

## **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 31/12/2023.**

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.

According to the above, it is hereby disclosed that an amount of € 146.632 thousand, i.e. an amount of € 150.000 thousand in cash collected from the CBL coverage preference and subscription rights holders, less the amount of €3.368 thousand related to the issuance expenses, as also incorporated without deviation into the Prospectus, was allocated until 31/12/2023 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 thousand, less CBL expenses, i.e. the net amount of € 146.632 thousand, in compliance with the Prospectus, will be available by the Issuer to the Guarantor through the Intra-group 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 thousand. 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.

The utilization of capital proceeds from the Guarantor up to 31/12/2023 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 affected 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 31/12/2023		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 31/12/2023	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 <sup>1</sup>	-	-	-	146,632 <sup>2</sup>
<b>Total</b>	<b>146,632</b>	<b>Total</b>	<b>146,632</b>	<b>146,632</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>146,632</b>
CBL issue expenses	3,368							
<b>Total Allocated Capital Proceeds</b>	<b>150,000</b>							

<sup>1</sup> 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).

<sup>2</sup> 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 thousand and, therefore, the corresponding amount of the CBK proceeds was transferred to the Guarantor.

Following the above, an amount of € 146.632 thousand (i.e. an amount of € 150.000 thousand in cash, less an amount of € 3.368 thousand 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 31/12/2023:

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 thousand Euro)							
Amended in accordance with the Repetitive General Meeting of the Bondholders' Lenders of 25 November 2022 <sup>(1)</sup>							
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 31/12/2022	Capital proceeds within the period from 01/01/2023 to 31/12/2023	Capital proceeds within the period from 22/10/2019 to 31/12/2023	Non-allocated Balance as at 31/12/2023	Note
<b>4th quarter 2019</b>							
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 "Barkat I" in Texas, USA	30.632	30.632	-	-	30.632	-	(2)
<b>Total of 4th quarter 2019 (A)</b>	<b>90.632</b>	<b>90.632</b>	-	-	<b>90.632</b>		
<b>Period 22.10.2019-31.3.2023</b>							
<b>Period 2019 - 2023</b>							
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)
<b>Period until 31.03.2023 <sup>(1)</sup></b>							
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	-	
<b>Total of period 22.10.2019 - 31.3.2023 (B)</b>	<b>56.000</b>	<b>45.233</b>	<b>10.767</b>		<b>56.000</b>	-	(4)
<b>Total investments (use of funds by the Guarantor) (A+B)</b>	<b>146.632</b>	<b>135.865</b>	<b>10.767</b>	-	<b>146.632</b>	-	(5)
Estimated CBL issuance expenses	3.368						

(\*) At the Adjourned General Meeting of the Bondholders of "TERNA ENERGY SPSA" held on 25/11/2022, it was approved the modification of the use of the raised funds of the CRO. Particularly, the Adjourned General Meeting of the Bondholders approved the extension of the use of the amount of € 10.767 thousand (unallocated amount as of 30/06/2022), so that it can be used for the construction by subsidiaries of the guarantor TERNA ENERGY S.A. of wind farms in the wider Greek territory until 31/3/2023.

## Notes

1. On 11/07/2019 a short-term bank loan of € 60.000 thousand (amounting to € 50,000 thousand 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 thousand 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 thousand 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 thousand 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 thousand to PIRAEUS BANK, of which € 30,632 thousand 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 thousand on 31/12/2021 (2019: € 18,616 thousand, 2020: € 11,570 thousand and 2021: € 15,047 thousand), 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 thousand. On 14/11/2019, the Guarantor entered into a Common Bond Loan with this Subsidiary of € 2,500 thousand of which € 2,487 thousand 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 thousand under the terms of this contract, of which € 2,316.6 thousand 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 thousand 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 thousand. On 14/11/2019, the Guarantor entered into a Common Bond Loan with this Subsidiary of € 2,001 thousand

of which € 1,985 thousand 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 thousand under the terms of this contract, of which € 1,984.0 thousand 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 thousand. On 14/11/2019, the Guarantor entered a Common Bond Loan with its subsidiary amounting to € 2,001 thousand of which € 1,985 thousand 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 thousand under the terms of this contract, of which € 1,984.2 thousand 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 thousand 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 Kymi-Aliveri** by the subsidiary "ENERGIAKI DYSTION EVIAS MAE". The total budget cost of the project is estimated at € 29,543 thousand. On 14/11/2019, the Guarantor entered a Common Bond Loan with this subsidiary amounting to € 2,500 thousand 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 thousand 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 thousand 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 "ENERGIAKI DYSTION EVIAS MAE". The total budget cost of the project is estimated at € 12,782 thousand. On 14/11/2019, the Guarantor entered a Common Bond Loan with this subsidiary amounting to € 1,500 thousand 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 thousand 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 "ENERGIAKI STYRON EVIAS MAE" The total budget cost of the project is estimated at € 21,224 thousand. On 12/11/2019, the Guarantor entered a Common Bond Loan with this subsidiary amounting € 7,101 thousand 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 thousand

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 thousand 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 thousand. On 14/11/2019, the Guarantor entered a Common Bond Loan with this subsidiary amounting € 5,000 thousand 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 thousand 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 thousand 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 thousand. On 14/11/2019, the Guarantor entered a Common Bond Loan with this subsidiary amounting € 400 thousand 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 thousand 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 thousand 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 thousand. On 14/11/2019, the Guarantor entered a Common Bond Loan with this subsidiary amounting to € 7.000 thousand 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 thousand 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 thousand 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 S.A. 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 S.A. 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. As of 31/12/2023, there are no uncommitted funds raised from the Common Bond Issue of TERNA ENERGY S.A.

Αθήνα, 29 April 2024

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