

REPORT ON ALLOCATION OF THE CAPITAL PROCEEDS

Report on the Disposal of the Funds Proceeds from the Issuance of a Common Bond Loan of TERNA ENERGY FINANCE S.P.S.A. of € 150.000.000 guaranteed by TERNA ENERGY S.A. for the period 22/10/2019 to 30/06/2023.

In accordance with the provisions of paragraph 4.1.2 of Athens Stock Exchange Regulation (hereinafter referred to as ATHEX), decision no. 25 / 17.07.2008 of the Board of Directors of THEX and no. Decision 8/754/14.04.2016 of the Board of Directors of the Hellenic Capital Market Commission (hereinafter referred to as "HCMC"), it is hereby disclosed that from the issuance of a Common Bond Loan of one hundred and fifty million Euro (€150.000.000) with the issuance of one hundred and fifty thousand common bonds with a corporate guarantee of nominal value € 1 k each, which was conducted in accordance with as of 24/09/2019 decision of the Board of Directors of TERNA ENERGY FINANCE S.A. (hereinafter referred to as "Company" or "the Issuer") and as of 10/10/2019 decision on the approval of the Prospectus' content by the HCMC, an amount of one hundred and fifty million Euro (€150.000.000) was raised in aggregated, i.e. following the completion of the option exercise period, the issuance in question was fully covered. TERNA ENERGY S.A. (hereinafter referred to as "the Guarantor") is responsible for the aforementioned issuance regarding the bondholders, in compliance with the provisions of section 3.3.13 "Nature and Objective of CBL Guarantee" of the Prospectus as of October 10th, 2019.

On 22/10/2019, the Company's Board of Directors verified the payment of the capital proceeds. Furthermore, one hundred and fifty thousand (150.000) common anonymous bonds issued were listed for trading on Athens Stock Exchange regulated securities market following as of 11/10/2019 approval of listing of Athens Stock Exchange Regulatory Commission. The characteristics of the above bond loan are the following: (a) The bond yield is 2.60% and is fixed over the term of the loan. (b) Interest is calculated on six-month basis. (c) The term of the loan is seven (7) years and its repayment will be realized at the end of the period of seven (7) years.

In view of the above, it is hereby disclosed that an amount of € 146.632 k, i.e. an amount of € 150.000 k in cash collected from the CBL coverage preference and subscription rights holders, less the amount of €3.368 k related to the issuance expenses, as also incorporated without deviation into the Prospectus, was allocated until 31/12/2022 as follows.

A. Allocation of capital proceeds by TERNA ENERGY FINANCE S.P.S.A. (the Issuer)

The capital proceeds of up to € 150.000 k, less CBL expenses, i.e. the net amount of € 146.632 k, in compliance with the Prospectus, will be available by the Issuer to the Guarantor through the Intragroup Loan 2019. In particular, on 21.10.2019, the Guarantor issued a bond loan under Law 4548/2018 and Law 3156 / 2003, effective following the effective date of Law 4548/2018, within the frame of the Intragroup Loan Scheme, which was covered by the Issuer for an amount of € 146.632 k. This way, the respective amount of the CBL was transferred to the Guarantor, so that the latter could use it in respect of its investment plan as analyzed in section 4.1.2 of the Prospectus as of October 10th 2019.

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(Amounts in thousands of Euros unless mentioned otherwise)

The utilization of capital proceeds from the Guarantor up to 31/12/2022 is analytically presented in Section B below:

The final allocation of the proceeds from the issue of the CBL, less the estimated costs of issuing the CBL, will be effected by the issuance of the CBL by the Issuer to the Bondholders as at the maturity date of the Bond Loan.

Table of allocation of the Capital Proceeds of the Issuer from the issuance of the Common Bond Loan of € 150.000.000 (amounts in thousand Euro)								
				Provisional Allocation of the Capital Proceeds as at 30/06/2023		Final Allocation of the Capital Proceeds as at CBL maturity date		
	Capital Proceeds	Description	Allocation of Capital Proceeds based on the Prospectus	Provisionally Allocated Capital Proceeds to the Guarantor through Intra-group Loan	Provisionally Non-allocated Balance as at 30/06/2023	Intra-group Loan Collected from the Guarantor	Finally Allocated CBL Repayment Capital Proceeds from the Issues to the Bondholders	Non-allocated Balance
			(a)	(b)	(a - b)	(c)	(d)	(a - d)
		Allocation of funds from the Issuer to the Guarantor through Intra-group Loan 2019, so that the Guarantor could proceed with the implementation of its investment plan	146,632	146,632 ¹	-	-	-	146,632 ²
Total	146,632	Total	146,632	146,632	-	-	-	146,632
CBL issue expenses	3,368							
Total Allocated Capital Proceeds	150,000							

¹ The way the capital is used by the Guarantor for the implementation of its investment plan is described in the following section B "Use of Funds by TERNA ENERGY S.A. (the Guarantor)

² The final allocation of the proceeds will be affected by the issuance of the CBL by the Issuer to the Bondholders as at the maturity date of the Bond Loan.

B. Use of funds by TERNA ENERGY S.A. (the Guarantor)

As analytically presented in section A above, on 21/10/2019 the Guarantor issued a bond loan under Law 4548/2018 and Law 3156/2003, still effective, within the frame of the Intra-group Loan Plan, which was covered by the Issuer by an amount of € 146,632 k and, therefore, the corresponding amount of the CBK proceeds was transferred to the Guarantor.

Following the above, an amount of € 146.632 k (i.e. an amount of € 150.000 k in cash, less an amount of € 3.368 k related to issue expenses as recorded in the Prospectus), was transferred to Guarantor to be used for the implementation of its investment plan, as analytically recorded in section 4.1.2 of the Prospectus as of October 10, 2019.

The table below shows the allocation of the capital proceeds by the Guarantor until 31/12/2022:

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Table of allocation of the Capital Proceeds of the Guarantor from the issuance of the Common Bond Loan of € 150,000,000 of the Issuer (amounts in thousands of Euros) Amended in accordance with the Repetitive General Meeting of the Bondholders' Lenders of 25 November 2022 ⁽¹⁾							
Area of Investment based on section 4.1.2 of the Prospectus	Allocation of the Capital Proceeds by the Guarantor	Capital proceeds within the period from 22/10/2019 to 31/12/2021	Capital proceeds within the period from 01/01/2022 to 25/11/2022	Capital proceeds within the period from 26/11/2022 to 31/12/2022	Capital proceeds within the period from 22/10/2019 to 31/12/2022	Non-allocated Balance as at 31/12/2022	Note
4th quarter 2019							
Total repayment of Short-term Bank Loan of the Guarantor (used to repay CBL 2017).	60.000	60.000	-	-	60.000	-	(1)
Partial repayment of Short-term Bank Loan of the Guarantor used to repay part of the consideration for acquisition of the wind park "Bearthat I" in Texas, USA	30.632	30.632	-	-	30.632	-	(2)
Total of 4th quarter 2019 (A)	90.632	90.632	-	-	90.632		
Period 22.10.2019-31.3.2023							
Period 2019 - 2022							
Construction of 14 wind parks in Greece, of a total capacity of 218 MW by the Guarantor or by the Subsidiaries of the Guarantor (either through intra-group loan from the Guarantor to the subsidiaries or through a share capital increase in the Subsidiaries by the Guarantor).	56.000	45.233	-	-	45.233	-	(3)
Period until 31.03.2023 ⁽¹⁾							
Construction of 17 wind farms in Greece, with a total capacity of 327 MW, by subsidiaries of the Guarantor, through an intra-group loan from the Guarantor to the subsidiaries.				10.767	10.767	-	
Total of period 22.10.2019 - 31.3.2023 (B)	56.000	45.233	-	10.767	56.000	-	(4)
Total investments (use of funds by the Guarantor) (A+B)	146.632	135.865	-	-	146.632	-	(5)

Notes

1. On 11/07/2019 a short-term bank loan of € 60.000 k (amounting to € 50,000 k from ALPHA BANK and € 10,000.000 from NATIONAL BANK) was used by the Guarantor to repay the Intra-group Loan 2017 to the Issuer. Specifically, on 17/07/2019, the Guarantor repaid all the nominal value of the bonds it had issued and had been covered by the Issuer under the 2017 CBL, in accordance with the terms of the Program. Subsequently, on 22/07/2019, the Issuer repaid the € 60,000 K of 2017 CBL in accordance with the term 4 of the CBL Program ("Prepayment"). On 31/10/2019, the Guarantor repaid the amount of € 50,000 K to ALPHA BANK and € 10,000 k to the National Bank of Greece respectively, resulting in the total repayment of this short-term bank loan.

2. On 16/07/2019, a short-term bank loan of € 52,000 k from the PIRAEUS BANK was used to pay part of the acquisition price of the Bearkat I wind farm "Glasscock County" in Texas, USA, which was conducted by the Group through its 100% subsidiary TERNA DEN LLC (a subsidiary of TERNA ENERGY USA HOLDING CORPORATION) at the conclusion of the transaction. On 29/11/2019, the Guarantor repaid the amount of € 52,000 k to PIRAEUS BANK, of which € 30,632 k was used from the raised funds.

3. The Guarantor has started the construction of ten (10) MW Wind Farms with total capacity of 155MW at 9 sites in Evia and 1 site in Voiotia, through its subsidiaries. The use of funds, which stood at € 45,233 thous. on 31/12/2021 (2019: € 18,616 thous., 2020: € 11,570 thous. and 2021: € 15,047 thous.), is analyzed as follows:

- Construction of the Wind Farm at the site of **PYRGARI DARDIZA (6.3 MW) of the Municipality of Karystos** by the subsidiary company "AIOLIKI MARMARIOU EVIAS MAE". The total budget cost of construction of the project is estimated at € 11,019 k. On 14/11/2019, the Guarantor entered into a Common Bond Loan with this Subsidiary of € 2,500 k of which € 2,487 k relates to the coverage of the financing of the aforementioned wind farm construction. As of 31/12/2021, the Guarantor had covered the amount of € 2,329.6 k under the terms of this contract, of which € 2,316.6 k were paid by the Guarantor to the subsidiary as use of the CBL, which subsequently made payments to third parties for that investment amounting € 2,316.6 k of which € 2,287.2 thousand until 31/12/2019 and € 29.4 thousand in the year of 2020.
- Construction of the Wind Farm at the site of **KARABYLA (19.8 MW) of the Municipality of Karystos** by the subsidiary "AIOLIKI MARMARIOU EVIAS MAE". The total budget cost of construction of the project is estimated at € 21,834 k. On 14/11/2019, the Guarantor entered into a Common Bond Loan with this Subsidiary of € 2,001 k of which € 1,985 k relates to the coverage of the financing of the aforementioned wind farm construction. As of 31/12/2021, the Guarantor had covered the first two (2) series of bonds amounting € 2,000.1 k under the terms of this contract, of which € 1,984.0 k was paid by the Guarantor to the subsidiary as use of the CBL, which subsequently made payments to third parties for that investment amounting € 1,984.0 k of which € 1,928.4 thousand until 31/12/2019 and € 55.6 thousand in the financial year 2020.

- Construction of the Wind Park at the site **GALOSI (19.8 MW) of the Municipality of Karystos** by the subsidiary "AIOLIKI MARMARIOU EVIAS MAE". The total budget cost of the project is estimated at € 21,584 k. On 14/11/2019, the Guarantor entered a Common Bond Loan with its subsidiary amounting to € 2,001 k of which € 1,985 k relates to the coverage of financing of the aforementioned wind farm construction. As of 31/12/2021, the Guarantor had covered the first two (2) series of bonds amounting € 2,000.2 k under the terms of this contract, of which € 1,984.2 k was paid by the Guarantor to the subsidiary as use of the CBL, which subsequently made payments to third parties for that investment amounting € 1,984.2 k of which € 1,967.0 thousand until 31/12/2019 and € 17.2 thousand in the financial year 2020.
- Construction of the Wind Farm at the site of **AGRIACHLADIA (22.5 MW) of the Municipality of Kyμι-Aliveri** by the subsidiary "ENERGI AKI DYSTION EVIAS MAE". The total budget cost of the project is estimated at € 29,543 k. On 14/11/2019, the Guarantor entered a Common Bond Loan with this subsidiary amounting to € 2,500 k to cover the financing of the construction of the aforementioned Wind Farm. As of 31/12/2021, the Guarantor had covered the first two (2) series of bonds amounting € 2,477.4 k under the terms of this contract, that was paid by the Guarantor to the subsidiary, which subsequently made payments to third parties for that investment amounting € 2,477.4 k of which € 2,468.7 thousand until 31/12/2019 and € 8.7 thousand in the financial year 2020.
- Construction of the Wind Farm at the site **MESOPIKI (9 MW) of the Municipality of Kimi-Aliveri** by the subsidiary "ENERGI AKI DYSTION EVIAS MAE". The total budget cost of the project is estimated at € 12,782 k. On 14/11/2019, the Guarantor entered a Common Bond Loan with this subsidiary amounting to € 1,500 k to cover the financing of the construction of the aforementioned Wind Farm. As of 31/12/2021, the Guarantor had covered the first by the Guarantor to the subsidiary, which subsequently made payments to third parties for that investment amounting € 923.4 k of which € 919.9 thousand until 31/12/2019 and € 3.5 thousand in the financial year 2020.
- Construction of the Wind Farm at the site **EXOSTIS (18.9 MW) of the Municipality of Karystos** by the subsidiary "ENERGI AKI STYRON EVIAS MAE" The total budget cost of the project is estimated at € 21,224 k. On 12/11/2019, the Guarantor entered a Common Bond Loan with this subsidiary amounting € 7,101 k to cover the financing of the construction of the aforementioned Wind Farm. As of 31/12/2021, the Guarantor had covered the first two (2) series of bonds amounting € 7,100.7 k under the terms of this contract, that was paid by the Guarantor to the subsidiary, which subsequently made payments to third parties for that investment amounting € 7,100.7 k of which € 3,158.0 thousand until 31/12/2019 and € 3,942.7 thousand in the financial year 2020.
- Construction of the Wind Farm at the site **PYRGARI II (9.9 MW) of the Municipality of Kimi-Aliveri** by the subsidiary "AIOLIKI EAST GREECE ELLADOS MAE". The total budget cost of the project is estimated at € 12,461 k. On 14/11/2019, the Guarantor entered a Common Bond Loan with this subsidiary amounting € 5,000 k to cover the financing of the construction of the aforementioned Wind Farm. As of 31/12/2021, the Guarantor had covered the first two (2) series of bonds

amounting € 2,115.4 k under the terms of this contract, that was paid by the Guarantor to the subsidiary, which subsequently made payments to third parties for that investment amounting € 2,115.4 k of which € 2,111.6 thousand until 31/12/2019 and € 3.8 thousand in the financial year 2020.

- Construction of the Wind Farm at the site **KOSKINA-LAKKA (7.65 MW) of the Municipality of Kimi-Aliveri** by the subsidiary "AIOLIKI EAST GREECE MAE". The total budget cost of the project is estimated at € 11.473 K. On 14/11/2019, the Guarantor entered a Common Bond Loan with this subsidiary amounting € 400 k to cover the financing of the construction of the aforementioned Wind Farm. As of 31/12/2021, the Guarantor had covered the first series of bonds amounting € 391.6 k under the terms of this contract, that was paid by the Guarantor to the subsidiary, which subsequently made payments to third parties for that investment amounting € 391.6 k of which € 388.7 thousand until 31/12/2019 and € 2.9 thousand in the financial year 2020.
- Construction of the Wind Farm at the site **VOUREZA (7.2 MW) of the Municipality of Kimi-Aliveri** by the subsidiary "AIOLIKI EAST GREECE MAE". The total budget cost of the project is estimated at € 14.718 k. On 14/11/2019, the Guarantor entered a Common Bond Loan with this subsidiary amounting € 7.000 k to cover the financing of the construction of the aforementioned Wind Farm. As of 31/12/2021, the Guarantor had covered the first two (2) series of bonds amounting € 6,839.7 k under the terms of this contract, that was paid by the Guarantor to the subsidiary, which subsequently made payments to third parties for that investment amounting € 6,839.7 k of which € 3,386.9 thousand until 31/12/2019 and € 3,452.8 thousand in the financial year 2020.
- Construction of the Wind Farm at **TARATSA (33.6 MW) of the Municipality of Thebes** by the subsidiary "AIOLIKI PROVATA TRAIANOUPOLEOS MAE". The total budget cost of construction of the project is estimated at € 29,976 thousand. From February to September 2020, the subsidiary received successive payments from the parent company TERNA ENERGY SA as in return for a share capital increase, with a parallel amendment to the articles of association. The increase of € 4,600 thousand originated from the unallocated funds held by the Guarantor and was completed on 19/10/2020. On 30/12/2020, the Guarantor entered into a Common Bond Loan agreement with the said subsidiary in the amount of € 10,000 thousand, of which € 6,000 thousand relates to the coverage of the financing of the construction of the above wind farm. Moreover on 2/7/2021, the Guarantor concluded a Common Bond Loan agreement with the above-mentioned subsidiary for € 2,500 thousand to cover the financing of the construction of the above Wind Farm. Until 31/12/2021, the entire amount has been covered by the Guarantor and has been paid to the subsidiary, which then made payments for this investment to third parties totaling € 19,100.0 thousand of which € 4,052.9 thousand in the financial year 2020 and € 15,047.1 thousand in the financial year 2021.

4. On 28 November 2022, the subsidiary company "TERNA ENERGY OMALIES S.A." entered into a Common Bond Loan with the parent company TERNA ENERGY SA for the amount of € 10.767 thousand, to finance part of the funding of the construction of 327 MW Wind Farms in Karystou with

the total budgeted construction cost estimated at € 272.963 thousand. Up to 31/12/2022, the Guarantor has covered the entire amount of € 10,767 thousand according to the terms of the contract, hence the amount was contributed by the Guarantor to the mentioned subsidiary company, which subsequently effected payments to third parties for a total amount of € 10,767 thousand.

5. The use of the funds raised from the issue of the Common Bond Loan of TERNA ENERGY S.A. has been completed

Athens, 21 September 2023

The Chairman of the BoD	The Vice Chairman of the BoD	Chief Executive Officer	Chief Financial Officer - Operation	The Head Accountant
Georgios Mergos ID No. T 066369	Dimitra Chatziarseniou ID No. AA 026025	Aristotelis Spiliotis ID No. AK 127469	Emmanuel Fafalios ID No. AK 082011	Artan Tzanari ID No. AM 587311 License Reg. No A' CLASS 064937