

Press Release

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GEK TERNA Group: Trading update - 1Q 2023

Solid financial performance and further strengthening of leading position

GEK TERNA Group (Bloomberg: GEKTERNA GA / RIC: HRMr.AT) releases a trading update on its 1Q 2023 financial performance.

The Group's total revenue for 1Q 2023 climbed to € 819.7 million compared to € 634.0 million the previous year mainly due to increased revenues in the construction segment. Operating profitability (adjusted EBITDA¹) increased to € 123.6 million vs. € 105.0 million in 2022 due to increased profitability in the construction and the concessions segments. Net profits attributable to shareholders adjusted for non-operating results² in 1Q 2023 amounted to € 23.0 million, significantly enhanced compared to € 9.6 million the previous year.

The Group's liquidity remains strong with cash and cash equivalents amounting to € 1,558.0 million (versus € 1,491.7 million at the end of 2022) while Net Debt/Adjusted EBITDA¹ ratio remained stable at 2.3x compared to the end of the previous quarter.

At operational level, the Group's construction backlog currently amounts to € 5.5 billion (€ 2.8 billion signed projects and € 2.7 billion pending to be signed), including projects that the Group participates in as investor, e.g. International Airport Crete (Kasteli), Egnatia Odos, Komotini CCGT and Hellinikon IRC. In the concessions segment, traffic in our operating motorways posted an increase of 10.2% compared to last year, while important new projects are in various stages of development and are expected to contribute significant revenues in the coming years. Finally, in the field of energy production and trading (electricity and natural gas) in Greece and abroad, the installed RES capacity has increased since the beginning of the year by 235 MW amounting to 1,141 MW following the gradual completion of the new wind parks complex in Evia.

GEK TERNA Group looks forward to further positive results for the coming periods, as a significant number of projects and investments that are currently under implementation are expected to mature and significantly enhance revenues and profitability for the long term. In addition, building upon its leading position in the market and its financial strength, as well as the advantages of its vertical

¹ The definition of the alternative performance measurement indicators APMI is available in section F of the Annual Management Report of the Board of Directors the financial year 2022.

² It is noted that the results of the current period include non-operating items: a) € 7.8 million profit vs € 20.4 million loss the respective last year period from the change in the fair value of the embedded derivative, which has been recognized in the context of the subsidiary company's operations CENTRAL GREECE MOTORWAY CONCESSION S.A., and b) € 8.0 million profit from the valuation of the derivatives in the thermal energy generation segment. Also, 1Q 2023 results include capital profit of €18.8 million from the acquisition of 100% stake in Heron Energy.

integration and the synergies it offers, the Group continues to closely monitor the market for new opportunities given the significant number of projects and investments that are expected over the coming years.

Key Financial Figures

€ m	1Q 2023	1Q 2022
Total Revenues	819.7	634.0
Adjusted EBITDA ¹	123.6	105.0
Net earnings attributed to shareholders of the parent	38.8	8.1
Net earnings attributed to shareholders of the parent adjusted for non-operating items ²	23.0	9.6

€ m	1Q 2023	31.12.2022
Net Debt ¹	1,596.4	1,501.6
Net Debt ¹ / adjusted EBITDA ¹ (LTM)	2.3x	2.3x

In more detail:

Total Revenues of the Group for 1Q 2023 stood at € 819.7m compared to € 634.0m in the respective period for 2022 mainly due to increased revenues in the construction segment. In more detail:

- Revenues of the construction segment increased to € 297.5 m compared to € 150.6 m in the respective period of 2022, given the Group's capacity to respond to the increased construction activity in Greece and ensure the smooth and timely execution of the projects.
- Concessions segment revenues climbed to € 48.1m compared to € 41.2m in the respective period of 2022 following increased traffic volumes in Nea and Kentriki Odos as well as the initiation of operations of the waste management unit in Peloponnese.
- The segment of Energy generation and supply (electricity and natural gas) in Greece and abroad total revenues amounted to € 491.5m compared to € 476.2m in the respective period last year due to the full consolidation of HERON ENERGY (since 14.02.2022)

Operating profitability (adjusted EBITDA)¹ for the Group reached € 123.6m in 1Q 2023 compared to € 105.0 m in 2022 following the increase in revenues. In more detail:

- Construction segment adj. EBITDA reached € 34.0m vs. € 8.3m in the respective period of 2022, due to increased revenues and the mix of the projects.
- Concession segment adj. EBITDA climbed to € 27.9m compared to € 19.3m during the respective period of 2022 following the increase in revenues.
- The segment of Energy generation and supply (electricity and natural gas) in Greece and abroad recorded an adj. EBITDA of € 68.1m compared to € 88.2m the respective last year period, mainly due to lower generation volumes from thermal and RES.

Operating profits before taxes and interest expenses (EBIT)¹ from continued activities came at € 77.5m compared to € 60.8m in the respective last year period.

Pre-tax profits from continued activities in 1Q 2023 reached € 63.7m compared to € 27.9m in the respective period of 2022.

Profits after taxes from continued activities attributable to shareholders of the parent came at € 38.8m in 1Q 2023 compared to € 8.1m in 1Q 2022.

Profits after taxes from continued activities attributable to shareholders of the parent have been impacted by non-operating items² totaling a profit of € 15.8m in 1Q 2023 compared to a loss of € 1.6m in the respective period of 2022.

Profits after taxes from continued activities attributable to shareholders of the parent without the impact of said non-operating items² for 1Q 2023 reached € 23.0m compared to € 9.6m for 1Q 2022.

Group's Cash and Cash Equivalent at the end of 1Q 2023 remained high and reached € 1,558,0m versus € 1,491.7m on 31.12.2022. Total gross debt for the group on 31.03.2023 stood at € 3,154.4m compared to € 2,993.3m on 31.12.2022. **Total Net Debt¹** of the Group on 31.03.2023 stood at € 1,596.4m vs. € 1,501.6m at the end of Dec'2022

Net Debt/adj. EBITDA¹ shaped at 2.3x at the end of 1Q 2023 and remained stable vs. the end of 2022 (3.9x at the end of 1Q 2022).

Strong operating performance across all segments

In construction segment at the end of 1Q 2023 the backlog reached a new record high coming at € 5.5bn including projects that the Group participates in as investor (compared to € 5.3bn at the end of 2022), as result new project awards. In more detail, the backlog of the signed projects amounts to € 2.8bn at the end of the first quarter (versus € 2.9bn at the end of 2022). Moreover € 2.7bn of contracts have been signed since or are pending to be signed. It is note that 90% of the signed contracts pertains to projects in Greece. Given the high backlog and the Group's ability to proceed with the smooth execution of projects, construction activity is expected to remain high in the coming periods.

In Concessions segment, traffic in our operating motorways (Nea Odos and Kentriki Odos) during 1Q 2023 increased by 10.2% compared to the same period of 2022, depicting the increased economic activity in the country and improved weather conditions. Further significant new projects with a total value of €4.5 bn are in various stages of development and are expected to contribute significant revenues in the coming years. The Group continues to participate in tenders for the concession of new projects, taking advantage of its leading position in the market and its financial strength, but also the advantages of its vertically integrated organization and the synergies it offers.

Regarding the segment of Energy generation and supply (electricity and natural gas) in Greece and abroad, electricity demand in Greece decreased by 11.9% in the first quarter of the year as a result of very high temperatures for the season and energy saving measures. Increased production from RES due to an increase in installed capacity in the country and increased imports, led to a decrease in

natural gas plants production in the system. In respect of the supply activity, HERON ENERGY managed to increase its market share (7.53% for the interconnected system in March) resulting in a marginal decrease in sales volumes despite decreased demand.

The Group's RES installed capacity increased to 1,141 MW by mid-May, including 235 MW developed at Evia's new wind park cluster (74% of the project's total capacity), versus total installed capacity of 906MW at the end of 2022 (inc. 10MW new projects). Construction works for the hydro pump storage project in Amfilochia (680MW) are in progress according to schedule, while a significant number of new projects in Greece and abroad (mainly photovoltaic) are ready for construction. As a result, total capacity of projects in operation, under construction and ready for construction exceeds 2,000 MW in the current period.

It is noted that during first quarter of the year wind conditions were weak compared to a very strong period in 1Q 2022. More specifically, the load factor of the total portfolio amounted to 32.5% compared to 36.5% in 1Q 2022, resulting in the reduction of energy production. The wind conditions observed in the quarter (compared to very strong conditions during the first quarter of last year) are in-line with the stochastic nature of wind parks' production and is accounted for in every forecast model without affecting the long-term performance of the projects.

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