monetary assets, denominated in foreign currency, which meet the criteria for cash flow hedges are recognized in other comprehensive income and cumulatively in equity.

Foreign operations

The functional currency of the Group's foreign subsidiaries is the official currency of the country in which every subsidiary operates. For the preparation of consolidated financial statements, assets and liabilities of foreign subsidiaries, including goodwill and fair value adjustments due to business combinations, are translated into Euro at the exchange rates effective at the Statement of Financial Position reporting date. Revenue and expenses are translated into the presentation currency of the Group based on the average exchange rates for the reported period. Any differences arising from this procedure are debited/(credited) to foreign currency translation difference to Euro reserves from foreign operations, in equity, and recognized in other comprehensive income in the Statement of Comprehensive Income. Upon the disposal, write off or derecognition of a foreign subsidiary, the above reserves are transferred to profit or loss for the period.

4.2.2Borrowing costs

Borrowing costs that are directly attributable to acquisition, construction or production of qualifying assets, which will require considerable time until the assets are ready for the proposed use or disposal, are added to the acquisition cost of those assets until the assets are ready for the proposed use or disposal. In other cases, the borrowing costs burden gains or losses of the period when they incurred.

4.2.3Inventory

The Inventories include spare parts for machinery and raw and auxiliary materials for wind farms. Inventories are valued at the lower cost and net realizable value. The cost of raw materials, in-process and ready-made products is determined using the weighted average cost method. Appropriate provisions are made for obsolete inventories, if necessary. Write-downs of inventories to net realizable value and other losses on inventories shall be recognized in profit or loss in the period in which they occur.

4.2.4Cash and cash quivalent

Cash and cash equivalents include cash in hand, sight deposits, time deposits, bank overdrafts and other highly liquid investments that are directly convertible into particular amounts of cash equivalents which are subject to non-significant risk of change in value. The Group considers time deposits and other highly liquid investments with less than three months maturity as cash, as well as time deposits with over three months maturity for which it has the right to early liquidation without loss of capital.

For the purposes of preparing the Statements of Cash Flows, cash and cash equivalents consist of cash in hand, bank deposits as well as cash equivalents as defined above.

The Group's restricted deposits, irrespective of the nature of the restrictions, are not included in cash and cash equivalents but are classified in the item "Prepayments and other receivables" (see Note 17.

4.2.5Employee benefits

Short-term benefits: Short-term employee benefits (except for termination of employment benefits) in cash and in kind are recognized as an expense when deemed accrued. Any unpaid amount is recorded as a liability, whereas in case the amount already paid exceeds the benefits' amount, the entity identifies the excessive amount as an asset (prepaid expense) only to the extent that the prepayment shall lead to a future payments' reduction or refund.

Retirement Benefits: Benefits following termination of employment include lump-sum severance grants, pensions and other benefits paid to employees after termination of employment in exchange for their service. The Group's liabilities for retirement benefits cover both defined contribution plans and defined benefit plans. The defined contribution plan's accrued cost is recognized as an expense in the period to which it relates.

Pension plans adopted by the Group are partly financed through payments to insurance companies or state social security funds.

a) Defined Contribution Plan

Defined contribution plans pertain to contribution payment to Social Security Organizations and therefore, the Group does not have any legal obligation in case the Fund is incapable of paying a pension to the insured person. The employer's obligation is limited to paying the employer's contributions to the Funds. The payable contribution by the Group in a defined contribution plan is identified as a liability after the deduction of the paid contribution, while accrued contributions are recognized as expenses in the income statement.

(b) Defined Benefit Plan (non-funded)

Under Laws 2112/20 and 4093/2012, the Company must pay compensation to its employees upon their dismissal or retirement. The amount of compensation paid depends on the years of service, the level of wages and the way of leaving service (dismissal or retirement). The establishment of the right to participate in these plans is carried out through the distribution of benefits in the last 16 years until the date of retirement of employees following the scale provided by Law 4093/2012.

The liability recognized in the Statement of Financial Position for defined benefit plans is the present value of the liability for the defined benefit less the plan assets' fair value (reserves from payments to an insurance company), the changes deriving from any actuarial profit or loss and the previous service cost. The defined benefit commitment is calculated on an annual basis by an independent actuary through the use of the projected unit credit method. Based on all 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 indices 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 establishes, based on various parameters, such as age, years of service and salary, the specific obligations for payable benefits. Provisions for the period are included in the relative staff costs in the accompanying separate and consolidated Statement of Comprehensive Income and comprise the current and past service cost, the relative financial cost, the actuarial gains or losses and potentially any additional charges. Regarding unrecognized actuarial gains or losses, IAS 19 applies, which includes among other:

i) recognition of actuarial gains / losses in other comprehensive income and their permanent exclusion from the Income Statement,
ii) non-recognition of the expected returns on the plan investment in the Income Statement but recognition of the relative interest on net liability / (asset) of the benefits calculated based on the discount rate used to measure the defined benefit obligation,
iii) recognition of past service cost in the Income Statement at the earliest between the plan modification date or when the relative restructuring or terminal provision are recognized,
iv) other changes including new disclosures, such as quantitative sensitivity analysis.

4.2.6Leases

4.2.6.1 Recognition and initial measurement of the right-of-use asset

At the lease period commencement date, the Group recognizes a right-of-use asset and a lease liability, measuring the right-of-use asset at cost.

The cost of the right-of-use asset comprises:

- the amount of the initial measurement of the lease liability (see below),
- any lease payments made on or before the commencement date, less any lease incentives received,
- the initial direct costs incurred by the lessee, and
- an estimate of costs to be incurred by the Group in dismantling and removing the underlying asset, restoring the site on which it is located or restoring the underlying asset to the condition required by the terms and conditions of the lease. The Group undertakes the obligation for those costs either at the lease period commencement date or as a consequence of having used the leased asset during a particular period.

4.2.6.2 Initial measurement of the lease liability

At the lease period commencement date, the Group measures the lease liability at the present value of the lease payments that are not paid at that date. When the interest rate implicit in the lease can be readily determined, the lease payments shall be discounted using the interest rate implicit in the lease. If that rate cannot be readily determined, the Group shall use the Group's incremental borrowing rate.

At the lease period commencement date, the lease payments included in the measurement of the lease liability comprise the following payments for the right-of-use asset during the lease term that are not paid at the lease commencement date:

i. fixed payments less any lease incentives receivable,
ii. any variable lease payments that depend on the future change in index or in interest rate, initially measured using the index or interest rate as at the lease period commencement date
iii. amounts expected to be payable by the Group under residual value guarantees,
iv. the exercise price of the call option if it is substantially certain that the Group will exercise the right, and
v. payments of penalties for terminating the lease, if the lease term reflects the Group exercising an option to terminate the lease.

4.2.6.3 Subsequent measurement

Subsequent measurement of the right-of-use asset

After the lease period commencement date, the Group measures the right-of-use asset applying a cost model.

The Group measures the right-of-use asset at cost:

- less any accumulated depreciation and any accumulated impairment losses, and
- adjusted for any subsequent measurement of the lease liability.

The Group applies the requirements set in IAS 16 regarding the depreciation of the right-of-use asset, which it reviews for potential impairment.

Subsequent measurement of the lease liability

After the lease period commencement date, the Group measures the lease liability, as follows:

i. increasing the carrying amount to reflect financial cost on the lease liability,
ii. reducing the carrying amount to reflect the lease payments made, and
iii. remeasuring the carrying amount to reflect any lease reassessment or modification.

The financial cost of a lease liability is allocated over the lease term in such a way that it results in a constant periodic interest rate on the remaining balance of the liability. After the lease period commencement date, the Group recognizes in profit or loss, (unless the costs are included in the carrying amount of another asset applying other applicable Standards), both:

i. financial cost of the lease liability, and
ii. variable lease payments not included in the measurement of the lease liability in the period in which the event or condition that triggers those payments occurs.

4.2.7Government grants

Government grants are recognized at fair value when there is reasonable assurance that the grant will be collected, and the Group will comply with all relevant conditions. Government grants related to the grants for tangible assets are recognized when there is reasonable assurance that the grant will be collected, and all relevant conditions will be met. These grants are recognized as deferred income and are transferred to the income statement during the period based on the expected useful life of the asset, for which the grant was received.

Government grants, relating to expenses, are recorded in transit accounts and recognized in the income statement over the period required so they are matched with the expenses they are intended to compensate.

4.2.8Earnings per share

Basic earnings per share are calculated dividing net earnings by the weighted average number of common shares outstanding during the period, excluding the weighted average number of the common shares acquired by the Group as treasury shares.

Earnings per share are calculated dividing the net profit attributable to shareholders by the weighted average number of shares outstanding during the year.

Diluted earnings per share are calculated when the Group has contingently issuable common shares, that is, common shares issuable for no cash or no cash after the fulfillment of certain conditions of a contingent share agreement.

As in the calculation of basic earnings per share, contingently issuable shares are treated as shares outstanding and are included in the calculation of diluted earnings per share if the necessary conditions are met (if the events have occurred). Contingent issuable shares are included from the beginning of the period (or from the date of the potential share agreement, if later). If the conditions are not met, the number of conditional issuable shares, included in the calculation of diluted earnings per share, is based on the number of shares that would have been issued if the end of the period/year had been the end of the term of the option.

5. CONSOLIDATED COMPANIES

The following tables present the consolidated companies at the level of the parent company TERNA ENERGY S.A. and the group respectively as of 31/12/2024, their headquarters, their business activities, the Company's direct and indirect participating interest in their share capital, the consolidation method, as well as the unaudited tax years.

5.1 Company Structure

Separate financial statements are included under proportional consolidation method, the entities ILIAKI PIKROLIMNIS S.A., ILIAKA VAKOUFIA SINGLE MEMBER PC and FOTOVOLTAIKA KILKIS SINGLE MEMBER PC.

(Amounts in thousands of Euros unless mentioned otherwise)

ECONOMIC ENTITY	DOMICILE	DIRECT PARTI-CIPATION %	INDIRECT PARTI-CIPATION %	TOTAL PARTI-CIPATION %	CONSOLIDATION METHOD	SUBSIDIARY OF INDIRECT PARTICIPATION	UNAUDITED FISCAL YEARS
RES ENERGY SEGMENT - JOINT OPERATIONS							
ILIAKI PIKROLIMNIS S.A.	Greece	51,00	–	51,00	Proportional	-	2020-2024
ILIAKA VAKOUFIA SINGLE MEMBER PC	Greece	–	51,00	51,00	Proportional	ILIAKI PIKROLIMNIS S.A.	2020-2024
FOTOVOLTAIKA KILKIS SINGLE MEMBER PC	Greece	–	51,00	51,00	Proportional	ILIAKI PIKROLIMNIS S.A.	2020-2024

5.2 Group Structure

As at 31/12/2024, the Group structure is as follows:

ECONOMIC ENTITY	DOMICILE	DIRECT PARTI-CIPATION %	INDIRECT PARTI-CIPATION %	TOTAL PARTI-CIPATION %	CONSOLIDATION METHOD	SUBSIDIARY OF INDIRECT PARTICIPATION	UNAUDITED FISCAL YEARS
HOLDINGS AND FINANCING - SUBSIDIARIES							
TERNA ENERGY FINANCE S.A.	Greece	100,00	–	100,00	Full	-	2019-2024
TERNA ENERGY OVERSEAS LTD	Cyprus	100,00	–	100,00	Full	-	2024
GALLETTE LTD	Cyprus	–	100,00	100,00	Full	ENERGIAKI SERVOUNIOU S.A.	2023-2024
RES ENERGY SEGMENT - SUBSIDIARIES							
AIOLIKI PANORAMATOS DERVENOCHORION S.A.	Greece	100,00	–	100,00	Full	-	2019-2024
PPC RENEWABLES - TERNA ENERGY S.A.	Greece	51,00	–	51,00	Full	-	2019-2024
ENERGIAKI SERVOUNIOU S.A.	Greece	100,00	–	100,00	Full	-	2019-2024
IWECO HONOS CRETE S.A.	Greece	100,00	–	100,00	Full	-	2019-2024
TERNA ENERGY EVROU S.A.	Greece	100,00	–	100,00	Full	-	2019-2024
AIOLIKI RACHOULAS DERVENOCHORION S.A.	Greece	100,00	–	100,00	Full	-	2019-2024
ENERGIAKI DERVENOCHORION S.A.	Greece	100,00	–	100,00	Full	-	2019-2024
AIOLIKI MARMARIOU EUVOIAS M.A.E.	Greece	100,00	–	100,00	Full	-	2019-2024

(Amounts in thousands of Euros unless mentioned otherwise)

ENERGEIAKI DYSTION EUVOIAS M.A.E.	Greece	100,00	–	100,00	Full	-	2019-2024
ENERGEIAKI KAFIREOS EUVOIAS S.A.	Greece	100,00	–	100,00	Full	-	2019-2024
ENERGIAKI STYRON EVIAS M.A.E.	Greece	100,00	–	100,00	Full	-	2019-2024
ENERGIAKI NEAPOLEOS LAKONIAS S.A.	Greece	100,00	–	100,00	Full	-	2019-2024
AIOLIKI MALEA LAKONIAS S.A.	Greece	100,00	–	100,00	Full	-	2019-2024
TERNA ENERGY SA AND CO ENERGEIAKI VELANIDION LAKONIAS G.P.	Greece	99,00	1,00	100,00	Full	IWECO HONOS CRETE S.A.	2019-2024
AIOLIKI EASTERN GREECE M.A.E.	Greece	100,00	–	100,00	Full	-	2019-2024
AIOLIKI PASTRA ATTIKIS S.A.	Greece	99,00	1,00	100,00	Full	IWECO HONOS CRETE S.A.	2019-2024
ENERGIAKI PELOPONNISOU S.A.	Greece	100,00	–	100,00	Full	-	2019-2024
AIOLIKI PROVATA TRAIANOUPOLEOS M.A.E.	Greece	100,00	–	100,00	Full	-	2019-2024
AIOLIKI DERVENI TRAIANOUPOLEOS S.A.	Greece	100,00	–	100,00	Full	-	2019-2024
ENERGIAKI FERRON EVROU M.A.E.	Greece	100,00	–	100,00	Full	-	2019-2024
TERNA ENERGY S.A. AND CO ENERGIAKI ARI SAPPON G.P.	Greece	99,00	1,00	100,00	Full	IWECO HONOS CRETE S.A.	2019-2024
ENERGEIAKI XIROVOUNIOU S.A.	Greece	100,00	–	100,00	Full	-	2019-2024
AIOLIKI ILIOKASTROU M.A.E.	Greece	–	100,00	100,00	Full	TERNA ENERGY EVROU S.A.	2019-2024
EUROWIND S.A.	Greece	–	100,00	100,00	Full	ENERGIAKI SERVOUNIOU S.A.	2019-2024
DELTA AXIOU ENERGEIAKI S.A.	Greece	80,00	–	80,00	Full	-	2019-2024
TERNA ENERGY S.A. AND VECTOR GREECE WIND PARKS - TROULOS WIND PARK G.P.	Greece	90,00	–	90,00	Full	-	2019-2024
TERNA ENERGY SEA WIND PARKS S.A.	Greece	85,00	–	85,00	Full	-	2019-2024
TERNA ENERGY SAPPON SMPC	Greece	100,00	–	100,00	Full	-	2020-2024
AIOLIKO PARKO VIOTIAS TARATSA MAE	Greece	100,00	–	100,00	Full	-	2024

(Amounts in thousands of Euros unless mentioned otherwise)

SAIE GLYKIO FOKIDAS SINGLE MEMBER S.A.	Greece	100,00	–	100,00	Full	-	2024
AMARI ENERGEIAKI SINGLE MEMBER S.A.	Greece	100,00	–	100,00	Full	-	2024
AVLAKI YDROILEKTRIKI SINGLE MEMBER P.C.	Greece	100,00	–	100,00	Full	-	2024
DEMONOPYRGIA SINGLE MEMBER P.C.	Greece	100,00	–	100,00	Full	-	2024
DIASELA ANTLISIOTAMIEFSI SINGLE MEMBER P.C.	Greece	100,00	–	100,00	Full	-	2024
FILOS ANTLISIOTAMIEFSI SINGLE MEMBER P.C.	Greece	100,00	–	100,00	Full	-	2024
LADONAS YDROILEKTRIKI SINGLE MEMBER P.C.	Greece	100,00	–	100,00	Full	-	2024
MAZARAKI YDROILEKTRIKI SINGLE MEMBER P.C.	Greece	100,00	–	100,00	Full	-	2024
POURNARAKI SINGLE MEMBER P.C.	Greece	100,00	–	100,00	Full	-	2024
VATHICHORI ENVIRONMENTAL S.A.	Greece	–	100,00	100,00	Full	TERNA ENERGY OVERSEAS LTD	2019-2024
VATHICHORI ONE PHOTOVOLTAIC S.A.	Greece	–	100,00	100,00	Full	VATHICHORI ENVIRONMENTAL S.A.	2019-2024
ALISTRATI ENERGY LTD	Greece	80,00	–	80,00	Full	-	2019-2024
TERNA ENERGY AI-GIORGIS S.A.	Greece	99,40	0,60	100,00	Full	IWECO HONOS CRETE S.A.	2019-2024
TERNA AIOLIKI XEROVOUNIOU S.A.	Greece	–	100,00	100,00	Full	AIOLIKI PANORAMATOS DERVENOCHORION S.A.	2019-2024
TERNA AIOLIKI AITOLOAKARNANIAS S.A.	Greece	–	100,00	100,00	Full	AIOLIKI MALEA LAKONIAS S.A.	2019-2024
TERNA AIOLIKI AMARINTHOU S.A.	Greece	–	100,00	100,00	Full	ENERGIAKI SERVOUNIOU S.A.	2019-2024
TERNA ILIAKI PANORAMATOS S.A.	Greece	100,00	–	100,00	Full	-	2019-2024
TERNA ILIAKI PELLOPONISSOU S.A.	Greece	100,00	–	100,00	Full	-	2019-2024
TERNA ILIAKI VIOTIAS S.A.	Greece	100,00	–	100,00	Full	-	2019-2024
AIOLIKI STEREAS ELLADOS M.A.E.	Greece	100,00	–	100,00	Full	-	2019-2024
VATHICHORI TWO ENERGY S.A.	Greece	–	100,00	100,00	Full	TERNA ENERGY OVERSEAS LTD	2019-2024
TERNA ENERGY OMALIES M.A.E.	Greece	100,00	–	100,00	Full	-	2019-2024

(Amounts in thousands of Euros unless mentioned otherwise)

EVOIKOS ANEMOS S.A.	Greece	70,00	–	70,00	Full	-	2020-2024
KEY SOLAR ENERGY SINGLE MEMBER PC	Greece	100,00	–	100,00	Full	-	2020-2024
KASTRAKI SOLAR ENERGY SINGLE MEMBER PC	Greece	100,00	–	100,00	Full	-	2020-2024
TERNA ENERGY-PUMPED STORAGE I S.M.S.A.	Greece	100,00	–	100,00	Full	-	2022 - 2024
TERNA ENERGY FIVE TOWERS GP	Greece	90,00	10,00	100,00	Full	IWECO HONOS CRETE S.A.	2019-2024
RACHI PALEOCHORIOU SINGLE MEMBER P.C.	Greece	100,00	–	100,00	Full	-	2024
SKALA - AGIOS NIKOLAOS - LADONAS SINGLE MEMBER P.C.	Greece	100,00	–	100,00	Full	-	2024
TRICHONIDA I ANTLISIOTAMIEFSI SINGLE MEMBER P.C.	Greece	100,00	–	100,00	Full	-	2024
TSOUGKARIA SINGLE MEMBER P.C.	Greece	100,00	–	100,00	Full	-	2024
VROCHONERA I & IG SINGLE MEMBER P.C.	Greece	100,00	–	100,00	Full	-	2024
ELLINIKOS ILIOS II S.A.	Greece	100,00	–	100,00	Full	-	
ELLINIKOS ILIOS III S.A.	Greece	100,00	–	100,00	Full	-	
HAOS INVEST 1 EAD	Bulgaria	–	100,00	100,00	Full	TERNA ENERGY OVERSEAS LTD	2019-2024
ECO ENERGY DOBRICH 2 EOOD	Bulgaria	–	100,00	100,00	Full	TERNA ENERGY OVERSEAS LTD	2019-2024
ECO ENERGY DOBRICH 3 EOOD	Bulgaria	–	100,00	100,00	Full	TERNA ENERGY OVERSEAS LTD	2019-2024
ECO ENERGY DOBRICH 4 EOOD	Bulgaria	–	100,00	100,00	Full	TERNA ENERGY OVERSEAS LTD	2019-2024
BIO PI DI SOLAR	Bulgaria	–	100,00	100,00	Full	TERNA ENERGY OVERSEAS LTD	2024
EOLOS NORTH sp.z.o.o.	Poland	–	100,00	100,00	Full	TERNA ENERGY OVERSEAS LTD	2019-2024
EOLOS NOVO sp.z.o.o.	Poland	–	100,00	100,00	Full	TERNA ENERGY OVERSEAS LTD	2019-2024
EOLOS POLSKA sp.z.o.o.	Poland	–	100,00	100,00	Full	TERNA ENERGY OVERSEAS LTD	2019-2024

(Amounts in thousands of Euros unless mentioned otherwise)

EOLOS EAST sp.z.o.o.	Poland	–	100,00	100,00	Full	TERNA ENERGY OVERSEAS LTD	2019-2024
JP GREEN sp.z.o.o.	Poland	–	100,00	100,00	Full	TERNA ENERGY OVERSEAS LTD	2019-2024
WIRON sp.z.o.o.	Poland	–	100,00	100,00	Full	TERNA ENERGY OVERSEAS LTD	2019-2024
BALLADYNA sp.z.o.o.	Poland	–	100,00	100,00	Full	TERNA ENERGY OVERSEAS LTD	2019-2024
EOLOS DEVELOPMENT Sp.z o.o	Poland	–	100,00	100,00	Full	TERNA ENERGY OVERSEAS LTD	2021-2024
RES ENERGY SEGMENT - JOINT VENTURES							
ATLAS 1 ENERGY SMPC	Greece	50,00	–	50,00	Equity	-	2021-2024
RES ENERGY SEGMENT - ASSOCIATES							
CYCLADES RES ENERGY CENTER SA	Greece	–	45,00	45,00	Equity	IWECO HONOS CRETE S.A.	2019-2024
ARMONIA ENERGY SOCIETY	Greece	12,50	–	12,50	Equity	-	2019-2024

The percentage of voting rights of TERNA ENERGY S.A. in all the above participations coincides with the percentage held on companies' free float.

5.3 Changes in the Group structure within 2024

- The liquidation and the deletion of WASTE CYCLO SA has been completed.
- On July 18, 2024, the Group signed a contract for the acquisition of the shares of BIO PI DI SOLAR EOOD, which is developing the construction and operation of a 129.3 MW photovoltaic power plant in Bulgaria.
- On September 17, 2024, the parent company of TERNA ENERGY S.A., established the company named SAIE GLYKIO FOKIDAS SINGLE MEMBER S.A.. The purpose of this company is the production of electricity from photovoltaic systems as well as electricity storage services.
- On October 16, 2024, the parent company of TERNA ENERGY S.A., established the company named AVLAKI YDROILEKTRIKI SINGLE MEMBER P.C.. The purpose of this company is the production of electricity from hydroelectric power plants.
- On October 17, 2024, the parent company of TERNA ENERGY S.A. established the company named AMARI ENERGEIAKI SINGLE MEMBER S.A.. The purpose of this company is the production of electricity from hydroelectric power plants and the production of electricity from the conversion of wind energy.
- On October 18, 2024, the parent company of TERNA ENERGY S.A., established the companies DEMONOPYRGIA SINGLE MEMBER P.C., DIASELA ANTLISIOTAMIEFSI SINGLE MEMBER P.C., FILOS ANTLISIOTAMIEFSI SINGLE MEMBER P.C., LADONAS YDROILEKTRIKI SINGLE MEMBER P.C., MAZARAKI YDROILEKTRIKI SINGLE MEMBER P.C., RACHI PALEOCHORIOU SINGLE MEMBER P.C. and VROCHONERA I & IG SINGLE MEMBER P.C.. The purpose of all the above-mentioned companies is to produce electricity from hydroelectric power plants.
- On October 23, 2024, the parent company of Terna Energy Group established the companies POURNARAKI SINGLE MEMBER P.C., SKALA - AGIOS NIKOLAOS - LADONAS SINGLE MEMBER P.C., TRICHONIDA I ANTLISIOTAMIEFSI SINGLE MEMBER P.C. and TSOUGKARIA SINGLE MEMBER P.C.. The

(Amounts in thousands of Euros unless mentioned otherwise)

purpose of all the above-mentioned companies is the production of electricity from hydroelectric power stations.

- On December 31, 2024, the company of Terna Energy Group acquired 100% of the shares of the companies ELLINIKOS ILIOS II S.A. and ELLINIKOS ILIOS III S.A.. The purpose of the above-mentioned companies is the development, construction and operation of photovoltaic power plants.
- Following the completion of the acquisition of 70%, on 28 Novemenr 2024, of the shares of TERNA ENERGY S.A. by Abu Dhabi Future Energy Company PJSC - Masdar ("Masdar") from GEK TERNA S.A. and other shareholders, was also carried out, the transfer of the construction activities of public works, infrastructure-related concessions and other projects of public interest and all renewable energy exploration activities in the United States, to GEK Terna Group (see Management Report and Note 7).

The companies transferred are listed below in the Group Structure of the transferred activities:

Company Structure							
ECONOMIC ENTITY	**DOMICILE**	**DIRECT PARTI-CIPATION %**	**INDIRECT PARTI-CIPATION %**	**TOTAL PARTI-CIPATION %**	**CONSOLIDATION METHOD**	**SUBSIDIARY OF INDIRECT PARTICIPATION**	**UNAUDITED FISCAL YEARS**
CONSTRUCTION SEGMENT - JOINT OPERATIONS							
J/V GEK TERNA - TERNA ENERGY (INSTALLATION AND OPERATION ASSK)	Greece	50,00	–	50,00	Proportional	-	2019-2024

Group Structure							
ECONOMIC ENTITY	**DOMICILE**	**DIRECT PARTI-CIPATION %**	**INDIRECT PARTI-CIPATION %**	**TOTAL PARTI-CIPATION %**	**CONSOLIDATION METHOD**	**SUBSIDIARY OF INDIRECT PARTICIPATION**	**UNAUDITED FISCAL YEARS**
HOLDINGS AND FINANCING - SUBSIDIARIES							
TERNA ENERGY USA HOLDING CORPORATION	U.S.A.	–	100,00	100,00	Full	TERNA ENERGY TRANSATLANTIC sp.z.o.o.	2011-2024
TERNA ENERGY TRANSATLANTIC sp.z.o.o.	Poland	–	100,00	100,00	Full	TERNA ENERGY OVERSEAS LTD	2015-2024
RES ENERGY SEGMENT - SUBSIDIARIES							
TERNA ENERGEIAKI DIACHEIRISI PAGION	Greece	100,00		100,00	Full		2019-2024
ERGA YPODOMIS EVRYZONIKOTITAS	Greece	100,00	–	100,00	Full	-	2024
AEGIS RENEWABLES, LLC	U.S.A.	–	100,00	100,00	Full	TERNA ENERGY USA HOLDING CORPORATION	2011-2024
MOUNTAIN AIR HOLDING, LLC	U.S.A.	–	100,00	100,00	Full	TERNA ENERGY USA HOLDING CORPORATION	2011-2024
TERNA RENEWABLE ENERGY PROJECTS, LLC	U.S.A.	–	100,00	100,00	Full	TERNA ENERGY USA HOLDING CORPORATION	2016-2024
TERNA DEN, LLC	U.S.A.	–	100,00	100,00	Full	TERNA ENERGY USA HOLDING CORPORATION	2016-2024

(Amounts in thousands of Euros unless mentioned otherwise)

FLUVANNA I INVESTOR, LLC	U.S.A.	–	100,00	100,00	Full	TERNA ENERGY USA HOLDING CORPORATION	2016-2024
FLUVANNA INVESTMENTS 2, LLC	U.S.A.	–	100,00	100,00	Full	TERNA ENERGY USA HOLDING CORPORATION	2016-2024
CI-II BEARKAT QFPF, LLC	U.S.A.	–	100,00	100,00	Full	TERNA ENERGY USA HOLDING CORPORATION	2016-2024
CI-II BEARKAT HOLDING B, LLC	U.S.A.	–	100,00	100,00	Full	TERNA ENERGY USA HOLDING CORPORATION	2017-2024
SPONSOR BEARKAT I HOLDCO, LLC	U.S.A.	–	100,00	100,00	Full	TERNA ENERGY USA HOLDING CORPORATION	2019-2024
TERNA DER, LLC	U.S.A.	–	100,00	100,00	Full	TERNA ENERGY USA HOLDING CORPORATION	2024
TERNA DER 2, LLC	U.S.A.	–	100,00	100,00	Full	TERNA ENERGY USA HOLDING CORPORATION	2024
TERNA DER 3, LLC	U.S.A.	–	100,00	100,00	Full	TERNA ENERGY USA HOLDING CORPORATION	2024
COOPER-MONITEAU ENERGY, LLC	U.S.A.	–	100,00	100,00	Full	TERNA ENERGY USA HOLDING CORPORATION	2024
RICHLAND CREEK ENERGY, LLC	U.S.A.	–	100,00	100,00	Full	TERNA ENERGY USA HOLDING CORPORATION	2024
LIMESTONE TERNA ENERGY, LLC	U.S.A.	–	100,00	100,00	Full	TERNA ENERGY USA HOLDING CORPORATION	2024
CONCESSIONS SEGMENT - SUBSIDIARIES							
HELLAS SMARTICKET S.A.	Greece	35,00	–	35,00	Full	-	2019-2024
PERIVALLONTIKI PELOPONNISOU M.A.E.	Greece	100,00	–	100,00	Full	-	2019-2024
EPIRUS SUSTAINABLE SINGLE OWNED SOCIETE ANONYME SPECIAL PURPOSE	Greece	100,00	–	100,00	Full	-	2019-2024
CONCESSIONS SEGMENT - JOINT VENTURES							
TERNA FIBER SPECIAL PURPOSES SOCIETE ANONYME	Greece	50,10	–	50,10	Equity	-	2024
CONSTRUCTION SEGMENT - JOINT VENTURES							
EN.ER.MEL S.A.	Greece	50,00	–	50,00	Equity	-	2019-2024
JV TENERGY-INDIGITAL-AMCO	Greece	70,00	–	70,00	Equity	-	2020-2024

(Amounts in thousands of Euros unless mentioned otherwise)

6. SEGMENT REPORTING

Under the provisions of IFRS 8, an operating sector is a component of an entity: a) that engages in business activities from which it may earn revenues and incur expenses (including revenues and expenses relating to transactions with other components of the same entity), and, b) whose operating results are regularly reviewed by the entity's chief operating decision maker to make decisions about resources to be allocated to the segment and assess its performance.

The term "chief operating decision maker" defines the function of the Group, which is to allocate resources to and assess the performance of the operating segments of an entity. For the application of IFRS 8, this function is assigned to the Board of Directors.

The Management separately monitors the operating results of the Group's individual operating segments in order to make the necessary decisions, allocate the available resources and evaluate their performance.

On 28 November 2024, the acquisition of 70% of the shares of TERNA ENERGY S.A. from Abu Dhabi Future Energy Company PJSC - Masdar ("Masdar"), which were held by GEK TERA S.A. and other shareholders, was successfully completed.

In the context of the same agreement, was also took place the disposal to GEK TERNA Group of the construction activities of public works, infrastructure-related concessions and other projects of public interest and all research activities in the United States, the results of these activities are accounted for as results from discontinued operations as defined in IFRS 5 "Non-current Assets Held for Sale and Discontinued Operations" (see Management Report and Notes 5 and 7).

As a consequence of the above Agreement, TERNA ENERGY Group will permanently discontinue its activities in the operational areas of public works construction, the concessions related to the operation of infrastructure and other projects of public interest (such as the Single Automatic Collection System and the Municipal Waste Treatment Plant of the Regions of Epirus and Peloponnese) in exchange for their long-term exploitation by the provision of services to the public. Furthermore, the treatment also includes the research and development activities of renewable energy related projects that TERNA ENERGY ABETE Group had in the USA.

According to the above-mentioned, the main operating sectors of TERNA ENERGY in which the Group was active during the year 2024, based on the Group's internal reporting system, are divided between continuing operations in the field of renewable energy sources and discontinued operations in the areas of public works construction, concessions related to the operation of infrastructure and other projects of public interest.

The Group's performance by segment is presented in continuing operations and discontinued operations as follows:

Operating segments	Continued Operations of Electricity from RES	Consolidated total of Discontinued operations	Consolidated total Continued and Discontinued operations
31st December 2024			
Continuing and Discontinued operations			
Revenue	347.104	60.521	**407.625**
Total revenue from Continuing and Discontinued operations	**347.104**	**60.521**	**407.625**
Cost of sales	(141.654)	(65.372)	**(207.026)**
Gross profit from Continuing and Discontinued operations	**205.450**	**(4.851)**	**200.599**

(Amounts in thousands of Euros unless mentioned otherwise)

Administrative and distribution expenses	(47.439)	(2.045)	(49.484)
Research and development expenses	(6.187)	(1.519)	(7.706)
Other income/(expenses) and other gain/(losses)-EBIT determinants	5.240	(10.321)	(5.081)
Operating results (EBIT) from Continuing and Discontinued operations	**157.064**	**(18.736)**	**138.328**
Other income/(expenses) and other gain/(losses)- non-EBIT determinants	(1.164)	407	(757)
Operating results from Continuing and Discontinued operations	**155.900**	**(18.329)**	**137.571**
Financial income	1.391	6.875	**8.266**
Financial expenses	(65.462)	83	**(65.379)**
Gains/(Losses) from financial instruments measured at fair value	1.189	5	**1.194**
Revenue from participating interest and other investments	47	–	**47**
Gains/(losses) from disposals and valuation of participations and other investments	702	–	**702**
Share of results of assosiates and joint ventures	–	(46)	**(46)**
Net profit/loss for the period from Discontinued Operations	–	(22.352)	**(22.352)**
Profit/Loses before tax from Continuing and Discontinued operations	**93.767**	**(33.764)**	**60.003**
Income tax expense	(23.217)	(2.777)	**(25.994)**
Net profit/(losses) from Continuing and Discontinued operations	**70.550**	**(36.541)**	**34.009**
Depreciation	(57.031)	(892)	**(57.923)**
Grants' amortisation	3.840	–	**3.840**

Operating segments	**Continued Operations of Electricity from RES**	**Consolidated total of Discontinued operations**	**Consolidated total Continued and Discontinued operations**
31st December 2024			
Segment assets (except of investments)	1.990.858	–	**1.990.858**
Investment in associates and joint ventures	1	–	**1**
Total assets	**1.990.859**	**–**	**1.990.859**
Segment liabilities	**1.501.823**	**–**	**1.501.823**
Long-term loans	967.118	50.311	**1.017.429**
Short-term loans	40.609	–	**40.609**
Long-term liabilities carried forward	99.800	14.961	**114.761**
Cash and cash equivalents	(241.111)	(25.340)	**(266.451)**
Restricted cash (Note 17)	(70.827)	(5.791)	**(76.618)**
Net debt/(surplus)	**795.589**	**34.141**	**829.730**
Lease liabilities	35.351	1.122	**36.473**
Capital expenditures for the year	101.711	334	**102.045**

(Amounts in thousands of Euros unless mentioned otherwise)

Operating segments	Continued Operations of Electricity from RES	Consolidated total of Discontinued operations	Consolidated total Continued and Discontinued operations
31st December 2023			
Continuing and Discontinued operations			
Revenue	252.216	75.615	**327.831**
Total revenue from Continuing and Discontinued operations	**252.216**	**75.615**	**327.831**
Cost of sales	(102.603)	(66.184)	**(168.787)**
Gross profit from Continuing and Discontinued operations	**149.613**	**9.431**	**159.044**
Administrative and distribution expenses	(31.113)	(2.778)	**(33.891)**
Research and development expenses	(5.371)	(1.913)	**(7.284)**
Other income/(expenses) and other gain/(losses)-EBIT determinants	12.160	(327)	**11.833**
Operating results (EBIT) from Continuing and Discontinued operations	**125.289**	**4.413**	**129.702**
Other income/(expenses) and other gain/(losses)- non-EBIT determinants	(1.294)	–	**(1.294)**
Operating results from Continuing and Discontinued operations	**123.995**	**4.413**	**128.408**
Financial income	824	8.218	**9.042**
Financial expenses	(49.093)	(5.840)	**(54.933)**
Gains/(Losses) from financial instruments measured at fair value	(1.912)	45	**(1.867)**
Gains/(losses) from disposals and valuation of participations and other investments	507	–	**507**
Share of results of assosiates and joint ventures	(33)	(51)	**(84)**
Profit/Loses befor tax from Continuing and Discontinued operations	**74.288**	**6.785**	**81.073**
Income tax expense	(17.223)	(1.764)	**(18.987)**
Net profit/(losses) from Continuing and Discontinued operations	**57.065**	**5.021**	**62.086**
Depreciation	(52.463)	(595)	**(53.058)**
Grants' amortisation	4.971	–	**4.971**

Operating segments	Continued Operations of Electricity from RES	Consolidated total of Discontinued operations	Consolidated total Continued and Discontinued operations
31st December 2023			
Segment assets (except of investments)	1.847.047	227.621	**2.074.668**
Investment in associates and joint ventures	4.164	–	**4.164**
Total assets	**1.851.211**	**227.621**	**2.078.832**
Segment liabilities	**1.452.495**	**120.131**	**1.572.626**
Long-term loans	987.387	66.877	**1.054.264**
Long-term liabilities carried forward	93.219	19.629	**112.848**
Cash and cash equivalents	(224.639)	(23.388)	**(248.027)**
Restricted cash	(68.663)	(5.791)	**(74.454)**
Net debt/(surplus)	**787.304**	**57.327**	**844.631**
Lease liabilities	19.303	11.522	**30.825**
Capital expenditures for the year	210.885	8.046	**218.931**

(Amounts in thousands of Euros unless mentioned otherwise)

Geographical segments (continuing operations)	Greece	Eastern Europe	USA	Consolidated total
31/12/2024				
Revenue	326.429	20.675	–	**347.104**
Non-current assets	1.449.093	106.632	–	**1.555.725**
Capital expenditures	101.834	211	–	**102.045**
31/12/2023				
Revenue	223.451	28.765	–	**252.216**
31/12/2023				
Non-current assets	1.446.555	100.933	967	**1.548.455**
Capital expenditures	218.714	216	–	**218.930**

The turnover in the energy segment, from continuing operations, due to its nature, depends on the legislative framework which is locally in effect with regard to the energy administrators, in both the domestic market and in Bulgaria and Poland.

During the fiscal year ended December 31st, 2024, an amount of € 158,7million (45,7%) 2023: € 155,3 million (61,6%) of the turnover from continuing operations of the Group derived from an external customer (Customer A) active in the electricity sector.

7. BUSINESS COMBINATION AND ASSETS ACQUISITION

7.1 Business disposals and discontinued operations

In the context of the completion of the acquisition of 70% of the shares of TERNA ENERGY S.A. by Abu Dhabi Future Energy Company PJSC - Masdar ("Masdar") on 28 November 2024, it was also agreed that TERNA ENERGY S.A. will grant to GEK TERNA S.A. Group the construction activities of public works, infrastructure-related concessions and other projects of public interest as well as all exploration activities in the United States. The transaction price was considered reasonable based on the Auditor's Evaluation Report of 29.10.2024 pursuant to article 101 par. 1 of Law 4548/2018, as it was posted on the register of TERNA ENERGY S.A. in the General Commercial Register (GEMI).

Consequently, with the finalisation of the above transactions, TERNA ENERGY Group ABETE permanently discontinues its activities in the operational areas of public works construction, the infrastructure-related concessions and other projects of public interest (such as the Unified Automatic Collection System and the Municipal Waste Treatment Plant of the Epirus and Peloponnese regions) in exchange for their long-term exploitation by the provision of services to the public, as well as the development activities of renewable energy-related projects that TERNA ENERGY ABETE Group had in the United States. The results of these activities are presented as results from discontinued operations as defined in IFRS 5 Non-current assets held for sale and discontinued operations (see Management's Discussion and Analysis and Note 5).

The net income of the Group and the Company from discontinued operations for the periods 01/01 - 31/12/2024 and 01/01 - 31/12/2023 are analyzed as follows:

(Amounts in thousands of Euros unless mentioned otherwise)

	GROUP		COMPANY	
Operating results from discontinued operations	**01/01 - 31/12/2024**	**01/01 - 31/12/2023**	**01/01 - 31/12/2024**	**01/01 - 31/12/2023**
Revenue	60.521	75.615	32.796	57.127
Cost of sales	(65.372)	(66.184)	(46.877)	(56.033)
Gross profit	**(4.851)**	**9.431**	**(14.081)**	**1.094**
Administrative and distribution expenses	(2.045)	(2.778)	(959)	(895)
Research and development expenses	(1.519)	(1.913)	(101)	(1.030)
Other income/(expenses)	(9.914)	(327)	(2.050)	(1.086)
Results from Operating Activities	**(18.329)**	**4.413**	**(17.191)**	**(1.917)**
Financial income	6.875	8.218	564	940
Financial expenses	83	(5.840)	(223)	(240)
Gains from financial instruments measured at fair value	5	45	–	–
Revenue from participating interest and other investments	–	(51)	–	–
Losses from disposals and valuation of participations and other investments	(46)	–	–	–
Profit/(Losses) before income tax	**(11.412)**	**6.785**	**(16.850)**	**(1.217)**
Income tax expense	(2.777)	(1.764)	(1.616)	(1.115)
Profit/(Losses) after income tax	**(14.189)**	**5.021**	**(18.466)**	**(2.332)**
Net profit/loss for the period from Discontinued operations (a)	**(14.189)**	**5.021**	**(18.466)**	**(2.332)**
Other comprehensive income from Discontinued operations				
Other comprehensive income from Discontinued operations	(980)	(1.538)	–	–
-Reclassification to Income Statement from discontinued operations	3.008	197	–	197
Total of other comprehensive income from Discontinued operations	**2.028**	**(1.341)**	**–**	**197**

	GROUP		COMPANY	
Results from disposal of discontinued operations	**01/01 - 31/12/2024**	**01/01 - 31/12/2023***	**01/01 - 31/12/2024**	**01/01 - 31/12/2023***
Price of disposal	67.500	–	62.478	–
Net Asset value of disposal	(89.852)	–	(65.126)	–
Net profit/loss for the period from	**(22.352)**	**–**	**(2.648)**	**–**
Total Net profit/loss for the period from Discontinued Operations (a)+(b)	**(36.541)**	**5.021**	**(21.114)**	**(2.332)**

The results reclassified in the statement of "Operating results from discontinued operations" amounting to € 3,008 thousand relate to the reclassification of reserves for translation differences from the integration of foreign operations and reserves from derivative hedges of future cash flows.

Presented in the table below are the net cash flows from operating, investing and financing activities related to discontinued operations for fiscal years 2024 and 2023, respectively:

(Amounts in thousands of Euros unless mentioned otherwise)

	GROUP		COMPANY	
Cash flow analysis of Discontinued operations	**01/01 - 31/12/2024**	**01/01 - 31/12/2023**	**01/01 - 31/12/2024**	**01/01 - 31/12/2023**
Net cash flows from operating activities	47.743	(8.106)	33.451	(20.924)
Net cash flows from investment activities	45.635	(6.482)	60.482	303
Net cash flows from financial activities	(13.321)	(12.774)	(325)	(273)
Total net cash flows from Discontinued	**80.057**	**(27.362)**	**93.608**	**(20.894)**

Earnings per share relating to discontinued operations for the fiscal years 2024 and 2023 are as follows:

	01/01 - 31/12/2024	**01/01 - 31/12/2023**
Basic Earnings per share attributed to shareholders of the parent (Amounts in Euro per share)	(0,29709)	0,01406
Basic Earnings per share attributed to shareholders of the parent (Amounts in Euro per share)	0,00496	0,01740

Among the significant items that are included in the transferred assets of the activities transferred as a consequence of the disposal of the discontinued operations are the "Financial Assets - Concessions" which as of December 31, 2023 amounted to € 60,558 thousand.

7.2 Business acquisitions

On July 18, 2024, TERNA ENERGY Group acquired the company BIO Pi Di EOOD, a company based in Bulgaria, which is developing there a Photovoltaic Stations of a capacity of 129.3 MW.

Upon examination of the requirements of IFRS 3, it was determined that the acquired assets and assumed liabilities of the above company do not constitute an "enterprise" as defined by IFRS 3 and therefore do not fall within the scope of that Standard. but these transactions are accounted for as an acquisition of assets. The accounting policy for the recognition of the transaction is described in the explanatory note 4.1.11 of the hereby Annual Consolidated and Company Financial Statements of December 31st, 2024. The cost of the acquisition was allocated to the individual identifiable assets and liabilities based on their relative fair values at the date of acquisition, and no goodwill arises from this transaction.

Details of the items relating to the acquisition of the above company are presented below:

BIO PI DI SOLAR	**Fair values at the acquisition of entity**
ASSETS	
Intangible assets and Right-of-use assets	8.209
Property, plant and equipment	4.586
Prepayments and other receivables	128
TOTAL ASSETS	**12.923**
Liabilities	
Loan liabilities	3.199
Suppliers and Liabilities from contracts with customers	1.770
Accrued and other short-term liabilities	496
Total liabilities	**5.465**
Fair Value of acquaried net assets	**7.458**
Cash paid in financial year 2024 (a)	6.568
Cash paid in previous financial years (b)	890
Minus: Cash received (c)	–
Total Cash outflow as of December 31st, 2024 (a) + (b) - (c)	7.458

(Amounts in thousands of Euros unless mentioned otherwise)

As a result of the above acquisition, the Group recognized intangible assets (licenses of photovoltaic production plants) amounting to € 8.209 thousand. since the company has no assets other than the licence to produce and install the plant to be built. During the period from the date of acquisition of the company until 31 December 2024, the results related to this company amount to a loss of € 15 thousand.

As of December 31st, 2024, the Group's parent company, TERNA ENERGY, acquired all the shares of the companies ELLINIKOS ILIOS II SA and ELLINIKOS ILIOS III SA. The companies are currently constructing photovoltaic plants with a capacity of 39.6 MW in the Regional Units of Pieria and Kilkis.

Upon examination of the requirements of IFRS 3, it was determined that the acquired assets and assumed liabilities of the above companies do not constitute an "enterprise" as defined by IFRS 3 and therefore do not fall within the scope of that Standard. These transactions are accounted for as an acquisition of assets. The accounting policy for the recognition of the transaction is described in the explanatory note 4.1.11 of the hereby Annual Consolidated and Company Financial Statements of December 31st, 2024. The cost of the acquisition was allocated to the individual identifiable assets and liabilities based on their relative fair values at the date of acquisition, and no goodwill arises from this transaction.

Details of the items relating to the acquisition of the above company are presented below:

ELLINIKOS ILIOS II S.A.C	**Fair values at the acquisition of entity**
Intangible assets and Right-of-use assets	905
Property, plant and equipment	13.915
Prepayments and other receivables	3.147
Cash and cash equivalents	26
TOTAL ASSETS	**17.993**
Liabilities	
Lease liabilities	905
Loan liabilities	386
Suppliers and Liabilities from contracts with customers	14.723
Accrued and other short-term liabilities	449
Total liabilities	**16.463**
Fair Value of acquaried net assets	**1.530**
Cash paid as of December 31st, 2024 (a)	1.440
Minus: Cash received (b)	(26)
Total Cash outflow as of December 31st, 2024 (a) - (b)	1.414
Remaining consideration payable (c)	90
Total consideration (a)+(c)	1.530

ELLINIKOS ILIOS III S.A.C	**Fair values at the acquisition of entity**
ASSETS	
Intangible assets and Right-of-use assets	940
Property, plant and equipment	13.309
Prepayments and other receivables	3.107
Cash and cash equivalents	18
TOTAL ASSETS	**17.374**
Liabilities	
Lease liabilities	912
Loan liabilities	374
Suppliers and Liabilities from contracts with customers	14.726
Accrued and other short-term liabilities	372
Total liabilities	**16.384**

(Amounts in thousands of Euros unless mentioned otherwise)

Fair Value of acquaried net assets	**990**
Cash paid as of December 31st, 2024 (a)	900
Minus: Cash received (b)	(18)
Total Cash outflow as of December 31st, 2024 (a) - (b)	882
Remaining consideration payable (c)	90
Total consideration (a)+(c)	990

As a result of the above acquisitions, the Group recognized as an additional cost of tangible assets amounting to € 2.409 thousand since the above companies do not have but assets of the production lines under construction. The above-required companies did not contribute to the Group's results during the financial year ended 31 December 2024.

8. INTANGIBLE ASSETS

The intangible assets of the Group and the Company and their movement for the periods 1 January to 31 December 2024 and 2023, presented in the attached financial statements, are analyzed as follows:

	GROUP		
	Concessions and Rights	**Software**	**Total**
Acquisition value			
1 January 2023	**71.745**	**2.205**	**73.950**
Additions	8.772	103	**8.875**
Increase/(Decrease) with offsetting liabilities	(2.721)	–	**(2.721)**
Impairment/write-offs	–	(73)	**(73)**
Additions due to acquisition	6.278	–	**6.278**
Foreign exchange differences	4	–	**4**
31st December 2023	**84.078**	**2.235**	**86.313**
1 January 2024	**84.078**	**2.235**	**86.313**
Additions	1.816	90	**1.906**
Impairment/write-offs	–	(161)	**(161)**
Additions due to acquisition of subsidiaries	8.237	–	**8.237**
Reductions from loss of control of subsidiaries	(9.583)	**(15)**	**(9.598)**
31st December 2024	**84.548**	**2.149**	**86.697**
Accumulated Amortisation			
1 January 2023	**(12.580)**	**(897)**	**(13.477)**
Amortisation	(1.445)	(392)	**(1.837)**
Impairment/write-offs	(1.285)	48	**(1.237)**
31st December 2023	**(15.310)**	**(1.241)**	**(16.551)**
1 January 2024	**(15.310)**	**(1.241)**	**(16.551)**
Amortisation	(2.183)	(414)	**(2.597)**
Impairment/write-offs	–	161	**161**
Accumulated amortisation of subsidiaries disinvested	723	10	**733**
31st December 2024	**(16.770)**	**(1.484)**	**(18.254)**
Net Book Value			
31st December 2023	**68.768**	**994**	**69.762**
31st December 2024	**67.778**	**665**	**68.443**

(Amounts in thousands of Euros unless mentioned otherwise)

	COMPANY		
	Concessions and Rights	**Software**	**Total**
Acquisition value			
1 January 2023	**3.658**	**2.195**	**5.853**
Additions	75	103	**178**
Impairment/write-offs	–	(73)	**(73)**
31st December 2023	**3.733**	**2.225**	**5.958**
1 January 2024	**3.733**	**2.225**	**5.958**
Additions	1.462	90	**1.552**
Impairment/write-offs	–	**(161)**	**(161)**
Changes due to entity merges	–	**(6)**	**(6)**
31st December 2024	**5.195**	**2.148**	**7.343**
Accumulated Amortisation			
1 January 2023	**(2.089)**	**(892)**	**(2.981)**
Amortisation	(101)	(391)	**(492)**
Impairment/write-offs	–	48	**48**
31st December 2023	**(2.190)**	**(1.235)**	**(3.425)**
1 January 2024	**(2.190)**	**(1.235)**	**(3.425)**
Amortisation	(75)	(412)	**(487)**
Impairment/write-offs	–	161	**161**
Changes due to entity merges	–	2	**2**
31st December 2024	**(2.265)**	**(1.484)**	**(3.749)**
Net Book Value			
31st December 2023	**1.543**	**990**	**2.533**
31st December 2024	**2.930**	**664**	**3.594**

Amortization of the Group's intangible assets for the year 2024 has been recorded in the Cost of Sales by € 1.800 thousand (€ 1.409 thousand in 2023), in the Administrative and Distribution Expenses € 440 thousand (€ 425 thousand in 2023) and in the Research and Development Expenses by € 5 thousand (€ 5 in 2023). Respectively, the amortization of the Company's intangible assets for the year 2024 has been recorded in the Cost of Sales by € 78 thousand (€ 109 thousand in 2023), in the Administrative and Distribution Expenses by € 404 thousand (€ 378 thousand in 2023) and in Research and Development Expenses by € 5 thousand (€ 5 in 2023).

Within the financial year, the Group recognized intangible assets of € 8.209 thousand, thousand as a result of the acquisition of BIO Pi Di EOOD. These intangible assets (photovoltaic park licenses) will start to be amortized on the date of completion of the construction and electricity of the respective photovoltaic farm.

In the annual and interim reporting periods, they are examined for any impairment, in accordance with the relevant requirements of IAS 36 "Impairment of Assets". As a consequence of the test conducted at the reporting date of the annual financial statements, on 31/12/2024, no need for impairment was identified.

(Amounts in thousands of Euros unless mentioned otherwise)

9. RIGHTS IN USE OF ASSETS

The Group and the Company right-in-use assets and changes for the periods 1 January to 31 December 2024 and 2023, presented in the accompanying financial statements, are analyzed as follows:

Group - Rights-in-use Assets

	GROUP			
	Land-Plots	**Buildings and Installations**	**Vehicles**	**Total**
Acquisition value				
1 January 2023	**26.673**	**4.756**	**78**	**31.507**
Additions and changes due to modification of existing contract	4.594	662	268	**5.524**
Foreign exchange differences	307	(26)	3	**284**
31st December 2023	**31.574**	**5.392**	**349**	**37.315**
1 January 2024	**31.574**	**5.392**	**349**	**37.315**
Additions and changes due to	4.779	(194)	200	**4.785**
Additions due to acquisition of subsidiaries	1.816	–	–	**1.816**
Reductions from loss of control of subsidiaries	–	(1.378)	(124)	**(1.502)**
Foreign exchange differences	73	42	1	**116**
31st December 2024	**38.242**	**3.862**	**426**	**42.530**
Accumulated Depreciation				
1 January 2023	**(2.311)**	**(2.078)**	**(61)**	**(4.450)**
Depreciation	(1.342)	(661)	(36)	**(2.039)**
Changes due to modifications of exsiting contracts	23	45	–	**68**
Foreign exchange differences	(77)	14	(1)	**(64)**
31st December 2023	**(3.707)**	**(2.680)**	**(98)**	**(6.485)**
1 January 2024	**(3.707)**	**(2.680)**	**(98)**	**(6.485)**
Depreciation	(1.546)	(622)	(104)	**(2.272)**
Changes due to modifications of exsiting contracts	94	1.062	14	**1.170**
Reductions from loss of control of subsidiaries	–	389	59	**448**
Foreign exchange differences	(23)	(20)	–	**(43)**
31st December 2024	**(5.182)**	**(1.871)**	**(129)**	**(7.182)**
Net Book Value				
31st December 2023	**27.867**	**2.712**	**251**	**30.830**
31st December 2024	**33.060**	**1.991**	**297**	**35.348**

(Amounts in thousands of Euros unless mentioned otherwise)

Depreciation of the Group's right-in-use assets for the fiscal year 2024 has been recorded in the Cost of Sales by € 1.247 thousand (€ 562 thousand in 2023), in the Administration and Distribution Expenses by € 612 thousand (€ 596 thousand in 2023), in the Research and Development Expenses by € 117 thousand (€ 245 thousand in 2023) and in the item Other Income / (expenses) by € 1 thousand (€ 9 thousand in 2023.

The additions and changes from the amendment of existing contracts of the year 2024 of the Group amounting to € 4.785 thousand derive mostly from the Company's additions amounting to € 2.811 thousand and are mainly due to additions of land plots rights of use.

Entity - Rights-in-use Assets

	COMPANY			
	Land-Plots	**Buildings and Installations**	**Vehicles**	**Total**
Acquisition value				
1 January 2023	**17.818**	**4.110**	**52**	**21.980**
Additions and changes due to modification of existing contract	4.279	34	242	**4.555**
31st December 2023	**22.097**	**4.144**	**294**	**26.535**
1 January 2024	**22.097**	**4.144**	**294**	**26.535**
Additions and changes due to modification of existing contract	2.494	148	169	**2.811**
Changes due to entity merges	–	(673)	(124)	**(797)**
31st December 2024	**24.591**	**3.619**	**339**	**28.549**
Accumulated Depreciation				
1 January 2023	**(751)**	**(1.612)**	**(46)**	**(2.409)**
Depreciation	(823)	(373)	(33)	**(1.229)**
31st December 2023	**(1.574)**	**(1.985)**	**(79)**	**(3.638)**
1 January 2024	**(1.574)**	**(1.985)**	**(79)**	**(3.638)**
Depreciation	(952)	(440)	(85)	**(1.477)**
Write offs	94	562	14	**670**
Changes due to entity merges	–	90	59	**149**
31st December 2024	**(2.432)**	**(1.773)**	**(91)**	**(4.296)**
Net Book Value				
31st December 2023	**20.523**	**2.159**	**215**	**22.897**
31st December 2024	**22.159**	**1.846**	**248**	**24.253**

Depreciation of the Company's right-in-use assets for the fiscal year 2024 has been recorded in Cost of Sales by € 738 thousand (€ 643 thousand in 2023), in Administrative and Distribution Expenses by € 462 thousand (€ 341 thousand in 2023), in Research and Development Expenses by € 116 thousand (€ 120 thousand in 2023) and in the other income/ (expenses) by € 1 thousand (€ 9 thousand in 2023).

10. TANGIBLE ASSETS

The Group's and the Company's Tangible Assets and their movements for the periods from 1 January to 31 December 2024 and 2024, in the accompanying financial statements, are analyzed as follows:

(Amounts in thousands of Euros unless mentioned otherwise)

	GROUP						
	Land-Plots	**Buildings and Installation**	**Technological and Mechanical equipment**	**Vehicles**	**Furniture and fixtures**	**Assets under construction**	**Total**
Acquisition value							
1 January 2023	**5.785**	**119.450**	**1.063.130**	**1.216**	**4.679**	**426.824**	**1.621.084**
Additions	676	12.839	134.146	72	444	45.193	**193.370**
Borrowing cost	–	–	11.958	–	–	6.378	**18.336**
Disposals/Write offs	(2)	–	–	(37)	–	(1.326)	**(1.365)**
Dismatling provision	–	–	(1.651)	–	–	–	**(1.651)**
Impairment/write-offs	–	–	–	–	–	(917)	**(917)**
Tranfers	–	178.186	76.092	(11)	–	(254.278)	**(11)**
Additions due to acquisition of subsidiaries	–	–	–	–	–	2	**2**
Foreign exchange differences	–	427	9.195	–	12	(40)	**9.594**
31st December 2023	**6.459**	**310.902**	**1.292.870**	**1.240**	**5.135**	**221.836**	**1.838.442**
1 January 2024	**6.459**	**310.902**	**1.292.870**	**1.240**	**5.135**	**221.836**	**1.838.442**
Additions	649	3.769	5.053	66	792	85.159	**95.488**
Borrowing cost	–	–	476	–	–	1.766	**2.242**
Disposals/Write offs	–	–	(842)	(17)	–	(366)	**(1.225)**
Dismatling provision	–	–	2.409	–	–	–	**2.409**
Impairment/write-offs	(30)	–	(2)	–	(10)	–	**(42)**
Tranfers/Reclassifications	–	43.138	60.071	–	–	(103.209)	**–**
Reclassifications	(1)	(1)	20	–	–	266	**284**
Additions due to acquisition of subsidiaries	–	–	–	–	–	31.810	**31.810**
Reductions from loss of control of subsidiaries	(520)	(37)	(2.045)	(458)	(218)	–	**(3.278)**
Foreign exchange differences	–	88	1.900	4	5	7	**2.004**
31st December 2024	**6.557**	**357.859**	**1.359.910**	**835**	**5.704**	**237.269**	**1.968.134**
Accumulated Depreciation							
1 January 2023	**–**	**(43.374)**	**(405.148)**	**(1.082)**	**(2.398)**	**267**	**(451.735)**
Depreciation	–	(7.833)	(41.515)	(49)	(419)	–	**(49.816)**
Depreciation of disposals/write-offs	–	–	–	12	–	–	**12**
Impairment/write-offs	–	(29)	–	–	–	–	**(29)**
Tranfers/Reclassifications	–	13	(13)	11	–	–	**11**
Foreign exchange differences	–	(191)	(4.129)	1	(9)	–	**(4.328)**
31st December 2023	**–**	**(51.414)**	**(450.805)**	**(1.107)**	**(2.826)**	**267**	**(505.885)**
1 January 2024	**–**	**(51.414)**	**(450.805)**	**(1.107)**	**(2.826)**	**267**	**(505.885)**
Depreciation	–	(11.392)	(41.211)	(37)	(419)	–	**(53.059)**
Depreciation of disposals/write-offs	–	–	631	26	–	–	**657**
Impairment/write-offs	–	6	(1.522)	–	10	–	**(1.506)**
Reclassifications	1	1	(20)	–	1	(267)	**(284)**
Accumulated depreciation of subsidiaries disinvested	–	31	631	326	148	–	**1.136**
Foreign exchange differences	–	(42)	(906)	(2)	(5)	–	**(955)**
31st December 2024	**1**	**(62.810)**	**(493.202)**	**(794)**	**(3.091)**	**–**	**(559.896)**
Net Book Value							
31st December 2023	**6.459**	**259.488**	**842.065**	**133**	**2.309**	**222.103**	**1.332.557**
31st December 2024	**6.558**	**295.049**	**866.708**	**41**	**2.613**	**237.269**	**1.408.238**

(Amounts in thousands of Euros unless mentioned otherwise)

	COMPANY						
	Land-Plots	**Buildings and Installation**	**Technological and Mechanical equipment**	**Vehicles**	**Furniture and fixtures**	**Assets under construction**	**Total**
Acquisition value							
1 January 2023	**3.700**	**15.292**	**150.163**	**1.078**	**3.377**	**3.024**	**176.634**
Additions	263	–	426	72	398	5.904	**7.063**
Disposals/Write offs	(1.279)	–	–	(6)	–	–	**(1.285)**
Dismatling provision	–	–	(268)	–	–	–	**(268)**
Tranfers	–	–	–	(11)	–	–	**(11)**
31st December 2023	**2.684**	**15.292**	**150.321**	**1.133**	**3.775**	**8.928**	**182.133**
1 January 2024	**2.684**	**15.292**	**150.321**	**1.133**	**3.775**	**8.928**	**182.133**
Additions	138	67	248	–	687	12.002	**13.142**
Disposals/Write offs	(134)	–	–	(29)	–	–	**(163)**
Impairment/write-offs	(30)	–	(2)	–	(10)	–	**(42)**
Tranfers	–	896	4.246	–	–	(5.143)	**(1)**
Changes due to entity merges	(411)	(14)	(1.845)	(384)	(146)	–	**(2.800)**
31st December 2024	**2.247**	**16.241**	**152.968**	**720**	**4.306**	**15.787**	**192.269**
Accumulated Depreciation							
1 January 2023	**–**	**(8.307)**	**(102.163)**	**(969)**	**(1.859)**	**–**	**(113.298)**
Depreciation	–	(649)	(5.111)	(38)	(294)	–	**(6.092)**
Depreciation of disposals	–	–	–	4	–	–	**4**
Tranfers	–	–	–	11	–	–	**11**
31st December 2023	**–**	**(8.956)**	**(107.274)**	**(992)**	**(2.153)**	**–**	**(119.375)**
1 January 2024	**–**	**(8.956)**	**(107.274)**	**(992)**	**(2.153)**	**–**	**(119.375)**
Depreciation	–	(579)	(4.143)	(29)	(331)	–	**(5.082)**
Depreciation of disposals/write-offs	–	–	–	26	–	–	**26**
Impairment/write-offs	–	6	2	–	10	–	**18**
Changes due to entity merges	–	8	612	286	82	–	**988**
31st December 2024	**–**	**(9.521)**	**(110.803)**	**(709)**	**(2.392)**	**–**	**(123.425)**
Net Book Value							
31st December 2023	**2.684**	**6.336**	**43.047**	**141**	**1.622**	**8.928**	**62.758**
31st December 2024	**2.247**	**6.720**	**42.165**	**11**	**1.914**	**15.787**	**68.844**

The account “Technological and mechanical equipment” amounting to € 866.708 thousand regarding the Group and € 42.165 thousand regarding the Company includes Wind Farm generators that have been collateralized at credit institutions as security for long-term loans. The Group and the Company, for the needs of financing their new projects, establish a fictitious pledge on their equipment as well as real encumbrances (usually a mortgage note) on their real estate assets to secure the lenders.

The categories "Land-Plots", "Buildings and installations" and "Technological and mechanical equipment" include Group’s fixed assets at book value of € 120.149 thousand (2023: € 98.016 thousand) relating to Installations Distribution Networks built by the Company and as provided for in contracts with HEDNO are being transferred to HEDNO free of charge at the commencement of operation of each Wind Park. However, even after their transfer, these installations continue to serve the purpose for which they were constructed, i.e. the sale of electricity generated to HEDNO and DAPEEP, remaining in the exclusive use of the Group and therefore the unamortized cost, at the date of the transfer, it continues to be depreciated, as before, until the 30-year depreciation period of the Wind Parks has expired.

The most significant Group's additions for the year 2024 to Technological and Mechanical Equipment of € 5.053 thousand in total, mainly relate to additions concerning the construction of the wind farms (W/F) in the area of Kafireas in the Municipality of Karystos and specifically to the wind farms of the Group's subsidiaries TERNA ENERGY OMALIES S.A. and ENERGY KAFIREOS EVOIAS S.A..

The changes to the Group's assets under construction for the fiscal year 2024 amount to € 85.159 thousand mainly relate to additions related to the construction of the Pump Storage Project that the Group is developing in the region of Etoloakarnania.

Depreciation of tangible assets of the Group for the year 2024 has been recorded in the Cost of Sales by € 52.280 thousand (€ 49.193thousand in 2023), in the Administration and Distribution Expenses by € 332 thousand (€ 473 thousand in 2023) and in the Research and Development Expenses by € 198 thousand (€ 142 thousand in 2023), while an amount of € 8 thousand is related to depreciation of assets capitalized in the cost of construction of the Wind Farms.

Respectively, the depreciation of the tangible assets of the Company for the year 2024 have been recorded in the Cost of Sales by € 4.314thousand (€ 5.499 thousand in 2023), in the Administration and Distribution Expenses by € 351 thousand (€ 451 thousand in 2023) and in the Research and Development Expenses by € 198 thousand (€ 142 thousand in 2023).

In the annual and interim reporting periods, tangible assets are tested for impairment in accordance with the relevant requirements of IAS 36 "Impairment of Assets". The impairment test carried out as at the reporting date of the annual financial statements, i.e. 31/12/2024, resulted in an impairment of € 1.522 thousand, which relates to the recoverability of the value of the tangible fixed assets of the subsidiary HAOS INVEST EOOD.

Assumptions used to determine value in use

The main assumptions applied by the Management are related to the determination of the present value of the estimated future cash flows as expected to be generated by each discounted cash flow method are as follows:

- Projected sales: Include management assumptions and estimates that have taken into account historical measurements of electricity generated and electricity sales prices.
- Budgetary EBITDA: The budgeted operating profit and EBITDA margins are calculated based on the last years' reporting data. For the forecast period, the EBITDA margin for the Wind Farms is estimated to be in the range of 20% and 92%
- while for biomass between 14% and 15%.

Discount rate from 5,9% up to7,6% per case (5,87% for Greece, 7,62% for Poland and 6,25% for Bulgaria).

11. INVESTMENTS IN SUBSIDIARIES

11.1 Analysis of changes of investments in subsidiaries for the year 2024

The subsidiaries of the Company are presented analytically in Note 5.

The movement in the book value of investments in subsidiaries in the Company's Financial Statements is as follows:

(Amounts in thousands of Euros unless mentioned otherwise)

	Company data	
	31/12/2024	31/12/2023
Opening balance	**354.831**	**390.829**
Additions	45.809	16.731
Disposals	(60.943)	–
Capital return	(9.339)	(48.673)
Impairment	(1.180)	(1.383)
Adjustment of investment costs due to reassessment of the consideration	2.223	(2.673)
Changes due to merges	28.963	–
Closing balance	**360.364**	**354.831**

The item "Additions" of € 45.809 thousand in 2024 includes an amount of € 24,317 thousand which relates to the capitalization of receivables from loans granted to subsidiaries. The remaining part relates to acquisitions of companies and share capital increases. The following table presents the details of the additions by company.

Entity	Amount of increase
AIOLIKI MALEA LAKONIAS S.A.	312
AIOLIKI PROVATA TRAIANOUPOLEOS M.A.E.	1.135
TERNA AIOLIKI AITOLOAKARNANIAS S.A.	1.020
PERIVALLONTIKI PELOPONNISOU M.A.E.	16.627
EPIRUS SUSTAINABLE SINGLE OWNED SOCIETE ANONYME SPECIAL PURPOSE	7.920
TERNA ENERGY-PUMPED STORAGE I S.M.S.A.	15.000
TERNA ENERGEIAKI DIACHEIRISI PAGION	55
SAIE GLYKIO FOKIDAS SINGLE MEMBER S.A.	1.000
AMARI ENERGEIAKI SINGLE MEMBER S.A.	100
AVLAKI YDROILEKTRIKI SINGLE MEMBER P.C.	10
DEMONOPYRGIA SINGLE MEMBER P.C.	10
DIASELA ANTLISIOTAMIEFSI SINGLE MEMBER P.C.	10
FILOS ANTLISIOTAMIEFSI SINGLE MEMBER P.C.	10
LADONAS YDROILEKTRIKI SINGLE MEMBER P.C.	10
MAZARAKI YDROILEKTRIKI SINGLE MEMBER P.C.	10
POURNARAKI SINGLE MEMBER P.C.	10
RACHI PALEOCHORIOU SINGLE MEMBER P.C.	10
SKALA - AGIOS NIKOLAOS - LADONAS SINGLE MEMBER P.C.	10
TRICHONIDA I ANTLISIOTAMIEFSI SINGLE MEMBER P.C.	10
TSOUGKARIA SINGLE MEMBER P.C.	10
VROCHONERA I & IG SINGLE MEMBER P.C.	10
ELLINIKOS ILIOS II S.A.	1.530
ELLINIKOS ILIOS III S.A.	990
Total	**45.809**

The cost of sales of € 60.943 thousand are related to the disposal of the companies which were ceded by TERNA ENERGY S.A. to GEK TERNA S.A. Group and were related to the construction activities of public works and concessions (see Notes 5 and 7).

Furthermore, capital return of € 9.339 thousand were realized and are analyzed as follows:

Entity	Amount of capital return
TERNA ENERGY OVERSEAS LTD	4.000
PPC RENEWABLES - TERNA ENERGY S.A.	1.095
AIOLIKI RACHOULAS DERVENOCHORION S.A.	2.169

(Amounts in thousands of Euros unless mentioned otherwise)

AIOLIKI PASTRA ATTIKIS S.A.	495
AIOLIKI DERVENI TRAIANOUPOLEOS S.A.	1.580
Total	**9.339**

During the year 2024 the Company recognized dividends collected from the subsidiaries amounting to € 26.945 thousand. Those amounts are included in the item "Income from participations and other investments" in the attached separate Financial Statements (see Note 37).

11.2 Impairment test

In accordance with the applied accounting policies and in line with provisions of IAS 36, the Company performs an impairment test on the assets at the end of each annual reporting period if there is any indication of impairment. The test can be performed earlier if any evidence of impairment arises. The arising evaluation focuses on both - extrinsic and intrinsic factors.

Regarding the impairment test, every wind farm constitutes a Cash Generating Unit (CGU). The recoverable amounts of the above GTUs were determined using the value in use method. Value in use was calculated applying the discounted cash flow method, i.e. projections for cash flows, based on the Management calculations and projections until the end of the useful life of each wind farm.

Assumptions used to determine value in use

The key assumptions applied by Management relate to the determination of the present value of estimated future cash flows expected to be generated by each CGU (discounted cash flow method) and are as follows:

- Projected sales: Projected sales include management assumptions and estimates that have taken into account historical measurements of electricity generation and electricity sales prices.
- Pre – calculated EBITDA: Operating profit margins and EBITDA are calculated on the basis of the latest years' actuarial data. For the projected period, EBITDA margin for RES is estimated fluctuate between 20% and 92% while for the biomass 14% and 15%.
- Discount rate from 5,9% up to7,6% per case (for Greece 5,87%, for Poland 7,62% and for Bulgaria 6,25%).

Impairment test results

Based on the results of the impairment test as of December 31, 2024, the comparison of the recoverable amount from the investment costs of the subsidiaries' wind farms and their carrying amount did not result in the need for impairment. For TERNA ENERGY PAGION SA a reversal of impairment of € 23 thousand was performed. This company was ceded during the financial year as a consequence of its concession to the GEK TERNA Group of the activities of construction of public works, infrastructure-related concessions and other projects of public interest as well as all renewable energy research activities in the United States (see Management Report and Notes 5 and 7).

11.3 Subsidiaries with a significant percentage of non-controlling interests

The following tables summarize financial data of subsidiaries in which non-controlling interests hold a significant percentage.

Condensed items of the statement of financial position

	DEI RENEWABLES- TERNA ENERGY S.A.		**DELTA AXIOU S.A.**		**EVOIKOS ANEMOS S.A.**	
Non-controlling interest (%)	**49,00%**	**49,00%**	**20,00%**	**20,00%**	**30,00%**	**30,00%**
	31/12/2024	**31/12/2023**	**31/12/2024**	**31/12/2023**	**31/12/2024**	**31/12/2023**
Non-current assets	8.124	8.827	2.647	2.794	–	–
Current assets	3.809	7.867	1.464	1.873	8	12
Total assets	**11.933**	**16.694**	**4.111**	**4.667**	**8**	**12**

(Amounts in thousands of Euros unless mentioned otherwise)

Total long-term liabilities	8.649	9.724	3.722	4.072	–	–
Total short-term liabilities	1.140	2.205	283	428	–	–
Total liabilities	**9.789**	**11.929**	**4.005**	**4.500**	**–**	**–**
Total equity	**2.144**	**4.765**	**106**	**167**	**8**	**12**
Attributed to:						
Non-controlling interest	1.051	2.335	21	33	2	4

Condensed items of the statement of comprehensive income

	DEI RENEWABLES- TERNA ENERGY S.A.		DELTA AXIOU S.A.		EVOIKOS ANEMOS S.A.	
	49%		20%		30%	
	31/12/2024	31/12/2023	31/12/2024	31/12/2023	31/12/2024	31/12/2023
Revenue	2.228	2.828	2.235	2.165	–	–
Net profit/(losses) for the year	**251**	**723**	**(61)**	**175**	**(3)**	**(3)**
Other comprehensive income for the year (after tax)	(1)	(1)	–	–	–	–
Total comprehensive income/(losses)	**250**	**722**	**(61)**	**175**	**(3)**	**(3)**
Profit/(losses) for the year attributed to non-controlling interests	123	354	(12)	35	(1)	(1)

Condensed items of the statement of cash flows

	DEI RENEWABLES- TERNA ENERGY S.A.		DELTA AXIOU S.A.		EVOIKOS ANEMOS S.A.	
	49%		20%		30%	
	31/12/2024	31/12/2023	31/12/2024	31/12/2023	31/12/2024	31/12/2023
Total inflows/(outflows) from operating activities	1.174	1.647	1.038	62	(3)	(3)
Total inflows/(outflows) from investing activities	5	(87)	(228)	–	–	–
Total inflows/(outflows) from financing activities	(5.147)	(1.639)	(513)	(126)	–	–
Net increase/(decrease) in cash and cash equivalents	**(3.968)**	**(79)**	**297**	**(64)**	**(3)**	**(3)**

Note: Financial data prior to eliminations with the broader Group.

12. INVESTMENTS IN JOINT ARRANGEMENT

12.1. Investments in joint ventures

The Group holds rights in joint ventures, consolidated under equity method in accordance with the provisions of IAS 28 and presented in Note 5 of the Financial Statements. Based on the contribution of joint ventures to consolidated profits / (losses) before taxes, the Group considered that each of the joint venture individually is immaterial and, therefore it discloses in the table below, its aggregate share in these joint ventures:

	GROUP	
	31/12/2024	31/12/2023
Net losses for the year	(45)	(51)
Total comprehensive loss for the year	**(45)**	**(51)**
Total participating interest of the Group in the carrying amount of joint ventures	**1**	**4.164**

(Amounts in thousands of Euros unless mentioned otherwise)

The movement in investments in joint ventures is as follows:

	GROUP		COMPANY	
	31/12/2024	**31/12/2023**	**31/12/2024**	**31/12/2023**
Opening balance	**4.164**	**4.164**	**4.476**	**4.425**
Initial acquisition of participations by cash or credit	–	51	–	51
Additions	65	–	65	–
Cost of sale of participations	(4.183)	–	(4.183)	–
Share of results from joint ventures	(45)	(51)	–	–
Changes due to merges	–	–	(190)	–
Closing balance	**1**	**4.164**	**168**	**4.476**

The cost of sales of € 4.350 thousand are related to the disposal of the companies which were ceded by TERNA ENERGY S.A. to GEK TERNA S.A. Group and were related to the construction activities of public works and concessions (see also Notes 5 and 7).

12.2. Investments in joint operations – Proportional consolidation

The companies accounted for using the proportionate consolidation method in the Company's consolidated and separate financial statements is thoroughly presented in Note 5.

The joint venture J/V GEK TERNA S.A. - TERNA ENERGY was transferred to GEK TERNA Group in the context of the agreement for the transfer of public works, infrastructure-related concessions and other projects of public interest as well as all renewable energy exploration activities in the United States (see also Notes 5 and 7).

The following amounts represent the Group's share in the assets and liabilities accounts as well as on the profits after tax of the jointly controlled company and are included before eliminations in the Statement of Financial Position, as well as in the Statement of Comprehensive Income of the Group and the Company for the years 2024 and 2023:

	31/12/2024	**31/12/2023**
Non-current assets	378	378
Cash and cash equivalents	23	23
Other current assets	453	455
Total assets	**854**	**856**
Suppliers	20	18
Other short-term liabilities	24	13
Total liabilities	**44**	**31**
Equity	**810**	**825**
Gross profit		
Losses (before tax)	(15)	(25)
Losses (after tax)	(15)	(25)
Total comprehensive loss (after tax)	(15)	(25)

*The comparative figures of the Group and the Company for the financial year 2023 have been revised in order to include only continuing operations, as a consequence of the recognition of the Group's Construction and Concessions segments as discontinued operations, in accordance with the requirements of IFRS 5 "Non-current assets held for sale and discontinued operations" (Notes 5 and 7).

(Amounts in thousands of Euros unless mentioned otherwise)

12.3. Interests in Associated Companies

The Group has investments in associates, which are classified as associates and are consolidated using the equity method in the consolidated Financial Statements (the scope of activity and the Group's interest in these investments are detailed in Note 5 to the Financial Statements). The Group, based on the contribution of the associates to the Group's profit/(loss) before tax, considered that each of the associates individually is not immaterial.

13. INVESTMENTS IN EQUITY INTERESTS

The movement of investments in equity interests for the years 2024 and 2023, are analyzed as follows:

	GROUP		COMPANY	
	31/12/2024	31/12/2023	31/12/2024	31/12/2023
Opening balance	**5.268**	**3.499**	**5.268**	**3.499**
Additions	454	1.340	454	1.340
Return of capital	(227)	–	(227)	–
Fair value valuation differences	195	429	195	429
Reductions from loss of control of subsidiaries	(1.640)	–	–	–
Changes due to entity merges	–	–	(1.640)	–
Closing balance	**4.050**	**5.268**	**4.050**	**5.268**

The total amount of the above investments, concern shares of unlisted securities and the determination of their fair value is presented in Note 41 During 2024, dividends from investments in equity securities amounting to € 47 thousand.

14. OTHER LONG-TERM RECEIVABLE

Other Long-term receivables are analyzed as follows:

	GROUP		COMPANY	
	31/12/2024	31/12/2023	31/12/2024	31/12/2023
Loans to subsidiaries of the Group and other related companies	72	1.520	109.901	135.638
Guarantees granted	629	688	180	181
Other long-term receivables	810	2.893	810	2.893
Impairments	(810)	(810)	(810)	(810)
Advanced payments for the acquisition of interests in entities	1.881	1.340	1.881	450
Total	**2.582**	**5.631**	**111.962**	**138.352**

The Company participates in issuances of subsidiary bond loans, which are repaid either by bank borrowing or through premature repayments or at their maturity. The interest rates of these loans vary between 3,25%-4,00%. During 2024 loans amounting to € 1.567 thousand were granted to subsidiary companies and were repaid by subsidiary companies, loans amounting to € 3.524 thousand and loans amounting to € 257 thousand were converted from short-term to long-term. The advanced payments for future acquisitions of entities are related to the Group's investment projects in Greece.

Provision for impairment of long-tern financial assets for the years 2024 and 2023, is analyzed as follows:

	GROUP				COMPANY			
	Stage 1	Stage 2	Stage 3	Total	Stage 1	Stage 2	Stage 3	Total
1st January 2023	–	–	810	810	–	–	810	810
31st December 2023	–	–	810	810	–	–	810	810

(Amounts in thousands of Euros unless mentioned otherwise)

	GROUP				COMPANY			
	Stage 1	Stage 2	Stage 3	Total	Stage 1	Stage 2	Stage 3	Total
1st January 2024	**–**	**–**	**810**	**810**	**–**	**–**	**810**	**810**
Provision for credit loss	–	–	2.082	**2.082**	–	–	2.082	**2.082**
Reductions from loss of control of subsidiaries	–	–	(2.082)	**(2.082)**	–	–	–	–
Changes due to entity merges	–	–	–	–	–	–	(2.082)	**(2.082)**
31st December 2024	**–**	**–**	**810**	**810**	**–**	**–**	**810**	**810**

15. INVENTORIES

Inventories in the accompanying separate and consolidated financial statements, are analyzed as follows:

	GROUP		COMPANY	
	31/12/2024	31/12/2023	31/12/2024	31/12/2023
Raw and auxiliary materials	828	802	436	630
Spare parts	10.110	8.945	5.252	5.521
Goods and products finished and semi-finished	–	33	–	33
Write-down of inventories	(116)	(148)	(116)	(148)
Total	**10.822**	**9.632**	**5.572**	**6.036**

The Group has increased the inventory of Spare parts due to the commencement of new Wind Farms.

On 31st of December 2024 there was no need to form an additional provision for obsolete or slow-moving inventory.

Inventory is not burdened with any encumbrances.

16. TRADE RECEIVABLES

The trade receivables of the Group and the Company in the accompanying separate and consolidated financial statements are analyzed as follows:

	GROUP		COMPANY	
	31/12/2024	31/12/2023	31/12/2024	31/12/2023
Customers	30.383	82.026	84.612	113.470
Customers-withheld guarantees	–	105	–	2.120
Bills/checks receivables	–	61	–	61
Impairment of trade receivables	(3.135)	(3.367)	(515)	(762)
Total	**27.248**	**78.825**	**84.097**	**114.889**

The decrease in the Group's trade receivables is mainly due to the receipt of operating licenses for the Wind Farms complex in the Kafireas area, which results in the collection of receivables arising during the trial operation period of these new Wind Farms. Furthermore, the transfer of receivables arising from the business transformations and the transfer of discontinued operations contributed to the reduction of the Group’s and Company's trade receivables (see Notes 5 and 7).

The carrying amounts of customers represent their fair value.

The table below presents the total of trade receivables before impairment:

	GROUP		COMPANY	
	31/12/2024	31/12/2023	31/12/2024	31/12/2023
Non-oustanding balances	24.468	60.424	81.381	86.127
Outstanding balances	5.915	21.768	3.231	29.524
Total receivables from customers	**30.383**	**82.192**	**84.612**	**115.651**

(Amounts in thousands of Euros unless mentioned otherwise)

The maturity of the balances is analyzed as follows:

	GROUP 2024				
	Non-oustanding balances	**Less than 6 months**	**6 - 12 months**	**More than 12 months**	**Total**
Total amount of receivables	24.468	2.199	644	3.072	30.383
Expected credit loss	(87)	–	(7)	(3.041)	(3.135)

	GROUP 2023				
	Non-oustanding balances	**Less than 6 months**	**6 - 12 months**	**More than 12 months**	**Total**
Total amount of receivables	60.424	18.493	34	3.241	82.192
Expected credit loss	(123)	(35)	(1)	(3.208)	(3.367)

	COMPANY 2024				
	Non-oustanding balances	**Less than 6 months**	**6 - 12 months**	**More than 12 months**	**Total**
Total amount of receivables	81.381	2.319	161	751	84.612
Expected credit loss	(33)	(7)	–	(475)	(515)

	COMPANY 2023				
	Non-oustanding balances	**Less than 6 months**	**6 - 12 months**	**More than 12 months**	**Total**
Total amount of receivables	86.126	28.842	15	667	115.650
Expected credit loss	(45)	(60)	–	(657)	(762)

On every reporting date, the Group examines the need to recognize expected credit losses, in accordance with the requirements of IFRS 9. The maximum exposure to credit risk at the financial statements reporting date is the book value of every category of receivables as recorded above. In the context of the Group's activity, all necessary measures are taken on a case-by-case basis to ensure the collectability of receivables.

Provisions for impairment of trade receivables regarding 2024 and 2023 are analyzed as follows:

	GROUP				COMPANY			
	Stage 1	**Stage 2**	**Stage 3**	**Total**	**Stage 1**	**Stage 2**	**Stage 3**	**Total**
1st January 2023	**–**	**101**	**3.279**	**3.380**	**–**	**95**	**654**	**749**
Provision for credit loss	–	39	–	**39**	–	81	–	**81**
Recovered provisions for credit loss	–	(58)	–	**(58)**	–	(68)	–	**(68)**
Foreign exchange differences	–	–	6	**6**	–	–	–	**–**
31st December 2023	**–**	**82**	**3.285**	**3.367**	**–**	**108**	**654**	**762**

(Amounts in thousands of Euros unless mentioned otherwise)

	GROUP				COMPANY			
	Stage 1	Stage 2	Stage 3	Total	Stage 1	Stage 2	Stage 3	Total
1st January 2024	**–**	**82**	**3.285**	**3.367**	**–**	**108**	**654**	**762**
Provision for credit loss	–	11	132	**143**	–	21	132	**153**
Recovered provisions for credit loss	–	(30)	(37)	**(67)**	–	(61)	(37)	**(98)**
Use of impairment	–	–	(80)	**(80)**	–	–	(80)	**(80)**
Other transfers	–	–	194	**194**	–	–	194	**194**
Reductions from loss of control of subsidiaries	–	(49)	(375)	**(424)**	–	–	–	**–**
Changes due to entity merges	–	–	–	**–**	–	(41)	(375)	**(416)**
Foreign exchange differences	–	–	2	**2**	–	–	–	**–**
31st December 2024	**–**	**14**	**3.121**	**3.135**	**–**	**27**	**488**	**515**

17. PREPAYMENTS AND OTHER RECEIVABLES

Prepayments and other receivables of the Group and the Company in the attached financial statements are analyzed as follows:

Prepayments and other financial receivables

	GROUP		COMPANY	
	31/12/2024	**31/12/2023**	**31/12/2024**	**31/12/2023**
Short-term part of receivables from long-term intra-group loans and leases	–	2.230	3.941	4.786
Restricted cash	70.827	74.455	6.255	3.488
Other intra-group receivables / receivables from other related parties	1.680	245	3.031	1.642
Other receivables	4.734	5.466	4.567	3.421
Provisions/Reversal of impairments	(180)	(69)	(179)	(68)
Total	**77.061**	**82.327**	**17.615**	**13.269**

Prepayments and other non-financial receivables

	GROUP		COMPANY	
	31/12/2024	**31/12/2023**	**31/12/2024**	**31/12/2023**
Prepayments to suppliers	3.277	4.013	2.710	4.192
Prepayments to social security funds	33	379	1	319
VAT for return-offsetting	33.905	28.102	57	56
Receivables from other taxes other than income tax	104	95	1	–
Prepaid expenses and other transitory asset accounts	4.443	16.832	2.369	14.124
Total	**41.762**	**49.421**	**5.138**	**18.691**
Total prepayments and other receivables	**118.823**	**131.748**	**22.753**	**31.960**

The item "Prepayments to suppliers" of the Company is mainly due to advances related to the construction operation of the Group. It is noted that for the Group, the advances for new wind farms are advances for the acquisition of fixed assets. Therefore, at a consolidated level, they are classified under item "Property, plant and equipment" (see Note 10).

(Amounts in thousands of Euros unless mentioned otherwise)

The change in “Receivables from VAT” is mainly due to the VAT (to be returned or to be offset) which derives from the construction of new projects by the Group’s subsidiaries.The decrease in the item "Prepaid expenses and other transitory assets accounts" of both the Group and the Company, is mainly due to discontinued operations of the Group which were disposed of.

Provisions/recovery of impairment of other financial and non-financial receivables for the years 2024 and 2023 are analyzed as follows:

	GROUP				COMPANY			
	Stage 1	Stage 2	Stage 3	Total	Stage 1	Stage 2	Stage 3	Total
1st January 2023	**–**	**1**	**30**	**31**	**–**	**–**	**29**	**29**
Provision for credit loss	–	39	–	**39**	–	39	–	**39**
Recovered provisions for credit loss	–	(1)	–	**(1)**	–	–	–	**–**
31st December 2023	**–**	**39**	**30**	**69**	**–**	**39**	**29**	**68**

	GROUP				COMPANY			
	Stage 1	Stage 2	Stage 3	Total	Stage 1	Stage 2	Stage 3	Total
1st January 2024	**–**	**39**	**30**	**69**	**–**	**39**	**29**	**68**
Provision for credit loss	–	–	150	**150**	–	–	150	**150**
Recovered provisions for credit loss	–	(1)	–	**(1)**	–	(1)	–	**(1)**
Other transfers	–	(38)	–	**(38)**	–	(38)	–	**(38)**
31st December 2024	**–**	**–**	**180**	**180**	**–**	**–**	**179**	**179**

18. RECEIVABLES (LIABILITIES) FROM CONTRACTS WITH CUSTOMERS

Receivables from contracts with customers are analyzed as follows:

	GROUP		COMPANY	
	31/12/2024	**31/12/2023**	**31/12/2024**	**31/12/2023**
Receivables from construction contracts with customers	154	2.002	164	3.715
Receivables from other contracts with customers	27.457	28.494	3.359	9.531
Financial Assets - Concessions Short term part	–	13.685	–	–
Less: Impairments of receivables from contracts with customers	(1)	(2)	–	–
Total	**27.610**	**44.179**	**3.523**	**13.246**

The Group's "Receivables from other contracts with customers" in fiscal year 2024 are reduced mainly due to the transfer of discontinued operations items that were disposed of.

The provisions for impairment of receivables from contracts with customers are analyzed as follows:

	GROUP				COMPANY			
	Stage 1	Stage 2	Stage 3	Total	Stage 1	Stage 2	Stage 3	Total
1st January 2023	**–**	**48**	**–**	**48**	**–**	**–**	**–**	**–**
Provision for credit loss	–	1	–	**1**	–	–	–	**–**
Recovered provisions for credit loss	–	(47)	–	**(47)**	–	–	–	**–**
31st December 2023	**–**	**2**	**–**	**2**	**–**	**–**	**–**	**–**

(Amounts in thousands of Euros unless mentioned otherwise)

	GROUP				COMPANY			
	Stage 1	Stage 2	Stage 3	Total	Stage 1	Stage 2	Stage 3	Total
1st January 2024	–	2	–	2	–	–	–	–
Reductions from loss of control of subsidiaries	–	(1)	–	**(1)**	–	–	–	–
31st December 2024	–	1	–	1	–	–	–	–

Liabilities from contracts with customers are analyzed as follow:

	GROUP		COMPANY	
	31/12/2024	31/12/2023	31/12/2024	31/12/2023
Liabilities from construction contracts with customers	290	734	786	8.331
Liabilities from other contracts with customers	8.038	8.044	2.100	5.551
Total	**8.328**	**8.778**	**2.886**	**13.882**

The movements in receivables and liabilities from contracts with customers for the years 2024 and 2023 are due to the following factors:

Receivables from contracts with customers	GROUP		COMPANY	
	31/12/2024	31/12/2023	31/12/2024	31/12/2023
Opening balance	**44.179**	**30.551**	**13.246**	**13.050**
Effect of the existing contracts implementation	2.316	15.768	2.991	27.866
Effect from new contracts	96	25	96	25
Invoices for the period	(2.977)	(2.216)	(3.182)	(27.695)
Impairments of receivables from contracts with customers	–	47	–	–
Reductions from loss of control of subsidiaries	(16.005)	–	–	–
Changes due to entity merges	–	–	(9.628)	–
Foreign exchange differences	1	4	–	–
Closing balance	**27.610**	**44.179**	**3.523**	**13.246**

Liabilities from contracts with customers are analyzed as follows:

Liabilities from contracts with customers	GROUP		COMPANY	
	31/12/2024	31/12/2023	31/12/2024	31/12/2023
Opening balance	**8.778**	**8.611**	**13.882**	**17.494**
Effect of the existing contracts implementation	36.514	(227)	(43.184)	(60.985)
Effect from new contracts	169	–	169	–
Invoices for the period	(35.996)	394	45.089	57.373
Reductions from loss of control of subsidiaries	(1.137)	–	–	–
Changes due to entity merges	–	–	(13.070)	–
Closing balance	**8.328**	**8.778**	**2.886**	**13.882**

19. CASH AND CASH EQUIVALENTS

The cash and cash equivalents of the Group and the Company as of December 31st, 2024 and 2023 are analyzed as follows:

	GROUP		ENTITY	
	31/12/2024	31/12/2023	31/12/2024	31/12/2023
Cash in hand	7	6	–	–
Sight deposits	201.148	227.499	23.123	43.082
Time deposits	39.956	20.522	30.000	10.000
Total	**241.111**	**248.027**	**53.123**	**53.082**

(Amounts in thousands of Euros unless mentioned otherwise)

Term deposits have a standard maturity of one month and carry an interest rate ranging between 2,40%-3,45% for 2024.

In addition, on 31/12/2024 the Group and the Company possessed restricted deposits amounting to € 70.827 thousand and € 6.255 thousand respectively (31/12/2023: € 74.455 thousand for the Group and € 3.488 thousand for the Company), which were maintained in specific bank accounts to service their short-term operating and financial liabilities. Those restricted cash deposits were classified under "Prepayments and other receivables" (Note 17). All the above blocked deposits are directly related to borrowings, both for the Group and the Company.

The Group's Management believes that the credit risk on 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

Below are the ratings of the Greek banks in which the Group maintains 85% of its cash and cash equivalents:

Bank	**Ratings S&P**
EUROBANK ERGASIAS SERVICES AND HOLDINGS S.A.	BBB-
NATIONAL BANK OF GREECE SA	BBB-
PIRAEUS FINANCIAL HOLDINGS S.A.	BB
ALPHA SERVICES AND HOLDINGS S.A.	BB-

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20. LOANS

Loans in the accompanying consolidated and separate financial statements, are analyzed as follows:

	GROUP		**COMPANY**	
	31/12/2024	**31/12/2023**	**31/12/2024**	**31/12/2023**
Long-term loans				
Bank loans	2.616	14.865	–	–
Bond loans	964.502	1.039.399	339.073	366.433
Total long-term loans	**967.118**	**1.054.264**	**339.073**	**366.433**
Long-term liabilities carried forward				
Bank loans	2.389	7.637	–	–
Bond loans	97.411	105.211	20.458	14.788
Total long-term liabilities carried forward	**99.800**	**112.848**	**20.458**	**14.788**
Short-term loans				
Bank loans	40.609	–	40.609	–
Total short-term loans	**40.609**	**–**	**40.609**	**–**
Total loans	**1.107.527**	**1.167.112**	**400.140**	**381.221**

The analysis of changes in the aforementioned loan liabilities of the Group and the Company in 2024 and 2023, is presented below as follows:

(Amounts in thousands of Euros unless mentioned otherwise)

	GROUP		COMPANY	
Long-term loans	**31/12/2024**	**31/12/2023**	**31/12/2024**	**31/12/2023**
Opening balance	**1.054.264**	**951.326**	**366.433**	**388.408**
New loans	73.821	249.634	1.000	10.800
Loan repayment	(4.674)	(8.643)	(10.960)	(21.500)
Capitalization of interest	3.633	3.293	502	708
Transfer between long-term and short-term loan liabilities	(109.696)	(142.108)	(17.902)	(11.982)
Reductions from loss of control of subsidiaries	(50.310)	–	–	–
Foreign exchange differences	80	762	–	(1)
Closing balance (a)	**967.118**	**1.054.264**	**339.073**	**366.433**
Long-term liabilities carried forward				
Opening balance	**112.848**	**111.101**	**14.788**	**14.086**
New loans	–	6.394	–	–
Loan repayment	(101.860)	(146.937)	(11.982)	(11.971)
Capitalization of interest	(6.199)	(76)	(249)	691
Transfer between long-term and short-term loan liabilities	109.793	142.108	17.901	11.982
Change due to take over of subsidiary	134	–	–	–
Reductions from loss of control of subsidiaries	(14.960)	–	–	–
Foreign exchange differences	44	258	–	–
Closing balance (b)	**99.800**	**112.848**	**20.458**	**14.788**
Short-term loans				
Opening balance	**–**	**60.632**	**–**	**60.632**
New loans	107.715	–	40.000	–
Loan repayment	(68.015)	(60.000)	–	(60.000)
Capitalization of interest	909	(632)	609	(632)
Closing balance (c)	**40.609**	**–**	**40.609**	**–**
Total loans (a) +(b) +(c)	**1.107.527**	**1.167.112**	**400.140**	**381.221**

The Group's long-term loans are related to the financing of its activities and mainly concern the financing of the construction and operation of Renewable Energy Sources facilities. The Group’s short-term loans pertain to bank borrowings received at regular intervals which are renewed as needed. Collected amounts are mainly used to cover liquidity needs during the Wind Farms construction period of the Group’s energy sector.

All loans are recognized at amortized cost. The Group estimates that the fair value of the above loans does not significantly differ from their carrying amount. With regard to the fixed rate loans, whose carrying amount as at 31 December 2024 amounts to € 183,280 thousand, the Group estimates that the fair value is estimated at € 181,558 thousand.

To secure the Group loans, wind turbines of the Wind Farms are collateralized, as well as cash maintained in deposits for restricted use (see Note 19) while insurance contracts, receivables from the sale of electric energy to DAPEEP or/and HEDNO and debt securities (subsidiaries’ bonds owned by the parent company and subsidiaries’ shares) are pledged to banks. In the context of this form of financing, the Group’s companies maintain a series of restricted bank accounts, which serve the above liabilities. The submitted collaterals exceed the amount of the Group's loan liabilities.

On 31/12/2024, the total borrowings include amounts from non-recourse debt to the parent company in the amount of € 844.674 thousand, while the amounts of loans with the right of recourse to the parent company (recourse debt) amount to € 262.849 thousand. The loans guaranteed by the parent company include the common bond loan of TERNA ENERGY FINANCE SPSA issued in 2019, with a total unamortized value on December 31st, 2024, of € 149.684 thousand.

The weighted average interest rate of the Group's long-term loans for fiscal 2024 and 2023 amounted to 5,10% and 4,50%, respectively. The weighted average interest rate of the short-term loans was 4,50% and 5,00% for fiscal 2024 and 2023, respectively.

Regarding the Group's long-term borrowings totaling € 1.066.918 thousand liabilities plus long-term liabilities payable in the following year): (a) in Greece it consists in Euro standing 99,55% of the total, (b) in Poland - in PLN 0,44% of the total and (c) in Bulgaria - in EUR 0,01% of the total. Of the total Group long term debt, as reported at the end of the fiscal year,16,55%, are at a fixed interest rate, 59,67%, are floating-rate loans that have been hedged with future fixed rate payments against floating rate receipts, while 23,78% % are floating-rate loans based on euribor or wibor, as the case may be each time.

The total interest on long-term and short-term loans for the years 2024 and 2023 regarding the Group amounted to € 57.613 thousand and € 40.631 thousand respectively, and for the Company amounted to € 16.395 thousand and € 16.933 thousand respectively (see Note 35).

The Company's long-term loans also include the loans received by its subsidiaries, amounted to € 302.709 thousand on December 31st 2024.

Significant changes in the loan liabilities of the Group and the Company for the annual period ended on 31/12/2024 are presented below.

New loans

Within the year 2024, the Group received by financial institutions new loans amounting to € 181.536 thousand. The liquidity raised was mainly used to finance investments of the pumped storage unit of subsidiaries and to cover the Company's short-term financing needs, in particular:

- For the subsidiary TERNA ENERGY-PUMPED STORAGE I S.M.S.A., a bank loan with a nominal value of € 67.715 thousand was raised, based on the loan agreement signed during 2024. (The term of the loan was set at 1 year, maturing in 2025. The interest rate was set at 6-month Euribor plus spread). To repay the bank loan, a bond loan with a nominal value of € 67.358 thousand was raised under the loan agreement signed in 2024. The term of the loan was set at 26 years maturing in 2050. The interest rate was set at 6-month Euribor plus spread, the contribution of Law 128/75 and any other charges imposed by law.

- In order to meet the Company's short-term financing needs, short-term bank loans of €40.000 thousand were drawn in fiscal year 2024.

The Group has the obligation to maintain specific financial ratios relating to bond loans. As of December 31st, 2024, the Group was in full compliance with the required limits of these ratios, according to the provisions of the respective loan agreements.

21. LEASE LIABILITIES

Lease liabilities are presented as follows:

(Amounts in thousands of Euros unless mentioned otherwise)

	GROUP		COMPANY	
	31/12/2024	31/12/2023	31/12/2024	31/12/2023
Lease Liabilities	35.351	30.826	24.034	22.681
less: Short-term part	(2.208)	(1.990)	(1.547)	(1.472)
Long-term part	**33.143**	**28.836**	**22.487**	**21.209**

The movement in lease liabilities for the years 2024 and 2023 are presented below as follows:

	GROUP		COMPANY	
	31/12/2024	31/12/2023	31/12/2024	31/12/2023
Opening balance	**30.826**	**27.026**	**22.681**	**19.554**
Additions and changes due to modification of existing contract	5.510	5.069	3.045	4.046
Repayments under lease agreements	(3.193)	(2.798)	(1.989)	(1.755)
Financial cost for the year	1.431	1.283	958	836
Change due to acquisition of subsidiaries	1.816	–	–	–
Reductions from loss of control of subsidiaries	(1.120)	–	–	–
Changes due to entity merges	–	–	(661)	–
Foreign exchange differences	81	246	–	–
Closing balance	**35.351**	**30.826**	**24.034**	**22.681**

For the period 01/01/2024 - 31/12/2024, the Group and the Company recognized rental expenses from short-term leases of € 925 thousand and € 697 thousand, respectively, while no leases of low values assets are effective.

22. FINANCIAL DERIVATIVES

The Group and the Company financial derivatives as at 31/12/2024 and 31/12/2023 are analyzed as follows:

		GROUP		COMPANY	
Liabilities from derivatives	**Note**	**31/12/2024**	**31/12/2023**	**31/12/2024**	**31/12/2023**
- Cash flow hedging					
Interest Rate Swaps	24.1	12.941	11.925	–	–
Fixed for floating swap contracts	24.2	4.446	5.663	3.293	5.663
Total liabilities from derivatives		**17.387**	**17.588**	**3.293**	**5.663**
Long-term liabilities from derivatives		*11.729*	*9.655*	*645*	*–*
Short-term liabilities from derivatives		*5.658*	*7.933*	*2.648*	*5.663*

		GROUP		ENTITY	
Receivables from derivatives	**Note**	**31/12/2024**	**31/12/2023**	**31/12/2024**	**31/12/2023**
- Cash flow hedging					
Interest Rate Swaps	24.1	9.557	20.708	393	855
Fixed for floating swap contracts	24.2	6.851	2.752	893	2.752
Total receivables from derivatives		**16.408**	**23.460**	**1.286**	**3.607**
Long-term receivables from derivatives		*13.858*	*17.810*	*1.000*	*3.082*
Short-term receivables from derivatives		*2.550*	*5.650*	*286*	*525*

The aforementioned financial instruments are measured at their fair value (see Note 41). During the financial year 2024, a total profit of € 1.189 thousand was recognized for the Group and the Company in the results of the fiscal year from changes in fair value, which is included in the item "Gains/Losses from financial instruments measured at fair value". Total changes in fair value recognized in other comprehensive income amounted to loss of € 1.526 thousand (2023: loss of € 4.106 thousand) for the Group of which € 833 thousand was recycled through the account “Financial Expenses”. For the company, the total charges in Fair Value recognized in Other Comprehensive Income amounted to a loss of € 1.140 thousand (2023: gain of € 12.260 thousand).

22.1Forward Interest Rate Swaps

In order to manage the interest rate risk that is exposed to, the Group has entered into forward interest rate swaps. The objective of interest rate swaps is to offset the risk of adverse future cash flows arising from interest on loan contracts entered into as a result of activities, in particular the electricity generation sector. Specifically, interest rate swaps relate to contracts whereby the variable interest rate on the loan is converted to fixed over the entire term of the loan, so that the Group is protected against any increase in interest rates. The fair value of these contracts was estimated by displaying the effective interest rate (euribor) curve as of 31/12/2024, throughout the time horizon of such contracts.

The fair value of these contracts as of 31/12/2024 amounted to a total net liability of € 3.384 (the total nominal value of the contracts amounting to € 480.208 thousand for Greece and Bulgaria). As of 31/12/2024, these derivatives met the requirements for cash flow hedging, in accordance with the provisions of IFRS 9 and from their measurement at fair values a loss of € (5.652) thousand (2023: loss € (16.626) thousand) was recognized in the item "Cash flow hedges" in Group’s Other Comprehensive Income Statement.

For the Company, the effect of the hedging of cash flows from the change in interest rates in the statement of other comprehensive income amounts to a loss of € 461 thousand (2023: loss € 256 thousand).

These financial liabilities are classified in the fair value hierarchy at level 2 (see Note 41).

In forward interest rate swaps that include option (Interest rate CAP) the Group has elected to designate only the intrinsic value of the option as a hedge of the loan flows, recognizing the time value of the options as hedging cost. The hedging cost is initially recognized in Other Comprehensive Income and is subsequently recycled from Other Comprehensive Income to Profit or Loss during the period of the hedge. For the year 2024, an amount of € 833 thousand was recycled to the profit or loss for the period, which is included in the “Financial Expenses” line item.

22.2Derivatives for hedging changes in energy market prices

Fixed for floating swap contracts

TERNA ENERGY Group has signed from the year 2021 contracts for the sale of electricity from Renewable Energy Sources (RES) with HERON ENERGY S.A. for 25 and 20 years in the framework of their cooperation in the "HERON EN.A" and "HERON EN.A BUSINESS" programs respectively. According to these agreements, TERNA ENERGY Group will receive fixed cash flows from the two programs, while it will pay the Proxy Market Revenues to HERON ENERGY (fixed for floating swap contract). Furthermore, TERNA ENERGY Group signed an 8-year PPA agreement with the possibility of extending it for a further 4 years, under which it will supply 100% green energy of 100 GWh/year to EYATH.

The fair value of this derivative on 31/12/2024 amounted to a total receivable of € 2.405 thousand. On 31/12/2024, this derivative met the requirements for cash flow hedging, in accordance with the provisions of IFRS 9. From its measurement at fair value a gain of € 4.126 thousand was recognized in the item "Cash flow hedges" in the Other Comprehensive Income. For the effective part of this there was a valuation gain 1.189 thousand. This financial liability has been classified in the fair value hierarchy at level 3 (see Note 41).

(Amounts in thousands of Euros unless mentioned otherwise)

23. PROVISION FOR STAFF INDEMNITIES

According to Greek labor law, each employee is entitled to a lump-sum indemnity in case of dismissal or retirement. The amount of the indemnity depends on the length of service with the company and the employee's wages the day he/she is dismissed or retires. Employees that resign or are justifiably dismissed are not entitled to such an indemnity. The indemnity payable in case of retirement in Greece is equal to 40% of the indemnity calculated in case of dismissal. According to the practices in the countries where the subsidiaries of the Group are operating in, staff indemnity programs are usually not funded.

The liabilities for staff indemnity liabilities were determined through an actuarial study. The following tables present an analysis of the net expenditure for the relevant provisions recorded in the consolidated Statement of Comprehensive Income for the fiscal year 2024 and the movement of the relevant provision accounts for staff indemnities presented in the attached consolidated Statement of financial position for the year ended on 31/12/2024.

The expense for personnel indemnities which was recognized in the Statement of Comprehensive Income is analyzed as follows:

	GROUP		COMPANY	
	01/01 - 31/12/2024	01/01 - 31/12/2023	01/01 - 31/12/2024	01/01 - 31/12/2023
Current service cost	37	54	35	49
Financial cost	6	1	5	6
Actuarial (gains)/losses	(5)	15	(8)	4
Total	**38**	**70**	**32**	**59**

**The movement for the period includes the data of employees of discontinued operations*

The movement in the relevant provision in the Statement of Financial Position is as follows:

	GROUP		COMPANY	
	31/12/2024	31/12/2023	31/12/2024	31/12/2023
Opening balance	**301**	**245**	**272**	**218**
Provision recognized in the income statement	43	55	40	55
Provision recognized in other comprehensive income	(5)	15	(8)	4
Provisions used	(95)	(14)	(94)	(5)
Reductions from loss of control of subsidiaries	(41)	–	–	–
Changes due to entity merges	–	–	(35)	–
Closing balance	**203**	**301**	**175**	**272**

** The movement for the period includes the data of employees of discontinued operations*

The key actuarial assumptions for fiscal year 2024 are as follows:

	31/12/2024	31/12/2023
Discount rate	2,93%	2,95%
Salary increases	2,10%	2,10%
Inflation	2,00%	2,10%
Service tables	EVK 2000	EVK 2000
TurnOver	Table 1	Table 1

(Amounts in thousands of Euros unless mentioned otherwise)

Table 1	
Years of experience	**Departure rate**
From 0 to 1 year	1,50%
From 1 to 5 years	1,00%
From 5 to 10 years	0,50%
Over 10 years	0,00%

24. OTHER PROVISIONS

The movement in other provisions of the Group and the Company for the years 2024 and 2023 is analyzed as follows:

	GROUP		**COMPANY**	
	Provisions for environmental rehabilitation	**Other provisions**	**Provisions for environmental rehabilitation**	**Other provisions**
Balance January 1st 2024	**18.219**	**1.034**	**3.944**	**760**
Provision recognized in the income statement	1.096	424	200	–
Provision recognized in tangible assets	2.409	–	–	–
Unused provisions recognized in income statement	–	(97)	–	–
Foreign exchange differences	37	2	–	–
Balance 31st December 2024	**21.761**	**1.363**	**4.144**	**760**
Long-term provisions	*21.761*	*1.363*	*4.144*	*760*
Short-term provisions	–	–	–	–

In the above table, in addition to the analysis of the provisions based on the nature of the commitment, their analysis is also presented based on the expected schedule of the outflow of financial resources. In particular, provisions (except provisions for rehabilitation of natural landscape) are presented in total as long-term and are not recorded in discounted amounts as there is no accurate estimate of their payment time.

The Group's companies of the energy sector are under obligation to proceed with environmental rehabilitation in locations, where they have installed electricity production units following the completion of the operations based on the effective licenses granted by the states where the installations are being implemented. The aforementioned provision of € 21.761 thousand (31/12/2023: € 18.219 thousand) reflects the expenses required for the removal of equipment and restoration of the area in which the equipment used to be installed, applying available technology and materials.

The other provisions of Group mainly concern provisions for pending legal litigations amounting to € 605 thousand (31/12/2023: € 473 thousand) and provisions for unaudited financial years amounting to € 757 thousand (31/12/2023: € 560 thousand) (see Note 44).

25. GRANTS

Grants on 31st December 2024 and 31st December 2023 in the accompanying financial statements are analyzed as follows:

(Amounts in thousands of Euros unless mentioned otherwise)

	GROUP		COMPANY	
	31/12/2024	31/12/2023	31/12/2024	31/12/2023
Opening balance	**162.812**	**167.146**	**10.105**	**11.257**
Approved and collected grants	–	391	–	–
Amortisation recognized in the Income Statement	(3.840)	(4.971)	(832)	(1.152)
Foreign exchange differences	48	246	–	–
Closing balance	**159.020**	**162.812**	**9.273**	**10.105**

Grants, related to government subsidies for the development of Wind Farms and other renewable power generation units, are amortized in the Statement of Comprehensive Income in accordance with the rate of amortization of the fixed assets being subsidized. The above grants are being amortized in the revenue side only to the extent which corresponds to any fully completed and operating wind farms.

26. SUPPLIERS

The suppliers in the accompanying financial statements, as of December 31st, 2024 and 2023, are analyzed as follows:

	GROUP		COMPANY	
	31/12/2024	31/12/2023	31/12/2024	31/12/2023
Suppliers	38.220	62.664	15.886	25.703
Total	**38.220**	**62.664**	**15.886**	**25.703**

Liabilities to suppliers mainly relate to obligations related to the construction and operation of renewable wind and hydroelectric power plants, photovoltaic farms as well as other Renewable Energy Sources (RES). The reduction of Suppliers in Group and Company level is mainly due to the transfer of the liabilities arising from the business transformations and disposal of discontinued operations (see Notes 5 and 7).

27. ACCRUED AND OTHER LONG – TERM AND SHORT-TERM LIABILITIES

The item "Other Long-Term Liabilities" of the consolidated financial statements as of 31/12/2024, amounting to € 11.402 thousand, relates mainly to contingent liabilities related to the acquisition of companies by the parent company in the last two years. The accrued and other short-term liabilities as of December 31st, 2024, and December 31st, 2023, in the accompanying financial statements, are analyzed as follows:

	GROUP		COMPANY	
Accrued and other short-term financial liabilities	**31/12/2024**	**31/12/2023**	**31/12/2024**	**31/12/2023**
Liabilities from dividends payable and return of capital	287	709	287	265
Other liabilities to related parties	1.344	523	1.347	532
Employee fees due	(7)	347	(9)	329
Amounts destined for capital increase	10	–	10	–
Accrued expenses	13.103	6.028	1.592	714
Short term liabilities from entities aqcusitions	5.500	11.590	5.500	11.590
Sundry creditors	477	766	182	426
Total	**20.714**	**19.963**	**8.909**	**13.856**

	GROUP		COMPANY	
Other short-term non-financial liabilities	**31/12/2024**	**31/12/2023**	**31/12/2024**	**31/12/2023**
Liabilities from taxes-duties other than income tax	9.179	8.774	3.761	2.260
Social security funds	362	687	273	564
Provisions for loss-bearing construction contracts	–	398	–	398
Total	**9.541**	**9.859**	**4.034**	**3.222**

The short-term debts from business acquisitions concern the contingent price for the acquisition of the shares of the company TERNA ENERGY OMALIES S.A. (formerly RF OMALIES S.A.) which were paid at the beginning of 2024. Further from the account "Accrued expenses", an amount of € 9.986 relates to accrued part of acquisition of fixed assets related to the pumped storage project under construction that the Group is constructing in the area of Amphilochia.

The account "Liabilities from taxes-duties other than income tax" for the year 2024, concerns VAT liabilities of € 4.091 thousand for the Group (€ 3.232 thousand for the Company) as well as liabilities from other taxes, which mainly come from withholding taxes on subcontractors and fees.

28. SHARE CAPITAL AND SHARE PREMIUM

As of 31/12/2024 the Company's share capital amounts to € 35.506.527,00 fully paid and divided into 118.355.090 common registered shares with voting rights of a nominal value € 0,30 each. Share premium as of 31/12/2024 stands at € 209.120thousand.

Company's Events 2024

Free Share Distribution Plan

By the decision of 21 October 2024 from the minutes of the Board of Directors of "TERNA ENERGY S.A. ", it was decided to increase the Company's Share Capital due to the achievement of the last target of the Free Shares Program and the amendment of Article 5 (Share Capital) of its Articles of Association, following the decision of the Extraordinary General Meeting of the shareholders of the above mentioned company, which authorized the Board of Directors of the Company, dated 16.12.2020. It was unanimously decided to increase the Company's share capital by the amount of Euro Seventy Five Thousand (€ 75.000,00) by issuing two hundred and fifty thousand (250.000) of new registered common shares with voting rights, with a nominal value of thirty euro cents (€ 0,30) each, with capitalization of reserves from the issuance of shares in excess of par value, and their allocation to Executive Members of the Board of Directors and senior management of the Company, in accordance with the approved Free Share Plan.

Spin-off of Construction and Concessions

By the decision of the Extraordinary General Meeting of Shareholders of November 6, 2024, the Agreement of 25/09/2024 on the demerger of the Company through the spin-off of (i) the Public Works, Waste Management and PPP projects (the "Division A") and its contribution to the wholly owned subsidiary limited liability company named " TERNA ENERGEIAKI DIACHEIRISI PAGION S.A." (the "Beneficiary by Acquisition") and (ii) the business of the high-speed broadband infrastructure projects (the "B Division") by establishing a new joint stock company, ERA BROADBAND INFRASTRUCTURE PROJECTS S.A. (the "Beneficiary by Establishment"), was approved. The relevant notice of the GEMI was posted on 15 November 2024.

Dividends

On 20/06/2024 the Annual General Meeting of the Shareholders of TERNA ENERGY S.A. decided the distribution of profits and reserves in the total amount of EUR 44.879.934,20, i.e. € 0,38 per share, according to article 162 par. 3 of Law 162 162 162.3 of the Law. 4548/2018. This amount was increased by the dividend corresponding to the treasury shares held by the Company.

29. RESERVES

The reserves for the fiscal years 2024 and 2023, in the accompanying financial statements, are analyzed as follows:

(Amounts in thousands of Euros unless mentioned otherwise)

GROUP	Statutory reserves	Treasury shares	Foreign currency translation diff. to Euro reserves from foreign operations	Reserves from Share based payments programms	Differences from cash flows risk hedges reserves	Actuarial gains/(losses) from defined benefit plan reserves	Valuation reserves at fair value of participations	Development and tax legislation reserves	Total
1 January 2023*	**19.935**	**(9.318)**	**(10.774)**	**48.814**	**11.056**	**21**	**(721)**	**48.166**	**107.179**
Other comprehensive income (after tax)	–	–	3.241	–	(2.986)	(14)	138	–	**379**
Other comprehensive losses (after tax) from discontinued operations	–	–	260	–	(1.800)	2	197	–	**(1.341)**
Formation of reserves	1.947	–	–	603	–	–	–	7.263	**9.813**
Distribution of reserves	–	–	–	–	–	–	–	(2.826)	**(2.826)**
Transfer to non-controlling interests and other movements	–	–	–	(46.800)	–	–	–	–	**(46.800)**
31st December 2023*	**21.882**	**(9.318)**	**(7.273)**	**2.617**	**6.270**	**9**	**(386)**	**52.603**	**66.404**
1 January 2024	**21.882**	**(9.318)**	**(7.273)**	**2.617**	**6.270**	**9**	**(386)**	**52.603**	**66.404**
Other comprehensive income (after tax)	–	–	811	–	(550)	4	152	–	**417**
Other comprehensive losses (after tax) from discontinued operations	–	–	7.074	–	(5.046)	–	–	–	**2.028**
Formation of reserves	516	–	–	2.313	–	(5)	–	8.977	**11.801**
Distribution of reserves	–	–	–	–	–	–	–	(5.021)	**(5.021)**
Transfer to non-controlling interests and other movements	–	–	–	(4.930)	–	–	–	–	**(4.930)**
Reductions from disposal of subsidiaries	(281)	–	–	–	–	(4)	90	–	**(195)**
31st December 2024	**22.117**	**(9.318)**	**612**	**–**	**674**	**4**	**(144)**	**56.559**	**70.504**

(Amounts in thousands of Euros unless mentioned otherwise)

COMPANY	Statutory reserves	Treasury shares	Foreign currency translation diff. to Euro reserves from foreign operations	Reserves from Share based payments programm	Differences from cash flows risk hedges reserves	Actuarial gains/(losses) from defined benefit plan reserves	Valuation reserves at fair value of participations	Development and tax legislation reserves	Total
1 January 2023*	**9.201**	**(9.318)**	**–**	**48.814**	**(9.659)**	**7**	**(721)**	**9.688**	**48.012**
Other comprehensive income (after tax)	–	–	–	–	9.566	(2)	138	–	**9.702**
Other comprehensive losses (after tax) from discontinued operations	–	–	–	–	–	–	197	–	**197**
Formation of reserves	–	–	–	603	–	–	–	394	**997**
Distribution of reserves	–	–	–	–	–	–	–	(2.826)	**(2.826)**
Transfer to non-controlling	–	–	–	(46.800)	–	–	–	–	**(46.800)**
31st December 2023*	**9.201**	**(9.318)**	**–**	**2.617**	**(93)**	**5**	**(386)**	**7.256**	**9.282**
1 January 2024	**9.201**	**(9.318)**	**–**	**2.617**	**(93)**	**5**	**(386)**	**7.256**	**9.282**
Other comprehensive losses (after tax)	–	–	–	–	(893)	6	152	–	**(735)**
Formation of reserves	–	–	–	2.313	–	–	–	207	**2.520**
Distribution of reserves	–	–	–	–	–	–	–	(1.306)	**(1.306)**
Transfer to non-controlling interests and other movements	–	–	–	(4.930)	–	–	–	–	**(4.930)**
Changes due to entity merges	–	–	–	–	–	(1)	90	–	**89**
31st December 2024	**9.201**	**(9.318)**	**–**	**–**	**(986)**	**10**	**(144)**	**6.157**	**4.920**

The amount of “Transfer to non-controlling interests and other movements” of € 4.930 thousand relates to the allocation of shares of the Share Distribution Plan.

Statutory Reserves

In compliance with the Greek Commercial Law, companies shall transfer at least 5% of their annual net profits to a statutory reserve until such reserve equals 1/3 of the paid-up share capital. This reserve cannot be distributed but can be used for loss write off.

Treasury Shares

The Company during the period 01/01/2024 – 31/12/2024 did not purchase treasury shares. The total number of treasury shares held by the Company on 31/12/2024 was 653.046 with a total acquisition cost of € 9.317.349. These shares represented a percentage of 0,55% of the paid-up share capital of the Company.

Currency translation differences reserves

Under consolidation of foreign companies, foreign currency translation differences are recognized in other comprehensive income and cumulatively in foreign currency translation differences reserves from incorporating foreign operations. The cumulative amount is transferred to the income statement for the year when the investments are transferred.

Cash flows risk hedging reserves

The hedge reserve is used to record profit or losses on derivative financial instruments, which may be designated as cash flow hedges and recognized in other comprehensive income. When the transaction to which the hedge transaction relates affects the statement of comprehensive income, then the corresponding amounts are also transferred from the other comprehensive income to the statement of comprehensive income. During the year 2024, the Group recognized as an increase to these reserves, derivative losses after taxes amounting to € (550) thousand with the total of these reserves amounting on 31/12/2024 to a balance of € 674 thousand (see Note 22). Specifically, the interest rate hedging reserves include an amount of € 11.843 thousand and the related tax of € (2.608) thousand, which is related to forward interest rate swaps that contain an option (Interest rate CAP) for which the Group has chosen to designate only the intrinsic value of the option as a hedge of the loan cash flows, recognizing only the time value in the income statement through recycling (see Note 4.1.6.6.).

Proportional actuarial gains/(losses) reserves

Actuarial gains / (losses) from defined benefit pension plans arising from (a) experience adjustments (the result of differences between previous actuarial assumptions and those that eventually occurred) and (b) changes in actuarial assumptions.

Development and tax legislation reserves

These reserves refer to profits not taxed based on the applicable tax rate in accordance with the applicable tax framework. These reserves will be taxable at the tax rate applicable at the time of their distribution to the shareholders or their conversion into equity under certain circumstances.

The Group and the Company hold non-taxable reserves for the amount of € 45.846 thousand and € 6.155 thousand, respectively, which, if disposed or capitalized, will be taxed at the applicable tax rate and subject to the provisions of the relevant development laws.

Reserves from Share based payments programs

The Extraordinary General Meeting of 16.12.2020 of TERNA ENERGY SA approved the distribution of up to two million five hundred thousand (2.500.000) new shares to be issued with capitalization of reserves from the issue of premium shares to Executive Members of the Board of Directors and senior executives of the

Company due to their contribution to the achievement of financial goals, in the implementation of new projects as well as in increasing the profitability of the Company within the three-year period 01.01.2021-31.12.2023. The Board of Directors was further authorized to determine the beneficiaries, the way of exercising the right and the conditions of the program, as well as the regulation of all relevant procedural issues for the implementation of the decision.

The Board of Directors of the Company at its meeting of 19.03.2021, in implementation of the above decision of the Extraordinary General Meeting of Shareholders, accepted the recommendation of the Nominations and Remuneration Committee regarding the Revision of the Remuneration Policy, the Review of the Program Implementation Period (extension of the Program by one year, i.e. ending on 31.12.2024 – the extension of the duration of the program, in combination with its inclusion in the Remuneration Policy was approved by the Regular General Meeting of the Company's Shareholders on 23.06.2021), the conditions for the implementation of the Program, as well as the Criteria - Objectives of the Program (refer to the fulfillment of performance conditions not related to the market - e.g. project construction objectives, EBITDA, etc.), as well as regarding the Distribution of the shares per Criterion – Objective. At the same meeting, the Board of Directors reserved to decide further on the selection criteria of the beneficiaries, the distribution of the shares to the beneficiaries and on the vesting criteria per beneficiary at a new meeting after a new relevant proposal from the Nominations and Remuneration Committee.

At the meeting of January 26, 2022, the Board of Directors proceeded with the selection of the beneficiaries of the Share based payments programs as well as the allocation percentages in accordance with the recommendation of the Nominations and Remuneration Committee.

The Board of Directors of "TERNA ENERGY", by its resolutions of 18/01/2023 and 24/5/2023, approved the increase of the Company's Share Capital by the amount of Euro Six Hundred and Seventy-Five Thousand (€ 675.000,00) through the issuance of Two Million Two Hundred and Fifty Thousand (2.250. 000) of new ordinary registered shares with voting rights, with a nominal value of thirty-euro cents (€0,30) each, with capitalization of share premium reserves and their free distribution to Executive Members of the Board of Directors and senior management of the Company, in accordance with the approved Share Distribution Plan. This decision is related to the achievement of targets representing 90% of the total number of shares included in the Share Distribution Plan.

By the decision of the Board of Directors of "TERNA ENERGY", dated October 21, 2024, it was unanimously decided to increase the share capital of the Company by the amount of Euro Seventy Five Thousand (€ 75.000,00) by issuing two hundred and fifty thousand (250.000) of new ordinary registered shares with voting rights, with a nominal value of thirty euro cents (€ 0.30) each, with capitalization of share premium reserves, and their free distribution to Executive Members of the Board of Directors and senior management of the Company related to the achievement of targets representing 10% of the total number of shares included in the Share Distribution Plan.

With the distribution of the last part, the Share Distribution Plan was completed and the expense was recognized in the Administration Expenses of the year and more specifically in the category "Share option expenses" for the year 2024, with the latest amounting to € 2.313 thousand.

The total amount of the formed reserve of € 4.930 thousand was transferred to the account “Retained earnings”.

(Amounts in thousands of Euros unless mentioned otherwise)

30. EARNINGS PER SHARE

Basic Earnings per Share were calculated by dividing the net earnings attributed to shareholders of the parent company by the weighted average number of outstanding shares as follows:

	GROUP	
	31/12/2024	**31/12/2023***
Net profit attributed to shareholders of the parent basic EPS (in thousand Euro)		
- from continuing operations	70.426	56.680
- from discontinued operations	(37.127)	2.985
	33.299	**59.665**
Average weighted number of shares used to calculate basic EPS	118.141.292	116.978.619
Basic Earnings per share attributed to shareholders of the parent (Amounts in Euro per share)		
- from continuing operations	**0,59612**	**0,48453**
- from discontinued operations	**(0,31426)**	**0,02552**
- from continuing and discontinued operations	**0,28186**	**0,51005**

Based on the Share based payment program, the diluted earnings per share of the Group are presented below:

Average weighted number of shares used to calculate basic EPS	118.141.292	116.978.619
Shares deemed to have been issued without consideration as a result of the achievement of the objectives of the free share program	–	–
Average weighted number of shares used to calculate diluted EPS	118.141.292	116.978.619
Diluted Earnings per share attributed to shareholders of the parent (Amounts in Euro per share)		
- from continuing operations	**0,59612**	**0,48453**
- from discontinued operations	**(0,31426)**	**0,02552**
- from continuing and discontinued operations	**0,28186**	**0,51005**

**The comparative figures of the Group and the Company for the financial year 2023 have been revised in order to include only continuing operations, as a consequence of the recognition of the Group's Construction and Concessions segments as discontinued operations, in accordance with the requirements of IFRS 5 "Non-current assets held for sale and discontinued operations" (see Notes 5 and 7).*

31. INCOME TAX – DEFERRED TAXATION

The tax rate for legal entities in Greece in the year 2024, as for the year 2023, after the enactment of Law 4799/2021 which amended par. 1 of no. 58 of Law 4172/2013 is set at 22%. The effective tax rate differs from the nominal. The calculation of the effective tax rate is affected by several factors, the most important of which are non-exemption of specific expenses, depreciation rates differences, arising between the fixed asset’s useful life and the rates defined under Law 4172/2013, and the ability of companies to generate tax-exempted discounts and tax-exempted reserves.

(a) Income Tax Expense

Income tax in the accompanying consolidated and separate financial statements for 2024 and 2023, is analyzed as follows:

	GROUP		COMPANY	
	31/12/2024	**31/12/2023***	**31/12/2024**	**31/12/2023***
Current income tax	19.657	15.807	(165)	25
Deferred tax	3.560	1.416	(2.176)	(2.925)
Total	**23.217**	**17.223**	**(2.341)**	**(2.900)**

(Amounts in thousands of Euros unless mentioned otherwise)

	GROUP		COMPANY	
	31/12/2024	31/12/2023*	31/12/2024	31/12/2023*
Profit before tax	**93.766**	**81.073**	**769**	**30.225**
Nominal tax rate	22%	22%	22%	22%
Income tax based on the effective nominal tax rate	**20.629**	**17.836**	**169**	**6.650**
Adjustments for:				
Income tax of discontinued operations	–	(1.764)	–	(1.115)
Effect of change in tax rate and tax rate differences of foreign subsidaries	(319)	(886)	–	–
Adjustments of tax of previous years and additional taxes	(132)	200	(165)	200
Write-off/(offsetting) of tax losses	(170)	848	89	–
Provision for tax audit differences	553	–	–	–
Effect of participations of associates and joint ventures in net results	(14)	–	–	–
Non-taxable Income	(1.448)	(522)	(4.855)	(11.114)
Non-deductible expenses	3.846	1.225	2.421	2.479
Taxation of reserves	272	286	–	–
Actual income tax expense	**23.217**	**17.223**	**(2.341)**	**(2.900)**
Effective tax rate	24,76%	21,24%	(304,42)%	(9,59)%

*The comparative figures of the Group and the Company for the financial year 2023 have been revised in order to include only continuing operations, as a consequence of the recognition of the Group's Construction and Concessions segments as discontinued operations, in accordance with the requirements of IFRS 5 "Non-current assets held for sale and discontinued operations" (see Notes 5 and 7).

The increase in effective tax rates is mainly due to the fact that the Group's accounting results include expenses such as the expense from the free distribution of shares which are not taxable. At the Company level, in addition to these expenses, the opposite effect is caused by the recognition of dividends from subsidiaries, which are not taxable. The income tax return is filed annually, but the profits or losses declared remain provisional until the tax authorities audit the taxpayer's books and records and issue a final audit report.

The Group annually estimates any contingent liabilities, expected to arise from the audit of past years, making relevant provisions where appropriate. The Group maintains provisions of € 757 for tax non-inspected financial years and the Management believes that apart from the provisions made, any potentially arising tax amounts will not have a significant impact on the Group's and Company's equity, results, and cash flows. Information regarding tax non-inspected years is presented in Notes 5 and 44.1 to the Financial Statements.

The subsidiary EOLOS EAST SPZOO has been informed, following an audit carried out by the local tax authorities, of the existence of tax differences for the fiscal year 2019. The company exercised its rights of appeal and accordingly recognised a provision for tax differences for a total amount of € 396 thousand.

(b) Deferred Tax

Deferred tax assets and obligations are offset when there is an applicable legal right to offset current tax assets against current tax obligations and when deferred income taxes relate to the same tax authority.

(Amounts in thousands of Euros unless mentioned otherwise)

The deferred income tax is calculated on all temporary tax differences between the book value and the tax value of assets and liabilities, using the expected effective tax rate at the time of maturity of the tax asset/ obligation:

Offset amounts as of 31/12/2024 and 31/12/2023 regarding the Group and the Company are analyzed as follows:

	GROUP		COMPANY	
	31/12/2024	**31/12/2023**	**31/12/2024**	**31/12/2023**
Deferred tax asset	23.205	21.875	10.338	9.228
Deferred tax liability	(56.623)	(52.792)	–	–
Net deferred tax (liability)/asset	**(33.418)**	**(30.917)**	**10.338**	**9.228**
Opening balance	**(30.917)**	**(29.730)**	**9.228**	**9.411**
Adjusted opening balance	**(30.917)**	**(29.730)**	**9.228**	**9.411**
(Debit)/credit recognised in net profit for the year	(3.560)	(1.416)	2.176	2.924
(Debit)/credit recognised in other comprehensive income	99	817	203	(2.787)
Deferred tax of non continuing operations	1.022	(348)	(1.269)	(320)
Foreign exchange differences	(62)	(240)	–	–
Closing balance	**(33.418)**	**(30.917)**	**10.338**	**9.228**

Deferred tax assets and obligations for 2024 and 2023, in the consolidated and separate Statement of Comprehensive Income, are analyzed as follows:

(Amounts in thousands of Euros unless mentioned otherwise)

	January 1st 2023					**31st December 2023**
GROUP	**Opening balance**	**(Debit)/credit recognised in net profit for the year**	**(Debit)/credit recognised in other comprehensive income**	**(Debit)/credit do to discontinued operations**	**Foreign exchange differences**	**Closing balance**
Deferred tax asset/(liability)						
Provision for staff indemnities	58	223	38	(252)	–	**67**
Investment valuation	6.315	182	55	(45)	–	**6.507**
Derivative valuation	(3.108)	595	724	507	–	**(1.282)**
Other provisions	4.248	1.669	136	(2.032)	18	**4.039**
Receivables-Liabilities from contracts with customers	(184)	(285)	–	588	–	**119**
Loans	3.419	2.345	–	(263)	61	**5.562**
Lease liabilities	1.810	(490)	–	4	18	**1.342**
Recognized tax losses	2.744	(1.477)	–	–	–	**1.267**
Other	112	26	–	–	5	**143**
Intangible assets	17.927	13.935	–	(7.108)	9	**24.763**
Tangible assets	(30.667)	(8.133)	(136)	3.696	(359)	**(35.599)**
Financial Assets – Concessions	(31.060)	(9.201)	–	4.152	–	**(36.109)**
Grants	(1.344)	(805)	–	405	8	**(1.736)**
Deferred tax of net profit/other comprehensive income		**(1.416)**	**817**	**(348)**	**(240)**	
Deferred tax asset/(liability)	**(29.730)**					**(30.917)**

(Amounts in thousands of Euros unless mentioned otherwise)

	January 1st 2024					31st December 2024
GROUP	**Opening balance**	**(Debit)/credit recognised in net profit for the year**	**(Debit)/credit recognised in other comprehensive income**	**(Debit)/credit due to discontinued operations**	**Foreign exchange differences**	**Closing balance**
Deferred tax asset/(liability)						
Provision for staff indemnities	67	11	(1)	(32)	–	**45**
Investment valuation	6.507	(611)	43	(21)	–	**5.918**
Derivative valuation	(1.282)	8	57	1.433	–	**216**
Other provisions	4.039	898	–	(164)	7	**4.780**
Receivables-Liabilities from contracts with customers	119	1.007	–	(1.059)	–	**67**
Loans	5.562	5.147	–	(262)	9	**10.456**
Lease liabilities	1.342	92	–	–	1	**1.435**
Recognized tax losses	1.267	490	–	(1.091)	–	**666**
Other	143	(19)	–	–	1	**125**
Intangible assets	24.763	(389)	–	(26.683)	3	**(2.306)**
Tangible assets	(35.599)	(11.291)	–	(6.763)	(83)	**(53.736)**
Financial Assets – Concessions	(36.109)	1.138	–	35.664	–	**693**
Grants	(1.736)	(41)	–	–	–	**(1.777)**
Deferred tax of net profit/other comprehensive income	–	**(3.560)**	**99**	**1.022**	**(62)**	
Deferred tax asset/(liability)	**(30.917)**					**(33.418)**

(Amounts in thousands of Euros unless mentioned otherwise)

	January 1st 2023					31st December 2023
ENTITY	**Opening balance**	**(Debit)/credit recognised in net profit for the year**	**(Debit)/credit recognised in other comprehensive income**	**(Debit)/credit do to discontinued operations**	**Foreign exchange differences**	**Closing balance**
Deferred tax asset/(liability)						
Provision for staff indemnities	48	(26)	38	–	–	**60**
Investment valuation	5.747	365	–	(252)	–	**5.860**
Derivative valuation	2.729	552	(2.825)	–	–	**456**
Other provisions	1.578	1.454	–	(2.033)	–	**999**
Receivables-Liabilities from contracts with customers	1.096	(279)	–	573	–	**1.390**
Loans	2.187	1.652	–	–	–	**3.839**
Lease liabilities	257	75	–	3	–	**335**
Intangible assets	(119)	(3)	–	–	–	**(122)**
Tangible assets	(4.522)	(711)	–	1.389	–	**(3.844)**
Grants	410	(155)	–	–	–	**255**
Deferred tax of net profit/other comprehensive		**2.924**	**(2.787)**	**(320)**	**–**	
Deferred tax asset/(liability)	**9.411**					**9.228**

(Amounts in thousands of Euros unless mentioned otherwise)

	January 1st 2024					31st December 2024
ENTITY	**Opening balance**	**(Debit)/credit recognised in net profit for the year**	**(Debit)/credit recognised in other comprehensive income**	**(Debit)/credit due to discontinued operations**	**Foreign exchange differences**	**Closing balance**
Deferred tax asset/(liability)						
Provision for staff indemnities	60	10	(2)	(30)	–	**38**
Investment valuation	5.860	(611)	43	(21)	–	**5.271**
Derivative valuation	456	(176)	162	–	–	**442**
Other provisions	999	121	–	(164)	–	**956**
Receivables-Liabilities from contracts with customers	1.390	(177)	–	(1.059)	–	**154**
Loans	3.839	2.231	–	–	–	**6.070**
Lease liabilities	335	77	–	(1)	–	**411**
Recognized tax losses	–	489	–	–	–	**489**
Intangible assets	(122)	(7)	–	1	–	**(128)**
Tangible assets	(3.844)	316	–	5	–	**(3.523)**
Grants	255	(97)	–	–	–	**158**
Deferred tax of net profit/other comprehensive income	–	**2.176**	**203**	**(1.269)**	**–**	
Deferred tax asset/(liability)	**9.228**					**10.338**

(Amounts in thousands of Euros unless mentioned otherwise)

32. TURNOVER

Turnover in the financial statements as of December 31st, 2024 and 2023, in the attached Financial Statements, is analyzed as follows:

Turnover from contracts with customers per category

	GROUP		COMPANY	
	01/01 - 31/12/2024	**01/01 - 31/12/2023***	**01/01 - 31/12/2024**	**01/01 - 31/12/2023***
Revenue from construction services				
Energy RES works	38.812	2.274	43.902	48.086
Total	**38.812**	**2.274**	**43.902**	**48.086**

	GROUP		COMPANY	
	01/01 - 31/12/2024	**01/01 - 31/12/2023***	**01/01 - 31/12/2024**	**01/01 - 31/12/2023***
Revenue from RES energy generation				
Revenue from RES energy generation segment	299.916	243.210	18.446	18.428
Energy generation from other RES technologies	8.287	9.516	2.925	4.355
Repair and maintenance of RES	34	(2.870)	9.709	5.558
Other revenue RES energy (except leases)	55	86	55	91
Total	**308.292**	**249.942**	**31.135**	**28.432**
Total Revenue from contracts with customers from continuing operations	**347.104**	**252.216**	**75.037**	**76.518**
Total Revenue from contracts with customers from Discontinued Operations	60.521	75.615	32.796	57.127
Total	**407.625**	**327.831**	**107.833**	**133.645**

Turnover analysis from contracts with customers at the time of revenue recognition

	GROUP		COMPANY	
	01/01 - 31/12/2024	**01/01 - 31/12/2023***	**01/01 - 31/12/2024**	**01/01 - 31/12/2023***
Transfer of goods at a specific time	308.203	252.726	21.371	22.783
Services over time	38.901	(510)	53.666	53.735
Total Revenue from contracts with customers from continuing operations	**347.104**	**252.216**	**75.037**	**76.518**
Total Revenue from contracts with customers from Discontinued Operations	60.521	75.615	32.796	57.127
Total	**407.625**	**327.831**	**107.833**	**133.645**

Turnover analysis from contracts with customers per operating risk category of the contract

(Amounts in thousands of Euros unless mentioned otherwise)

	GROUP		COMPANY	
	01/01 - 31/12/2024	**01/01 - 31/12/2023***	**01/01 - 31/12/2024**	**01/01 - 31/12/2023***
Closed-value contracts	308.292	249.943	31.135	28.432
Cost contracts plus profit percentage	38.812	2.273	43.902	48.086
Total Revenue from contracts with customers from continuing operations	**347.104**	**252.216**	**75.037**	**76.518**
Total Revenue from contracts with customers from Discontinued Operations	60.521	75.615	32.796	57.127
Total	**407.625**	**327.831**	**107.833**	**133.645**

Turnover analysis from contracts with customers per contract term

	GROUP		COMPANY	
	01/01 - 31/12/2024	**01/01 - 31/12/2023***	**01/01 - 31/12/2024**	**01/01 - 31/12/2023***
Long-term contracts	347.104	252.216	75.037	76.518
Total Revenue from contracts with customers from continuing operations	**347.104**	**252.216**	**75.037**	**76.518**
Total Revenue from contracts with customers from Discontinued Operations	60.521	75.615	32.796	57.127
Total	**407.625**	**327.831**	**107.833**	**133.645**

Time analysis of expected execution of a backlog of contracts with customers

	GROUP		COMPANY	
	01/01 - 31/12/2024	**01/01 - 31/12/2023***	**01/01 - 31/12/2024**	**01/01 - 31/12/2023***
1 year	1.623	29.173	1.623	36.173
1-5 years	–	3.574	–	4.473
Total Revenue from contracts with customers from Continuing Operations	**1.623**	**32.747**	**1.623**	**40.646**
Total	**1.623**	**32.747**	**1.623**	**40.646**

* The comparative figures of the Group and the Company for the financial year 2023 have been revised in order to include only continuing operations, as a consequence of the recognition of the Group's Construction and Concessions segments as discontinued operations, in accordance with the requirements of IFRS 5 "Non-current assets held for sale and discontinued operations". (see Notes 5 and 7).

33. COST OF SALES, ADMINISTRATIVE AND RESEARCH AND DEVELOPMENT EXPENSES

Cost of sales, administrative and research and development expenses on December 31st, 2024 and 2023, in the financial statements, are analyzed as follows:

(Amounts in thousands of Euros unless mentioned otherwise)

COST OF SALES	GROUP		COMPANY	
	01/01 - 31/12/2024	01/01 - 31/12/2023*	01/01 - 31/12/2024	01/01 - 31/12/2023*
Cost of sales and inventory consumption	11.959	3.001	11.412	5.266
Employees remuneration and expenses	2.386	2.028	2.280	2.464
Subcontractors fees and expenses	20.843	1.064	23.509	18.227
Fees for engineers, studiers and third parties	5.557	5.299	3.864	19.709
Utilities	2.610	1.905	239	231
Leases	831	409	623	871
Taxes, duties and contributions	9.282	7.951	628	736
Travel expenses	100	115	110	146
Subscriptions and contributions	14	17	15	16
Depreciation	55.327	50.857	5.129	6.094
Insurance premiums	9.561	8.192	953	1.058
Transportation expenses	1.249	1.102	552	1.640
Repairs and maintenance	20.867	19.266	2.963	3.026
Legal damages and litigation costs	83	45	83	45
Other	985	1.352	1.322	1.928
Total cost of sales from continuing operations	**141.654**	**102.603**	**53.682**	**61.457**
Total cost of sales from Discontinued operations	65.372	66.183	46.877	56.033
Total	**207.026**	**168.786**	**100.559**	**117.490**

**The comparative figures of the Group and the Company for the financial year 2023 have been revised in order to include only continuing operations, as a consequence of the recognition of the Group's Construction and Concessions segments as discontinued operations, in accordance with the requirements of IFRS 5 "Non-current assets held for sale and discontinued operations" (See Notes 5 and 7).*

The increase in the item "Cost of sales and inventory consumption" in 2024 compared to the previous financial year is due to the commissioning of new power generation units of the wind farm complex in Kafireas, Evia, as well as the consumption of inventories in the construction sector.

The decrease in the " Subcontractors fees and expenses " account for the Company in 2024 is attributable mainly to the Group's construction activity and to the construction of the power generation units that the Company has undertaken.

ADMINISTRATIVE EXPENSES	GROUP		COMPANY	
	01/01 - 31/12/2024	01/01 - 31/12/2023*	01/01 - 31/12/2024	01/01 - 31/12/2023*
Employees remuneration and expenses	5.163	4.687	4.302	3.858
Subcontractors fees and expenses	246	43	246	43
Fees for engineers, studiers and third parties	29.365	15.799	16.381	2.131
Utilities	224	239	194	202
Leases	74	59	54	60
Taxes, duties and contributions	992	924	390	380
Travel expenses	497	479	479	468
Subscriptions and contributions	216	316	167	270
Donations-grants	739	705	729	705
Display and advertising costs	3.073	2.645	3.071	2.644
Depreciation	1.384	1.331	1.218	1.164
Insurance premiums	158	155	156	156
Transportation expenses	100	98	99	96

(Amounts in thousands of Euros unless mentioned otherwise)

Repairs and maintenance	151	306	103	293
Auditors' fees	501	469	202	199
BoD members fees	1.670	1.550	1.370	1.370
Stock option expenses	2.313	603	2.313	603
Legal damages and litigation costs	–	7	–	4
Other	573	698	486	619
Total administration expenses from continuing operations	**47.439**	**31.113**	**31.960**	**15.265**
Total administration expenses from Discontinued operations	2.048	2.780	958	895
Total	**49.487**	**33.893**	**32.918**	**16.160**

** The comparative figures of the Group and the Company for the financial year 2023 have been revised in order to include only continuing operations, as a consequence of the recognition of the Group's Construction and Concessions segments as discontinued operations, in accordance with the requirements of IFRS 5 "Non-current assets held for sale and discontinued operations" (See Notes 5 and 7).*

The account "Stock option expenses", is related to the free share-based distribution program, is attributable to the fact that during the financial year 2024 the distribution of a total of 250.000 New Shares was finalized. The expense of €2.313 thousand relates to the free-share based distribution program which was finalized at the end of 2024. The targets of the plan of the free share-based distribution program have also been achieved in 2024, which is when the free distribution of these shares to the option holders was carried out. (see Note 29).

For the year ended December 31st, 2024, the expenses for the year analyzed under "Auditors' fees" include fees of the statutory auditor and the audit firm of € 48 thousand (2023: € 27 thousand) for the Group and € 12,5 thousand (2023: € 11 thousand) for the Company, relating to permitted non-audit services (excluding statutory and tax audit services) while the fees for the statutory audit and the tax certificate of the Group and the Company amounted to € 354 thousand and € 131 thousand respectively.

	GROUP		COMPANY	
RESEARCH AND DEVELOPMENT EXPENSES	**01/01 - 31/12/2024**	**01/01 - 31/12/2023***	**01/01 - 31/12/2024**	**01/01 - 31/12/2023***
Employees remuneration and expenses	272	239	272	239
Subcontractors fees and expenses	127	6	127	6
Fees for engineers, studiers, technical consultants and third parties	4.059	3.405	3.983	3.158
Leases	20	64	20	63
Taxes, duties and contributions	826	871	826	871
Travel expenses	53	61	53	61
Subscriptions and contributions	33	70	33	70
Display and advertising costs	1	9	1	9
Depreciation	319	267	319	266
Transportation expenses	40	42	40	42
Repairs and maintenance	352	248	352	248
Legal damages and litigation costs	23	38	23	40
Other	62	51	62	51
Total research and development expenses from continuing operations	**6.187**	**5.371**	**6.111**	**5.124**
Total research and development expenses from Discontinued operations	1.519	–	101	–
Total	**7.706**	**5.371**	**6.212**	**5.124**

(Amounts in thousands of Euros unless mentioned otherwise)

In research and development expenses, the account "Taxes, duties and contributions" relates to duties for issuing and maintaining licenses and production certificates paid to regulatory authorities for which the conditions for receiving installation permits have not matured. Furthermore, the expenses for "Fees for engineers, studiers, technical consultants and third parties" among others include expenses of environmental impact studies, construction studies, studies of connection to electricity transmission networks and measurement of wind potential.

34. OTHER INCOME/(EXPENSES)

The other income / (expenses) on December 31st, 2024 and 2023, in the financial statements, are analyzed as follows:

	GROUP		COMPANY	
Other income	**01/01 - 31/12/2024**	**01/01 - 31/12/2023***	**01/01 - 31/12/2024**	**01/01 - 31/12/2023***
Income from sale of waste material	39	72	78	40
Income from leases	3	21	–	72
Income from transfer of expenses	1.906	1.066	13.343	16.346
Income from insurance indemnities	520	4.460	454	3.111
Grants amortisation (see Note 25)	3.840	4.971	832	1.152
Income from the grants for expenses (expenses included in cost)	110	10	110	10
Other income	158	460	9	109
Income from unused provisions	98	–	–	–
Foreign exchange differences (credit)	274	1.587	–	5
Total other income from continuing operations	**6.948**	**12.647**	**14.826**	**20.845**
Total other income from Discontinued operations	(6.448)	2.840	397	400
Total other income	**500**	**15.487**	**15.223**	**21.245**

In the account "Income from insurance claims", the fluctuations at the Group and Company level are incidental and are due to the amounts paid by insurance companies depending on the damages that occur and are covered by these insurances.

	GROUP		COMPANY	
Other expenses	**01/01 - 31/12/2024**	**01/01 - 31/12/2023***	**01/01 - 31/12/2024**	**01/01 - 31/12/2023***
Fees for engineers, studiers and third parties	(272)	51	(11.451)	(11.576)
Utilities	(187)	–	(175)	–
Leases	(34)	–	(34)	–
Taxes, duties and contributions	(66)	(15)	(31)	(5)
Non accounted for fixed assets depreciation	(1)	(8)	(1)	(9)
Insurance premiums	(5)	–	–	(2.748)
Repairs and maintenance	14	(45)	(5)	(45)
Other	(423)	(22)	(205)	(8)
Taxes, fees and insurance contributions of previous years and fines and surcharges related to these	(38)	(43)	(18)	(26)
Other provisions	(229)	(138)	–	–
Impairments/write-offs	(1.632)	(1.561)	(98)	(27)
Total other expenses from continuing operations	**(2.873)**	**(1.781)**	**(12.018)**	**(14.444)**
Total other expenses from Discontinued operations	(3.466)	(3.168)	(2.447)	(1.485)
Total other expenses	**(6.339)**	**(4.949)**	**(14.465)**	**(15.929)**

(Amounts in thousands of Euros unless mentioned otherwise)

Total other income/(expenses) from continuing operations	**4.075**	**10.866**	**2.808**	**6.401**
Total other income/(expenses) from Discontinued operations	(9.914)	(328)	(2.050)	(1.085)
Total other income/(expenses)	**(5.839)**	**10.538**	**758**	**5.316**

*The comparative figures of the Group and the Company for the financial year 2023 have been revised in order to include only continuing operations, as a consequence of the recognition of the Group's Construction and Concessions segments as discontinued operations, in accordance with the requirements of IFRS 5 "Non-current assets held for sale and discontinued operations" (see Notes 5 and 7).

The item "Fees for engineers, studiers, technical consultants and third parties" of the Company amounting to € 11.356 thousand, includes costs of administrative support of the Company for the year 2024, which are then passed on to the subsidiaries of the Group. Income from the transfer of these expenses is included in the item "Income from transfer of expenses ".

The change in the Company's "Insurance premiums" item of € 2.748 thousand includes insurance costs, which were transferred to Group subsidiaries.

The "Impairment/write-offs" account includes an impairment of € 1.522 thousand which relates to the recoverability of the value of the tangible fixed assets of the subsidiary HAOS INVEST EOOD.

35. FINANCIAL INCOME/(EXPENSES)

The financial income/(expenses) in the attached Financial Statements are analyzed as follows:

	GROUP		**COMPANY**	
	01/01 - 31/12/2024	**01/01 - 31/12/2023***	**01/01 - 31/12/2024**	**01/01 - 31/12/2023***
Interest on short-term Loans	(1.135)	(605)	(1.135)	(605)
Interest on long-term Loans	(56.478)	(40.026)	(15.260)	(16.328)
Financial results of hedging derivatives recycled in Comprehensive Income	(833)	(265)	–	–
Interest on lease liability	(1.359)	(1.241)	(914)	(832)
Expenses from unwinding of provisions and long-term liabilities	(1.962)	(2.624)	(1.066)	(1.687)
Commissions, bank charges and other expenses	(3.695)	(4.332)	(1.866)	(2.200)
Financial expenses from continuing operations	**(65.462)**	**(49.093)**	**(20.241)**	**(21.652)**
Financial expenses from Discontinued operations	83	–	(223)	–
Financial expenses	**(65.379)**	**(49.093)**	**(20.464)**	**(21.652)**
Interest from sight deposits	1.042	766	218	68
Interest income from bond and other intercompany loans	105	58	4.577	4.705
Income from unwinding of long-term receivables	–	–	2.223	–
Other financial income	244	–	200	–
Financial income from continuing operations	**1.391**	**824**	**7.218**	**4.773**
Financial income from Discontinued operations	6.875	–	564	–
Financial income	**8.266**	**824**	**7.782**	**4.773**
Net financial results from continuing operations	**(64.071)**	**(48.269)**	**(13.023)**	**(16.879)**
Net financial results from Discontinued operations	6.958	–	341	–
Net financial results	**(57.113)**	**(48.269)**	**(12.682)**	**(16.879)**

(Amounts in thousands of Euros unless mentioned otherwise)

*The comparative figures of the Group and the Company for the financial year 2023 have been revised in order to include only continuing operations, as a consequence of the recognition of the Group's Construction and Concessions segments as discontinued operations, in accordance with the requirements of IFRS 5 "Non-current assets held for sale and discontinued operations" (see Notes 5 and 7).

The increase in the account "Interest and expenses on long-term loans" in 2024 compared to the previous financial year is a consequence of the increase in borrowings in the context of the financing of the Group's investment plan for the Pumped storage project.

36. PAYROLL COST

Employee remuneration and the average number of personnel are analyzed as follows:

	GROUP		COMPANY	
	01/01 - 31/12/2024	**01/01 - 31/12/2023***	**01/01 - 31/12/2024**	**01/01 - 31/12/2023***
Salaries and other employee benefits	6.539	5.761	5.700	5.401
Social security contributions	1.259	1.142	1.132	1.113
Provision for staff indemnities	23	51	22	47
Total payroll cost from continuing operations	**7.821**	**6.954**	**6.854**	**6.561**
Total payroll cost from discontinued operations	–	6.521	–	6.113
Total	**7.821**	**13.475**	**6.854**	**12.674**
Average Headcount				
Day-waged workers	125	124	121	120
Regular staff	248	322	217	279

*The comparative figures of the Group and the Company for the financial year 2023 have been revised in order to include only continuing operations, as a consequence of the recognition of the Group's Construction and Concessions segments as discontinued operations, in accordance with the requirements of IFRS 5 "Non-current assets held for sale and discontinued operations" (see Notes 5 and 7).

The average number of full-time equivalent employees for 2024 was 373 employees for the Group and 338 for the Company (2023: 446 for the Group and 399 for the Company).

37. TRANSACTIONS WITH RELATED PARTIES

The transactions of the Company and the Group with related parties for the period 01/01-31/12/2024 and 01/01-31/12/2023, as well as the balances of receivables and liabilities arising from such transactions as of 31/12/2024 and 31/12/2023, are as follows:

Company's transactions with subsidiaries

a) Assets	**Company**	
Amounts in € '000	**31/12/2024**	**31/12/2023**
Trade receivables and Receivables from contracts with customers	68.010	91.011
Long-term loans	109.900	135.470
Short-term part of receivables from long-term loans	3.941	4.782
Intercompany receivables from cash and other receivables	1.438	1.450
Total	**183.289**	**232.713**

(Amounts in thousands of Euros unless mentioned otherwise)

b) Liabilities	**Company**	
Amounts in € '000	**31/12/2024**	**31/12/2023**
Suppliers and Liabilities from contracts with customers	–	25
Long-term loans	301.653	311.613
Long-term liabilities carried forward	1.056	1.056
Other liabilities	2.231	10.935
Total	**304.940**	**323.629**

c) Income	**Company**	
Amounts in € '000	**01/01 - 31/12/2024**	**01/01 - 31/12/2023**
POC construction material	11.930	82.006
Repairs and maintenance	9.668	8.428
Other services	17.275	14.765
Other income and sales	12.644	15.377
Financial income	6.574	4.066
Total	**58.091**	**124.642**

d) Expenses	**Company**	
Amounts in € '000	**01/01 - 31/12/2024**	**01/01 - 31/12/2023**
Electric energy acquisition cost	33	22
Fees and other third party expenses	19	542
Other expenses	385	45
Financial expenses	11.031	11.662
Total	**11.468**	**12.271**

e) Revenue from participating interest and other investments	**Company**	
Amounts in € '000	**01/01 - 31/12/2024**	**01/01 - 31/12/2023**
Dividend income	26.945	49.485
Total	**26.945**	**49.485**

Transactions with other related parties

a) Assets	**Group**		**Company**	
Amounts in € '000	**31/12/2024**	**31/12/2023**	**31/12/2024**	**31/12/2023**
Trade receivables	18.873	36.413	3.179	27.888
Down payments on Fixed Assets	75.241	71.928	11.300	–
Loans and Guarantees	71	1.090	–	172
Prepayments and other receivables	60	251	29	251
Total	**94.245**	**109.682**	**14.508**	**28.311**

b) Liabilities	**Group**		**Company**	
Amounts in € '000	**31/12/2024**	**31/12/2023**	**31/12/2024**	**31/12/2023**
Suppliers	14.935	24.252	4.407	6.289
Other liabilities	21.157	8.900	5.031	2.005
Total	**36.092**	**33.152**	**9.438**	**8.294**

(Amounts in thousands of Euros unless mentioned otherwise)

c) Income	Group		Company	
Amounts in € '000	01/01 - 31/12/2024	01/01 - 31/12/2023	01/01 - 31/12/2024	01/01 - 31/12/2023
Income from electric energy sale	151.362	73.559	11.853	6.065
Income from construction services	6.943	2.250	6.943	2.250
Other income	18.240	1.442	18.240	1.442
Financial income	876	31	559	–
Total	**177.421**	**77.282**	**37.595**	**9.757**

d) Expenses	Group		Company	
Amounts in € '000	01/01 - 31/12/2024	01/01 - 31/12/2023	01/01 - 31/12/2024	01/01 - 31/12/2023
Electric energy acquisition cost	–	57	–	57
Fees and other third party expenses	2.872	2.660	2.623	2.492
Fixed asset purchase	76.501	25.607	–	–
Other expenses	19.973	69.482	9.034	2.150
Financial expenses	62	45	5	39
Total	**99.408**	**97.851**	**11.662**	**4.738**

Transactions with other related parties mainly concern the companies of GEK TERNA GROUP such as GEK TERNA SA, TERNA SA, HERON ENERGY SA and OPTIMUS SA.

The most significant transactions and balances of the Company with its subsidiaries as of 31/12/2024 presented below as follows:

		ASSETS	LIABILITIES	INCOME	EXPENSES
TERNA ENERGY FINANCE S.A.	Subsidiary	1	147.688	1.001	5.367
AIOLIKI PANORAMATOS DERVENOCHORION S.A.	Subsidiary	99	25.100	1.689	834
PPC RENEWABLES - TERNA ENERGY S.A.	Subsidiary	6	–	437	–
ENERGIAKI SERVOUNIOU S.A.	Subsidiary	2	2.349	6.069	128
IWECO HONOS CRETE S.A.	Subsidiary	25	1.100	1.313	39
TERNA ENERGY EVROU S.A.	Subsidiary	399	34.050	2.074	1.218
AIOLIKI RACHOULAS DERVENOCHORION S.A.	Subsidiary	251	25.000	855	956
ENERGIAKI DERVENOCHORION S.A.	Subsidiary	81	20.900	2.411	763
AIOLIKI MARMARIOU EUVOIAS M.A.E.	Subsidiary	163	11	4.476	–
ENERGEIAKI DYSTION EUVOIAS M.A.E.	Subsidiary	186	32	1.706	–
ENERGEIAKI KAFIREOS EUVOIAS S.A.	Subsidiary	36.494	130	5.695	59
ENERGIAKI STYRON EVIAS M.A.E.	Subsidiary	129	3.004	427	122
ENERGIAKI NEAPOLEOS LAKONIAS S.A.	Subsidiary	1.629	–	238	–
AIOLIKI EASTERN GREECE M.A.E.	Subsidiary	62	–	1.266	–
AIOLIKI PASTRA ATTIKIS S.A.	Subsidiary	78	4.000	6.727	142
ENERGIAKI PELOPONNISOU S.A.	Subsidiary	10.561	–	1.174	–
AIOLIKI PROVATA TRAIANOUPOLEOS M.A.E.	Subsidiary	3.030	1.376	(59)	–
AIOLIKI DERVENI TRAIANOUPOLEOS S.A.	Subsidiary	43	4.524	639	160
ENERGIAKI FERRON EVROU M.A.E.	Subsidiary	74	11.419	265	377
ENERGEIAKI XIROVOUNIOU S.A.	Subsidiary	2.357	–	313	–
AIOLIKI ILIOKASTROU M.A.E.	Subsidiary	515	6.611	351	208
EUROWIND S.A.	Subsidiary	34	17.340	394	610
DELTA AXIOU ENERGEIAKI S.A.	Subsidiary	3.423	–	181	–

(Amounts in thousands of Euros unless mentioned otherwise)

TERNA ENERGY S.A. AND VECTOR GREECE WIND PARKS - TROULOS WIND PARK G.P.	Subsidiary	224	–	55	–
AIOLIKO PARKO VIOTIAS TARATSA MAE	Subsidiary	19.744	–	1.328	–
VATHICHORI ONE PHOTOVOLTAIC S.A.	Subsidiary	14	–	203	–
TERNA ENERGY AI-GIORGIS S.A.	Subsidiary	745	–	2.411	4
TERNA AIOLIKI AITOLOAKARNANIAS S.A.	Subsidiary	182	–	414	–
TERNA AIOLIKI AMARINTHOU S.A.	Subsidiary	217	–	456	–
TERNA ILIAKI PANORAMATOS S.A.	Subsidiary	46	–	583	–
TERNA ILIAKI PELLOPONISSOU S.A.	Subsidiary	53	–	1.914	–
TERNA ILIAKI VIOTIAS S.A.	Subsidiary	45	–	1.479	–
AIOLIKI STEREAS ELLADOS M.A.E.	Subsidiary	258	–	1	–
TERNA ENERGY OMALIES M.A.E.	Subsidiary	71.076	305	8.884	113
KASTRAKI SOLAR ENERGY SINGLE MEMBER PC	Subsidiary	416	–	10	–
TERNA ENERGY-PUMPED STORAGE I S.M.S.A.	Subsidiary	451	–	904	–
ELLINIKOS ILIOS II S.A.	Subsidiary	14.350	–	–	–
ELLINIKOS ILIOS III S.A.	Subsidiary	14.287	–	–	–
HAOS INVEST 1 EAD	Subsidiary	309	–	72	1
		182.059	**304.939**	**58.356**	**11.101**

Remuneration of Board of Directors members and senior executives of the Company: The fees of the Board of Directors for the periods 01/01-31/12/2024 and 01/01-31/12/2023 are presented below:

	Group		Company	
	01/01 - 31/12/2024	**01/01 - 31/12/2023**	**01/01 - 31/12/2024**	**01/01 - 31/12/2023**
Fees of Board of Directors	1.682	1.567	1.370	1.370
Remuneration granted to executives who are executive members of the Board of Directors	3.305	3.120	2.657	2.538
	4.987	**4.687**	**4.027**	**3.908**

The separate and consolidated Statement of Comprehensive Income, for the year 2024, was burdened with the amount of € 2.313 thousand, which concerns the valuation of the share-based payment program to executive members of the Board of Directors and Managers. In the context of the program for the free share based payment program, the Management of "TERNA ENERGY S.A." informed the Investment Community that in order to implement the free share allocation program approved by the decision of the Extraordinary General Meeting of the Company's shareholders on December 16, 2020, and following their contribution to the achievement of the financial targets, the implementation of new projects and the increase of the Company's profitability, it has allocated to twenty-six (26) Directors a total of 250.000 New Shares, which resulted from increases in its share capital with capitalization of share premium reserves and represent 0,21% of the paid-up share capital. The shares were acquired through an over-the-counter transaction on 08/11/2024.

38. RISK MANAGEMENT POLICIES AND PROCEDURES

The Group is exposed to multiple financial risks such as market risk (fluctuations in exchange rates, interest rates, market prices, etc.), credit risk and liquidity risk. The Group periodically monitors and evaluates its exposure to the above risks, both separately and in combination, and uses financial instruments to hedge its exposure to specific categories of risks.

(Amounts in thousands of Euros unless mentioned otherwise)

The assessment and management of the risks faced by the Group and the Company are carried out by the top management and the Board of Directors of the Company. The main objective is to monitor and assess all types of risks to which the Group and the Company are exposed through their business and investment activities.

The Group uses various financial instruments or implements specific strategies in order to limit its exposure to variability in investment values that may arise from market fluctuations, including changes in prevailing interest rates and exchange rates.

38.1 Foreign exchange risk

Foreign exchange risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in foreign exchange rates. This type of risk may arise, for the Group, from foreign currency transactions denominated in foreign currencies, with countries outside the Eurozone and countries that have not pegged their currency to the Euro. Transactions mainly relate to purchases of fixed assets and inventories, trade sales, investments in financial assets, borrowings, and net investments in foreign entities.

The Group operates, besides Greece, in Eastern Europe and therefore may be exposed to foreign exchange rate risk arising from the exchange rate between the euro and other currencies. This type of risk can only arise from commercial transactions in foreign currencies, from investments of financial assets in foreign currencies, as well as from net investments in foreign entities. In order to limit this risk, the Group utilises 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.

	2024	
	Amounts in € of balances in currency trades where differences in payments and valuations arise	
Nominal amounts	**PLN**	**USD**
Current financial assets	1.568	–
Current financial liabilities	147	–
Total	**1.716**	**–**
Non-current financial assets	153	–
Non-current financial liabilities	–	–
Total	**153**	**–**

	Amounts in € of balances in local currency where differences in conversion arise	
Nominal amounts	**PLN**	**USD**
Current financial assets	25.583	–
Current financial liabilities	(6.611)	–
Total	**18.972**	**–**
Non-current financial assets	8	–
Non-current financial liabilities	(23.836)	–
Total	**(23.828)**	**–**

(Amounts in thousands of Euros unless mentioned otherwise)

	2023	
	Amounts in € of balances in currency trades where differences in payments and valuations arise	
Nominal amounts	**PLN**	**USD**
Current financial assets	3.577	18
Current financial liabilities	(4)	(4)
Total	**3.573**	**14**
Non-current financial assets	146	–
Non-current financial liabilities	–	–
Total	**146**	**–**

	Amounts in € of balances in local currency where differences in conversion arise	
Nominal amounts	**PLN**	**USD**
Current financial assets	26.443	9.737
Current financial liabilities	(7.735)	(284)
Total	**18.709**	**9.454**
Non-current financial assets	8	63
Non-current financial liabilities	(28.368)	(15.112)
Total	**(28.360)**	**(15.050)**

The table below presents the sensitivity of the year's result as well as of the other comprehensive income versus the exchange rate fluctuations through their effect on financial assets and liabilities. For the BGN currency we did not review the change as the currency has a fixed exchange rate against the Euro. For the other currencies we reviewed the sensitivity to a change of +/- 10%.

	2024			
	USD		PLN	
Nominal amounts	**10%**	**(10)%**	**10%**	**(10)%**
Effect on net profit after tax	–	–	320	(320)
Effect on other comprehensive income	–	–	(486)	486

	2023			
	USD		PLN	
Nominal amounts	**10%**	**(10)%**	**10%**	**(10)%**
Effect on net profit after tax	1	(1)	325	(325)
Effect on other comprehensive income	909	(909)	172	(172)

To manage this category of risk, the Group's Management and financial department makes sure that most of the receivables (income) and liabilities (expenses) are denominated in euro or in currencies with fixed exchange rate (e.g. Bulgarian lev (BGN)) with euro or in the same currency so that they could offset.

38.2 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, on 31/12/2024, 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.

(Amounts in thousands of Euros unless mentioned otherwise)

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 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.

38.3 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.

38.4 Credit Risk

The Group continuously reviews its receivables and incorporates the resulting information into its credit control.

The majority of the energy segment receivables relates to the broader domestic (including ENEX, DAPEEP and DEDDIE) and foreign Public Sector.

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.

38.5 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 2024net 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.

(Amounts in thousands of Euros unless mentioned otherwise)

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.

The maturity of financial liabilities as of December 31st, 2024 for the Group is analyzed as follows:

	31/12/2024		
	Short-term	Long-term	
	0 to 12 months	1 to 5 years	>5 years
Long-term loans	99.800	475.728	491.390
Lease liabilities	2.208	13.140	20.003
Liabilities from derivatives	5.658	11.729	–
Short-term loans	40.609	–	–
Suppliers	38.220	–	–
Other long-term liabilities	–	11.402	–
Accrued and other short-term liabilities	30.255	–	–
Total	**216.750**	**511.999**	**511.393**

The respective maturity of financial liabilities as at December 31st, 2023 is analyzed as follows:

	31/12/2023		
	Short-term	Long-term	
	0 to 12 months	1 to 5 years	>5 years
Long-term loans	112.848	485.809	568.456
Lease liabilities	1.990	12.578	16.258
Liabilities from derivatives	7.933	9.655	–
Short-term loans	–	–	–
Suppliers	62.664	–	–
Other long-term liabilities	–	10.558	–
Accrued and other short-term liabilities	29.822	–	–
Total	**215.257**	**518.600**	**584.714**

The above contractual maturity dates reflect gross cash flows, which may differ from the book values of liabilities as at the balance sheet date.

38.6 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.

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

(Amounts in thousands of Euros unless mentioned otherwise)

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.

39. PRESENTATION OF FINANCIAL ASSETS AND LIABILITIES PER CATEGORY

The financial assets as well as the financial liabilities of the Group per category, are as follows:

31st December 2024	**GROUP**			
	Unamortized cost	**Fair Value through profit and loss**	**Fair value through other comprehensive income**	**Total**
Financial Assets				
Other short-term investments	–	3.923	–	**3.923**
Investments in equity interests	–	–	4.050	**4.050**
Receivables from derivatives	–	–	16.408	**16.408**
Other long-term receivables	701	–	–	**701**
Trade receivables and other receivables	131.838	–	–	**131.838**
Cash and cash equivalents	241.111	–	–	**241.111**
Total	**373.650**	**3.923**	**20.458**	**398.031**

31st December 2024	**GROUP**			
	Unamortized cost	**Fair Value through profit and loss**	**Fair value through other comprehensive income**	**Total**
Financial Liabilities				
Long-term loans	1.066.918	–	–	**1.066.918**
Contingent consideration from acquisition of assets	–	16.902	–	**16.902**
Trade and other liabilities	67.263	–	–	**67.263**
Short-term loans	40.609	–	–	**40.609**
Lease liabilities	35.351	–	–	**35.351**
Liabilities from derivatives	–	–	17.387	**17.387**
Total	**1.210.141**	**16.902**	**17.387**	**1.244.430**

31st December 2023	**GROUP**			
	Unamortized cost	**Fair Value through profit and loss**	**Fair value through other comprehensive income**	**Total**
Financial Assets				
Other short-term investments	–	7.549	–	**7.549**
Investments in equity interests	–	–	5.268	**5.268**
Financial Assets – Concessions	60.558	–	–	**60.558**
Receivables from derivatives	–	–	23.460	**23.460**
Other long-term receivables	4.291	–	–	**4.291**
Trade receivables and other receivables	205.149	–	–	**205.149**
Cash and cash equivalents	248.027	–	–	**248.027**
Total	**518.025**	**7.549**	**28.728**	**554.302**

(Amounts in thousands of Euros unless mentioned otherwise)

31st December 2023	GROUP			
	Unamortized cost	Fair Value through profit and loss	Fair value through other comprehensive income	Total
Financial Liabilities				
Long-term loans	1.167.112	–	–	**1.167.112**
Contingent consideration from acquisition of assets	–	22.131	–	**22.131**
Trade and other liabilities	91.408	–	–	**91.408**
Lease liabilities	30.826	–	–	**30.826**
Liabilities from derivatives	–	–	17.588	**17.588**
Total	**1.289.346**	**22.131**	**17.588**	**1.329.065**

Receivables and liabilities from derivatives which related to cash flow hedges, are measured at fair value through other comprehensive income, only to the extent that the hedge is effective, while the ineffective portion is recognized through profit or loss.

Note 4.1.6 provides more detailed explanations on how the category of financial instruments affects their subsequent valuation. Regarding the determination of fair value of contingent consideration, it was determined based on the expected payments and the relative probabilities of their realization in accordance with the decisions of the Management.

40. LIABILITIES ARISING FROM FINANCING ACTIVITIES

In compliance with the provisions of IAS 7, non-cash changes not obligatory disclosed in Cash Flows, are presented below:

Amounts in thousand €	Long-term loans	Long-term liabilities carried forward	Short-term loans	Total
01/01/2024	**1.054.264**	**112.848**	**–**	**1.167.112**
Cash Flows :				
- Repayments	(4.384)	(86.233)	(68.015)	**(158.632)**
- Proceeds	67.358	–	107.715	**175.073**
Cash Flows from discontinued operations	6.173	(15.627)	–	**(9.454)**
Non-cash movements	(156.293)	88.812	909	**(66.572)**
31/12/2024	**967.118**	**99.800**	**40.609**	**1.107.527**

Amounts in thousand €	Long-term loans	Long-term liabilities carried forward	Short-term loans	Total
01/01/2023	**951.326**	**111.101**	**60.632**	**1.123.059**
Cash Flows :				
- Repayments	(8.427)	(130.560)	(60.000)	**(198.987)**
- Proceeds	245.682	–	–	**245.682**
Cash Flows from discontinued operations	3.736	(9.983)	–	**(6.247)**
Non-cash movements	(138.053)	142.290	(632)	**3.605**
31/12/2023	**1.054.264**	**112.848**	**–**	**1.167.112**

The significant items included in non-cash movements in long-term loans include changes resulting from the sale of the concession activities amounting to € 50,310 thousand while the corresponding amount related to "Long-term liabilities payable in the next financial year" amounted to € 14,960 thousand. Furthermore, transfers between long-term loans and long-term liabilities payable in the following financial year amount to

(Amounts in thousands of Euros unless mentioned otherwise)

€ 109,696 thousand (2023 € 142,108 thousand) while accrued interest recorded under "Long-term loans" and "Long-term liabilities payable in the following year" for the year 2024 amounted to € 3,633 thousand and € 56,171 thousand respectively.

41. FAIR VALUE MEASUREMENT

Fair value measurements of financial assets

Financial assets and financial liabilities measured at fair value in the Group's Statement of Financial Position are classified under the following in a three (3) level hierarchy in order to determine and disclose the fair value of financial instruments per valuation technique:

The Group has adopted the revision of IFRS 7 regarding the fair value hierarchy of the financial instruments at the following levels:

- **Level 1:** Fair value based on quoted (unadjusted) prices in active markets for comparable assets or liabilities.
- **Level 2:** Fair value, using valuation techniques for which all inputs that significantly affect the fair value, are based (either directly or indirectly) on observable market data.
- **Level 3:** Fair value, using valuation techniques, in which the data that significantly affects the fair value, are not based on observable market data.

The Group's financial assets and financial liabilities measured at fair value as of 31/12/2024 and 31/12/2023 classified in the aforementioned levels of hierarchy, are as follows:

31st December 2024

Financial Assets	**Stage 1**	**Stage 2**	**Stage 3**	**Total**
Other short-term investments	3.923	–	–	**3.923**
Investments in equity interests	–	–	4.050	**4.050**
Receivables from derivatives	–	9.557	6.851	**16.408**
Total	**3.923**	**9.557**	**10.901**	**24.381**
Financial Liabilities				
Liabilities from derivatives	–	12.941	4.446	**17.387**
Contingent consideration from acquisition of assets	–	–	16.902	**16.902**
Total	**–**	**12.941**	**21.348**	**34.289**
Net Fair Value	**3.923**	**(3.384)**	**(10.447)**	**(9.908)**

31st December 2023

Financial Assets	**Stage 1**	**Stage 2**	**Stage 3**	**Total**
Other short-term investments	7.549	–	–	**7.549**
Investments in equity interests	–	–	5.268	**5.268**
Receivables from derivatives	–	20.708	2.752	**23.460**
Total	**7.549**	**20.708**	**8.020**	**36.277**
Financial Liabilities				
Liabilities from derivatives	–	11.925	5.663	**17.588**
Contingent consideration from acquisition of assets	–	–	22.131	**22.131**
Total	**–**	**11.925**	**27.794**	**39.719**
Net Fair Value	**7.549**	**8.783**	**(19.774)**	**(3.442)**

(Amounts in thousands of Euros unless mentioned otherwise)

There were no changes in the valuation techniques applied by the Group within the current reporting period. Moreover, there were no transfers of amounts between the fair value hierarchy levels 1 and 2 during the 2024 and 2023.

The level 2 derivative financial instruments relate to forward rate swap contracts, while those of level 3 relate to fixed for floating swap contracts of the HERON EN.A, HERON EN.A BUSINESS and EYATH (see Note 22) and the contingent consideration from the acquisition of assets. To determine the fair value of the above financial instruments, the Group uses appropriate valuation techniques depending on the category of financial instrument. Regarding forward rate swap contracts, their fair value is measured by reference to market interest rate curves, through valuations by credit institutions and in combination with internal valuation using interest rate curves. With regard to the fixed floating swap contracts of the HERON EN.A and HERON EN.A BUSINESS and EYATH, their fair value is determined by using future market prices and discounting their estimated future value at present value.

The fair value of the contingent consideration from acquisition of assets (see Note 7), was determined based on the probability - weighted payout approach, at the acquisition date. The fair value of the liability for the contingent consideration is measured at each reference date and until the date of final measurement and payment.

The movement of financial instruments classified in Level 3 of the Group, for the years 2024 and 2023, are presented as follows:

	31/12/2024			**31/12/2023**		
	Investments in equity interests	**Derivatives**	**Contingent consideration from acquisition of assets**	**Investments in equity interests**	**Derivatives**	**Contingent consideration from acquisition of assets**
Opening balance	**5.268**	**(2.911)**	**(22.131)**	**3.499**	**(13.515)**	**(18.525)**
- Acquisition	454	–	(180)	1.340	10.604	(2.654)
- Return of capital	(227)	–	6.270	–	–	–
- (Impairment)	195	–	–	–	–	–
- Finance cost	–	–	(861)	–	–	(1.450)
- Effect of evaluation through PnL	–	1.189	–	–	–	–
Fair value adjustment through Other Comprehensive Income	–	4.127	–	429		498
Reductions from loss of control of subsidiaries	(1.640)		–	–		–
Closing balance	**4.050**	**2.405**	**(16.902)**	**5.268**	**(2.911)**	**(22.131)**

The carrying amounts of the following financial assets and liabilities approximate their fair value due to their short-term nature:

- Trade and other receivables
- Cash available
- Suppliers and other liabilities.

42. CAPITAL MANAGEMENT POLICIES AND PROCEDURES

The aims of TERNA ENERGY Group regarding the Capital Management, are as follows:

- To ensure the ability of the Group to continue its activity (going concern).
- To secure a satisfactory return for its shareholders by pricing products and services according to their level of risk.

(Amounts in thousands of Euros unless mentioned otherwise)

- to fulfill its contraction obligations in respect of specific debt agreements.
- to ensure it meets the minimum requirements set by legislation regarding undertaking of contractual constructions.

The Group defines the level of capital in proportion to the risk of its activities, it monitors the developments of the economic environment and their effect on the risk characteristics, and it manages the capital structure (relation of debt to equity) with the adjustment of the amount and maturity of debt, the issuance of new shares or the return of capital to shareholders, with the adjustment of the dividend and the sale of individual or a group of assets.

The Group finances the construction of Wind Farms and other projects through a combination of capital, bank borrowings and government grants. Therefore, the Group monitors Loan Liabilities to Total Employed Capital ratio. As Loan Liabilities is defined the total of Short-term Loans, Long-term Loans and Long-term loan liabilities payable next fiscal year. Total Employed Capital is defined as the total of equity capital, loan liabilities, lease liabilities, grants, reduced by the amount of cash and cash equivalents that are not subject to any restriction of use or commitment, in addition to the commitments associated with borrowing.

The ratio at the end of 2024 and 2023 was as follows:

Amounts in thousand €	**31/12/2024**	**31/12/2023**
Short-term loans	40.609	–
Long-term loans	967.118	1.054.264
Long-term liabilities carried forward	99.800	112.848
Loan liabilities	**1.107.527**	**1.167.112**
Total equity	489.036	506.206
Loan liabilities	1.107.527	1.167.112
Lease liabilities (Long-term and Short-term portion)	35.351	30.826
Grants	159.020	162.812
Subtotal	**1.790.934**	**1.866.956**
Less:		
Cash and cash equivalents	241.111	248.027
Restricted cash related to loans (Note 19)	70.827	74.455
Subtotal	**311.938**	**322.482**
Total employed capital	**1.478.996**	**1.544.474**
Loan Liabilities / Total employed capital	**75%**	**76%**

The Group has settled all its material contractual obligations arising from loan agreements.

43. EFFECTIVE LIENS

In order to cover new projects' financing needs, the Company and the Group issue notional collateral on its current assets as well as liens (usually in the form of mortgages) on its non-current assets as guarantees to the creditors. Additional information regarding such collaterals is presented in Notes 10 and 20.

44. CONTIGENT ASSETS AND LIABILITIES

44.1 Non audited Fiscal Years

The Group's tax liabilities are not definitive as there are unaudited tax years, which are disclosed in Note 5 of the Financial Statements. For unaudited tax years there is a risk that additional taxes and surcharges may be levied at the time they are reviewed and finalized. The Group annually assesses the contingent liabilities expected to arise from the audit of past years, making provisions where necessary. The Group has recognised provisions for unaudited tax years in the amount of € 757 thousand (31/12/2023: € 560 thousand). Management considers that, apart from the provisions recorded, any tax amounts that may arise will have no significant impact on the Group's and the Company's equity, results, and cash flows.

In accordance with the relevant tax provisions: a) of paragraph 1 of Article 84 of Law No. 2238/1994 (pending income tax cases), b) par. 1 of Article 57 of Law No. 57 of the Law No. 2859/2000 (pending VAT cases) and c) par. 5 of Article 9 of Law No. 2523/1997 (imposition of fines for income tax cases), the State's right to impose the tax for the years up to 2018 is time-barred until 31/12/2024, except for specific or extraordinary provisions that may provide for a longer limitation period and under the conditions set out therein.

In addition, in absence of an existing provision in the Code of Laws on Stamp Duties on the statute of limitations, the relevant claim of the State for the imposition of stamp duties is subject to the twenty-year statute of limitations according to article 249 of the Civil Code for cases that have been created until the 2013 financial year. From 1/1/2014, and after the entry into force of Law 4174/2013, the limitation period for the imposition of stamp duties is limited to 5 years, since the procedures for its imposition and collection are now included in the provisions of the Code of Tax Procedures.

- **Tax Certificate-Tax Compliance Reports**

For the fiscal years 2011 to 2023, the Group's companies operating in Greece and fulfilling the relevant criteria to be subject to tax audit by Certified Public Accountants received a Tax Compliance Report, in accordance with par. 5 of article 82 of Law 2238/1994 and article 65A par. 1 of Law 4174/2013, without any significant differences. It should be noted that, according to Circular POL. 1006/2016, companies that have been subject to the aforementioned special tax audit are not exempted from the regular audit by the tax authorities. Furthermore, in accordance with the relevant legislation, for the fiscal years 2016 and onwards, the audit and the issuance of the Tax Certificate is applicable on an optional basis.

For the fiscal year 2024, for Group companies which operate in Greece and have been subject to the optional tax audit of the Certified Public Accountants, this audit is in progress and is expected to be completed after the publication of the accompanying Financial Statements. The Tax Certificate will be obtained upon its final submission by the Chartered Accountants to the tax authorities. On completion of these tax audits, the Management does not expect any substantial tax liabilities to arise other than those recorded and reflected in the financial statements of the Group and the Company.

It should be noted that, according to the provisions of POL 1192/2017, the right of the State to charge tax until the fiscal year 2018 has been limited, unless the special provisions of 10 years, 15 years and 20 years of limitation apply.

44.2 Commitments from construction contracts

The outstanding balance of the projects from construction contracts of the Group settles on 31/12/2024 at the amount of € 1.62 million (31/12/2023: € 12.6 million). It is noted that both the amount of the backlog as of 31 December 2024 and 31 December 2023 excludes the backlog of concession contracts as a consequence of the transfer of the construction and concessions activities to GEK TERNA Group (see Notes 5 and 7).

44.3 Significant litigations

The Company and its consolidated companies are involved (as defendant and plaintiff) in various legal cases in the context of their normal operation. The Group makes provisions in the financial statements related to the pending legal cases, when it is probable that an outflow of resources will be required to settle the outstanding obligation and the amount can be estimated reliably.

In this context, the Group has recognised provisions of € 605 thousand as at 31/12/2024 (31/12/2023: € 473 thousand). Management as well as the legal advisors estimate that, in addition to the above provisions, the pending cases are expected to be settled without any significant negative impact on the consolidated financial position of the Group or the Company, or on their results of operations beyond the provision for litigated cases already made.

In particular:

Contingent Liabilities

TERNA ENERGY S.A. and TERNA ENERGY AI GIORGIS S.A.

There is a legal lease dispute between an individual and the companies TERNA ENERGY S.A. and TERNA ENERGY AI GIORGIS S.A., regarding the lease of the island of Agios Georgios Attica from the other party to TERNA ENERGY. It is to be noted that on the island there is an installation of two wind farms of the subsidiary TERNA ENERGY AI GIORGIS S.A., with a total installed capacity of 69 MW.

The Lawsuit - Complaint dated 1/7/2019 brought at the Athens Court of First Instance by an individual against TERNA ENERGEKI A.B.E.T.E. and TERNA ENERGY AIGORGIS S.A., which was notified on 31-07-2019, requesting the restitution of the island of Agios Georgios, Attica, as an alleged leasehold property allegedly owned by the plaintiff, was heard on 6 September 2019. Thereupon, a decision No. 619/2020 was issued, which upheld the claim, ordered the restitution of the island of Agios Georgios to the plaintiff by TERNA ENERGY S.A. or anyone who derives rights from it, including TERNA ENERGY S.A. AI GIORGIS S.A. (it is understood that TERNA ENERGY S.A. has transferred the Lease to that company, or has subleased a lease to it) and declared the decision provisionally enforceable. On 15.06.2020, TERNA ENERGY S.A. and TERNA ENERGY AI GIORGIS S.A. received a court order for voluntary compliance with the above decision, otherwise the court decision would be enforced. The companies TERNA ENERGY S.A. and TERNA ENERGY AI GIORGIS S.A. filed an application for suspension of execution of the above order, requesting an interim injunction, heard on 18 June 2020 and granted on 19 June 2020 until the hearing of the Application for Interim Measures on 28 July 2020, on which the decision no. 4555/2020 which granted the stay, and an appeal against decision No. 619/2020, on which was issued decision No. 548/2021 of the Athens Court of Appeal, which allowed the appeal, struck out the 619/2020 decision, retried the claim and dismissed it in its entirety. The opposing party filed a Petition for Appeal, which was heard by the Supreme Court of Greece and a 389/2022 decision was issued, which annulled the 548/2021 decision and referred the case back to the Court of Appeal for a new trial, which took place on June 7, 2022. In any case, the revocation of the 548/2021 decision revives the decision of the Athens Court of First Instance No. 4555/2020, by which the execution/executability of the 619/2020 decision has been suspended. The Athens Single Court of Appeal issued decision No 1937/2023, by which it formally and substantially accepts the appeal of 'TERNA ENERGY S.A.' and 'TERNA ENERGY I GIORGIS S.A.'. and dismisses the action brought by the individual. Against the decision of the Athens Court of Appeal No. 1937/2023, which dismissed the individual’s action, the individual filed an appeal dated 20.07.2023, the date of the hearing of which was initially set for 16.05.2025 and after a request for a hearing date by the individual, it was set for 19.04.2024. We presume the dismissal of the appeal.

The other party filed a lawsuit against TERNA ENERGY S.A. and TERNA ENERGY AI GIORGIS S.A., requesting the Application for Precautionary Measures, with a request for the termination of the Provisional Order as of 19.06.2020 of the Chairman of the Court of First Instance, granted in respect of as of 16.06.2020 Application for Suspension of Enforcement of the companies TERNA ENERGY S.A. and TERNA ENERGY AI GIORGIS S.A. or - alternatively - continuation of validity of the above Interim Order under the condition of payment to the applicant of the amount of € 8.931,67 per month as compensation for the use of its property. Both claims were heard and regarding those claims, no. 4555/2020 decision was issued, accepting the application for precautionary measures of TERNA ENERGY S.A. and TERNA ENERGY AI GIORGIS S.A., focusing on the issue of the installation of the latter, based on the protocols and not any type of lease relationship, speculating that this reason will be accepted in the Court of Appeal. A guarantee was ordered to be submitted in favor of the other party to the Deposits and Loans Fund, amounting to € 6.000,00. The Company has applied for the return of this letter of guarantee by way of an injunction.

The same opponent, succeeded in issuing against the Company no. 10898/2019 Payment Order of the Judge of the Single Member Court of First Instance of Athens, Chairman of the Court of First Instance, pursuant to which and from the order dated as at 04/12/2019 placed under a copy of the first executable inventory of the above payment order, the Company was ordered to pay to the other party a total amount of € 369.389,46 plus legal interest. The Company timely filed (GAK 108200/2019 and EAK 13627/2019) an Application for suspension of execution of the above payment order with a request for a temporary order, regarding which the temporary order as of 10.12.2019 of the Chairman of the Single Member Court of First Instance of Athens was issued, granting - temporarily and until the discussion of the above application on 11.03.2020 and given the course of the hearing - a suspension according to article 632 § 3 of the execution of the above payment order no. 10898/2019 setting the condition of the payment of guarantee by the Company amounting to € 50.000 within 15 working days from the publication of the temporary order. In this regard, a Letter of Guarantee was issued, which was submitted to the Athens Court of First Instance, drafted under no. 519 / 31-12-2019 Guarantee Report. The application for precautionary measures was heard on 11.03.2020 and the validity of the effective interim injunction was extended until the issuance of the relative decision on it. No. 3804/2020 decision was issued, suspending the Payment Order until the issuance of a final decision regarding the case as of 19.12.2019, without the provision of a guarantee. The Company requested the restitution of this letter of guarantee by means of an injunction. The interim measures were discussed on 22.09.2023 and thereupon the decision No. 6053/25.10.2023 was issued which ordered the removal of the surety bond and ordered the individual to pay the Court costs of the Company.

Finally, the same opposing party brought an action before the Athens Court of First Instance against TERNA ENERGY A.B.E.T.E. and TERNA ENERGY A.I. GIORGIS S.A., which was notified on 20.07.2020, with which it waived its right to the 13.01.2020 of its action against the same opposing parties and on the other hand, it seeks compensation in the amount of € 235.179,65 due to tort, according to Article 914 of the Civil Code, consisting of the occupation of the island of Ag. George and the loss of income from the exploitation of the island by the individual. The action was judged at a formal trial on 23-3-2023 and a decision No. 6323/2023 was issued declaring the lawsuit inadmissible.

ENERGEIAKI DYSTION EVIAS S.A.

Individuals (plus 9) filed a Lawsuit against the Company in front of the Tamynea Magistrate Court for Disturbance of Law against the Company, on which Judgment No. 45/2022 was issued, which dismissed the lawsuit. Further, on 16.09.2022, the appeal of 2 of the aforesaid individuals against the Company and against Decision No. 45/2022 of the Tamynia Magistrate Court was notified, which was heard on 3/11/2023 and on which Decision No. 325/20.11.2023 was issued. Decision, which suspends the issuance of the decision until the Council of State issues a decision on the Petition for Annulment No. 1994/2021 filed by the opponents against the AEPO and the operating permission of the Company's park. It is noted that the Council of State, in its decision No 2379/2023, rejected the opponents' application for annulment.

(Amounts in thousands of Euros unless mentioned otherwise)

Individuals have filed a lawsuit before the Chalkida Court of First Instance, which is directed against the Greek State and our Company, requesting that their ownership of the Company's property be recognized and that the Company be expelled from this property. The action was discussed and a decree no. 229/2022 Decision, which ordered the hearing to be reopened in order to produce the plaintiffs' submissions: (a) the decision of the Special Committee for the examination of the plaintiffs' objections to the forestry character of the disputed area and any corresponding corrections to the posted forestry map; and (b) the bulletin of the Government Journal with the publication of the forestry map for the disputed area described in the statement of reasons, as ratified by the Coordinator of the relevant Decentralized Administration. To date, there has been no development in the information requested. The Group's Legal Department presumes that this lawsuit will be dismissed.

ENERGEIAKI STYRON EVIAS S.A.

Two individuals filed a lawsuit against the Company in front of the Magistrate Court of Karystos, with the main request for the recognition of their status as tenants and owners of 3/4 of the first and 1/4 of the second property of the land district of the Municipality of Karystos. As this is a forest land, which is managed by the competent Forestry Department as public, the Company, which has been legally established on the disputed land by the Forestry Department of Karystos, has appealed to the Greek State to support it in this lawsuit, for which we believe that it will not succeed. The Greek State has intervened in the lawsuit in support of the Company. In this regard, a preliminary ruling was issued by the Karystos Magistrate's Court No. 11/2021, which postponed the issuance of a final decision and ordered an expert opinion on specific issues, which has not proceeded.

44.4 Guarantees

In the course of carrying out its activities, the Group issues bank letters of guarantee in order to assure its counterparties of the fulfillment of obligations arising from the terms of its contracts.

The types and amounts (in thousand Euro) of the letters of guarantee issued by the Group to its counterparties as of 31/12/2024:

Type of Letter of Guarantee	Amount 31/12/2024	Amount 31/12/2023
Contract execution guarantees for construction	199.953	226.964
Guarantees of payment	51.758	36.204
Tender guarantees	1.277	5.308
Guarantees of warranty execution for Agreements of Private and Public Sector	3.033	13.664
Guarantees of warranty execution for Grants	100.256	116.756
Guarantees of warranty execution for Other Agreements	5.320	12.003
Total	**361.597**	**410.899**

45. EVENTS AFTER THE REPORTING DATE OF STATEMENT OF FINANCIAL POSITION

From 01/01/2025 until the preparation date of the present report, the following important events occurred:

- **Motor Oil - TERNA ENERGY Groups cooperate for the first Offshore Wind Farm in Greece**

Motor Oil and TERNA ENERGY Groups proceed with the joint implementation of the first Offshore Wind Farm (OWP) in Greece. In this context, the procedures for the participation of Motor Oil Group, through its subsidiary Motor Oil Renewable Energy (MORE), with a 50% stake in the share capital of "Aeolika Provatas Traianoupolis", a subsidiary of Terna Energy Group, have been completed. "Aeolika Provatas Traianoupolis" has the right to develop a 400 MW pilot wind farm in the sea area south of Alexandroupolis and north of Samothrace. This pioneering landmark project, with a completion horizon of the end of the current decade, will be the first of its kind in Greece, contributing substantially to the success of the implementation of the National Programme for the Development of Offshore Wind Farm (OWP).

(Amounts in thousands of Euros unless mentioned otherwise)

Moreover, it will highlight the benefits of Offshore Wind Farm (OWP) to the national and local economy, as well as the harmonious coexistence of CSR with sectors such as shipping and tourism. Through their cooperation for the development of the first Offshore Wind Farm in Greece, Motor Oil and TERNA ENERGY Groups are strengthening their footprint in the domestic production of clean energy and implementing their environmental commitments, while at the same time actively promoting sustainable development and the energy transformation of the country.

- **Results of the mandatory public offer of the Company "MASDAR HELLAS S.A." to the shareholders of the Company "TERNA ENERGY S.A." for the acquisition of all their common, registered, voting shares for a price of 20,00 euro per share**

On 28 February 2025, the transfer of the Shares to MASDAR HELLAS S.A. was completed within the context of the public offer procedure in accordance with the provisions of the issued Information Bulletin. After the completion of the procedure, MASDAR HELLAS S.A. will own a total of 115.519.691 Shares and voting rights of the Company, corresponding to approximately 97,60% of the total paid-up share capital and voting rights of the Company. Additional Shares that MASDAR HELLAS S.A. may acquire after the expiry of the Acceptance Period until the Completion Date are not included in the above percentage.

46. APPROVAL OF FINANCIAL STATEMENTS

The separate and consolidated Financial Statements for the annual period ended on 31/12/2024 were approved by the Board of Directors of TERNA ENERGY S.A. on 20/03/2025.

The Chairman of the Board of Directors	The Chief Executive Officer	The Vice Chairman of the Board of Directors	The Chief Financial Officer	The Chief Accountant
George Peristeris	Emmanouil Maragoudakis	George Mergos	Emmanouil Fafalios	Artan Tzanari
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