



# FY 2022 Results

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

April 2022

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# FY 2022 Highlights

**Solid financial results, sustained by RES asset base performance despite inflationary pressures – Investments setting the foundations for further growth**

- **RES Energy Sales increase to € 236m, +5.2% y-o-y on improved operational performance**
  - Group Load Factor at 31.8% (vs. 30.5% in 2021) and installed capacity at 905MW
  - Total Revenues from continued ops. at € 298.0m (+9.1% y-o-y)
- **Group adj. EBITDA at 164.7m, +3.0% y-o-y**
  - Reported EBITDA at € 115.9m, affected by non-cash provision for share bonus scheme based on IFRS 2 treatment <sup>(1)</sup>
- **Group adj. Net Profit at € 69.7m, +2.5% y-o-y in line with operational performance**
- **Capex at € 240m with leverage (Net Debt/adj.EBITDA) at 4.1x**
- **Increase in shareholder distributions: BoD to propose to the AGM DPS of € 0.38/sh (€ 45.0m total distribution, +12.5% y-o-y)**

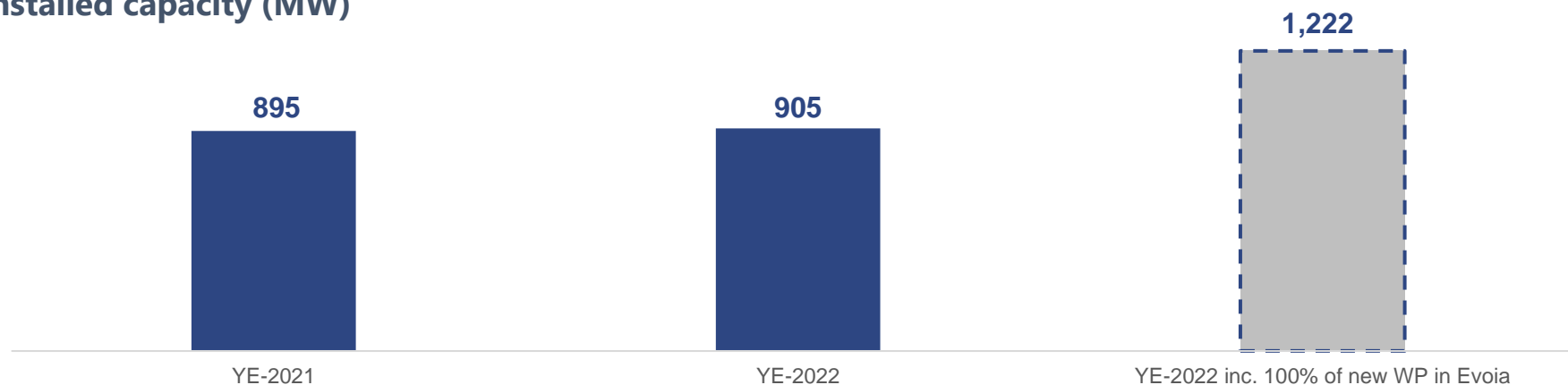
- **Capacity Update: ~2.0GW of projects currently operating, under construction or ready to start construction**
- **Market Backdrop: Ambitious targets vs. challenging realities**

(1) On 31.12.2022 and according to the provisions of IFRS 2, the Company proceeded to the valuation of its share bonus scheme that resulted in the recognition of a total cost of € 48.8m in its Income Statement and the formation of a reserve of an equal amount in its Equity Position. The said accounting treatment of the share bonus scheme does not impact the Share Capital of the Company. In respect of cash flow purposes, the cost of the share bonus scheme is considered a non-cash item. Finally, it is noted that the new shares that will be issued as a result of the share bonus scheme represent approximately 1.3% of the shares that are currently in circulation after adjusting for the treasury shares.

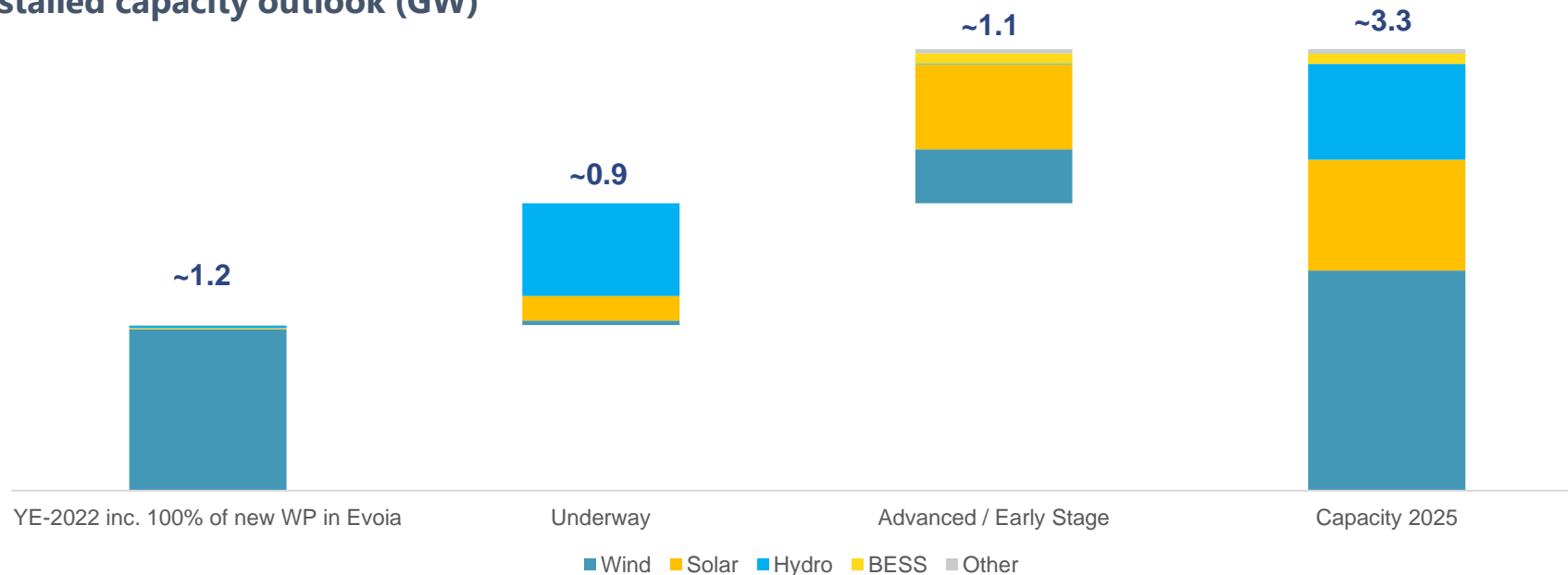
# RES asset base performance (I)

Installed capacity increases as new WP in Evoia starts gradual commissioning with the first 10MW added at the end of 2022

## Installed capacity (MW)



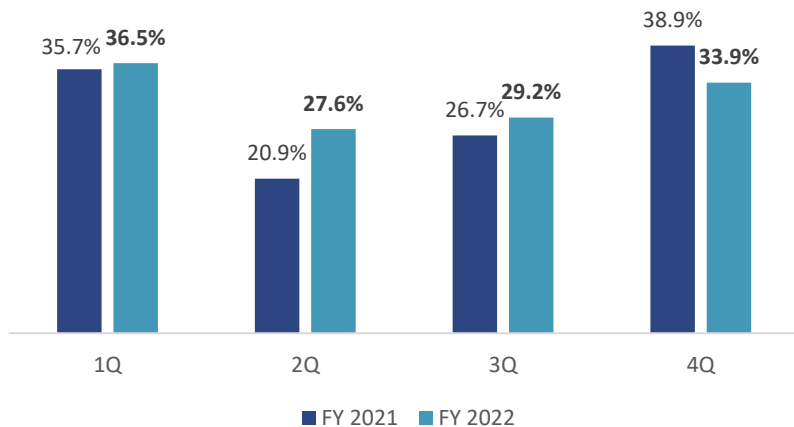
## Installed capacity outlook (GW)



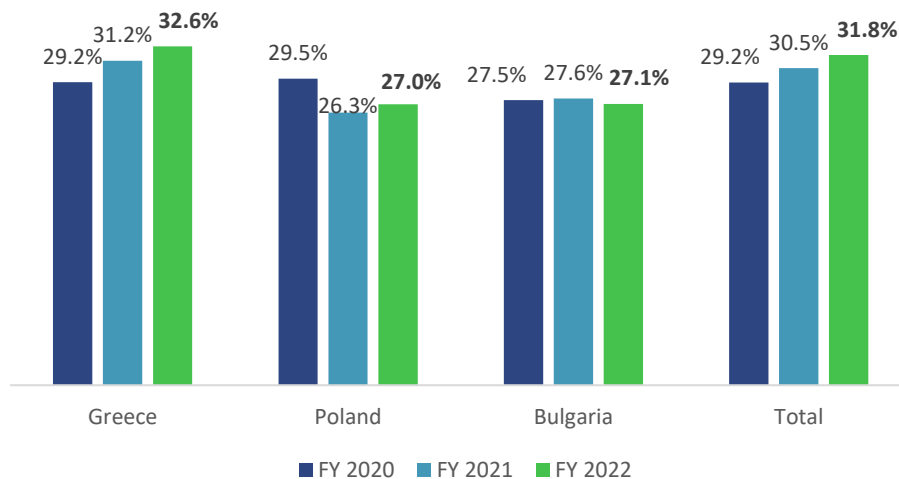
# RES asset base performance (II)

Sustainably strong load factors - Offtake mix supports revenue generation despite power price volatility

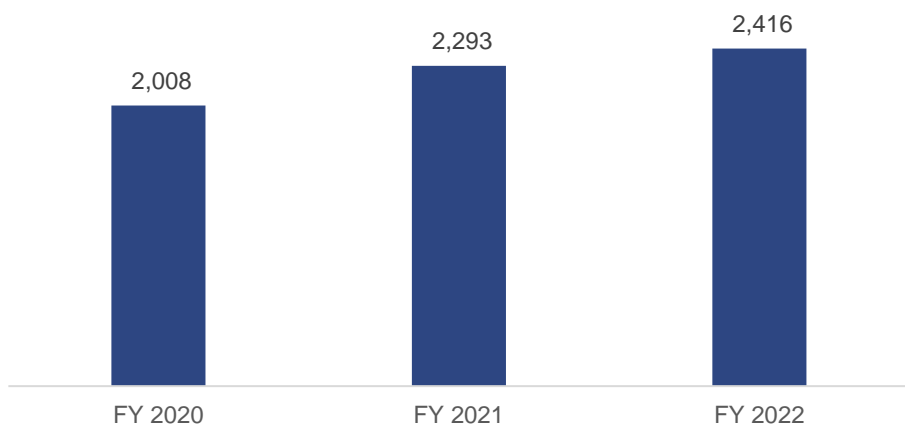
### Portfolio quarterly load factor



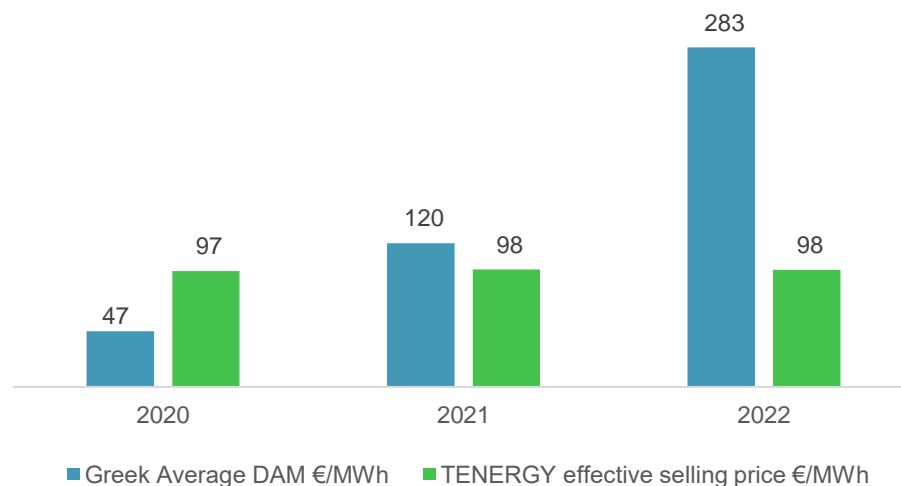
### Portfolio historical load factor (2020-22)



### Generation volumes (GWh)



### TENERGY effective selling price vs DAM



# Financial performance by business segment

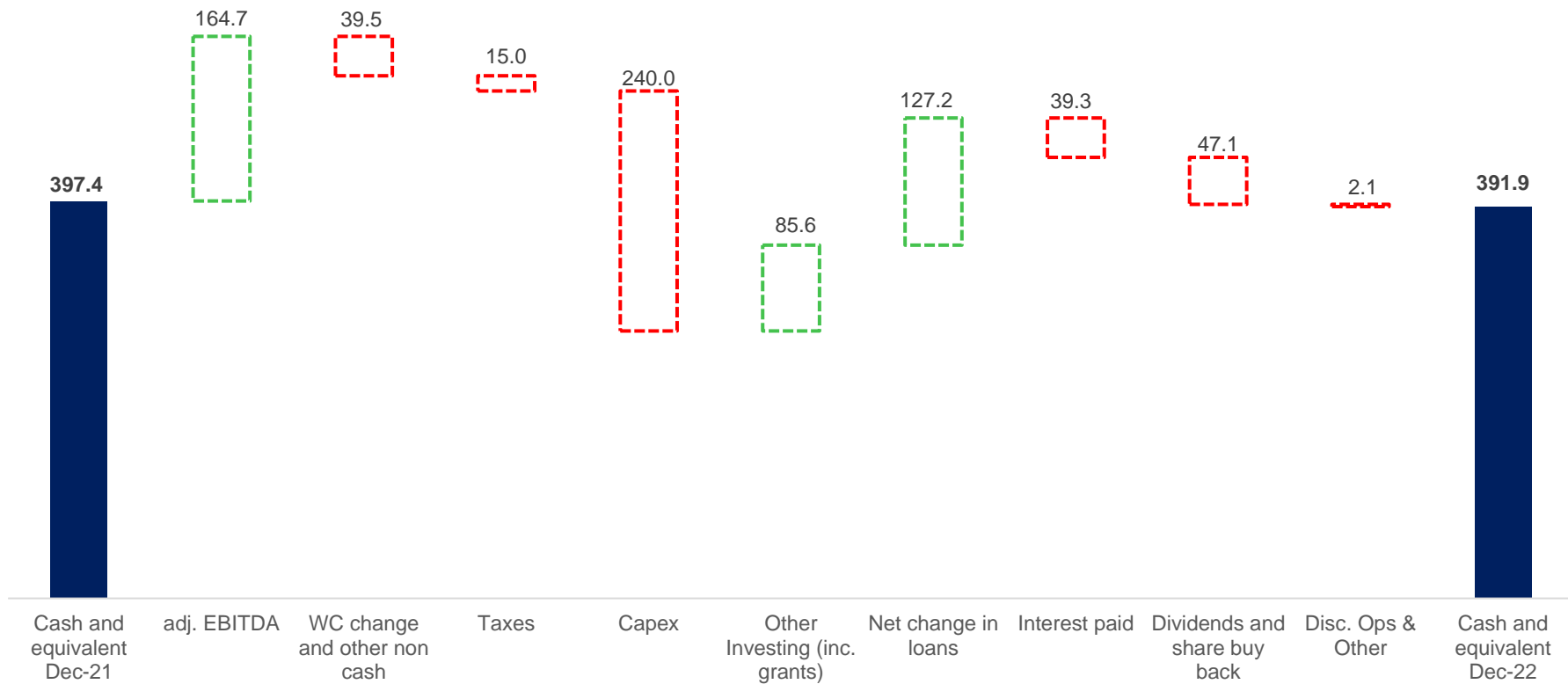
Asset base performance drives revenues – RES margin erosion reflecting ongoing capacity expansion pace

Continued ops	FY 2021	FY 2022	y-o-y
<b>Group revenues</b>	<b>273.1</b>	<b>298.1</b>	<b>9.1%</b>
<i>RES</i>	224.4	236.2	5.2%
<i>Waste Management</i>	4.3	9.0	107.7%
<i>E-Ticket</i>	16.7	12.6	-24.3%
<i>Construction</i>	27.7	40.3	45.4%
<b>Group adj. EBITDA</b>	<b>159.9</b>	<b>164.7</b>	<b>3.0%</b>
<i>RES</i>	159.8	161.0	0.8%
<i>Waste Management</i>	0.2	1.8	827.8%
<i>E-Ticket</i>	2.5	1.5	-39.4%
<i>Construction</i>	-2.6	0.3	-113.0%
<i>Group adj. EBITDA margin</i>	58.6%	55.2%	
<i>RES segment adj. EBITDA margin</i>	71.2%	68.2%	

# Cash flow bridge

Operating profitability and financing actions support liquidity to address increasing capex needs and shareholder returns.

## Group cash flow (y-o-y change) € m

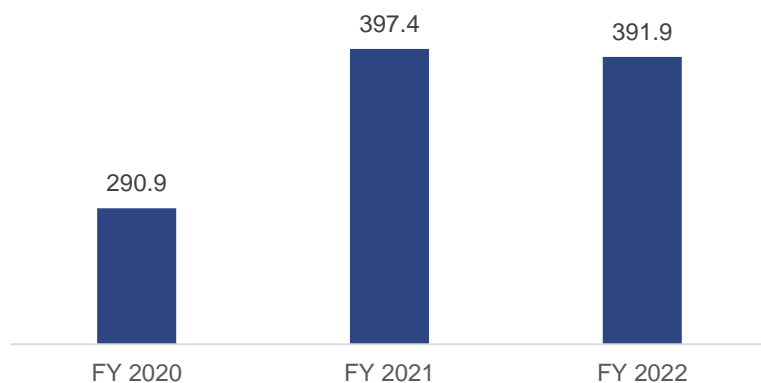


# Balance sheet highlights (I)

Healthy leverage and liquidity to sustain investment plans

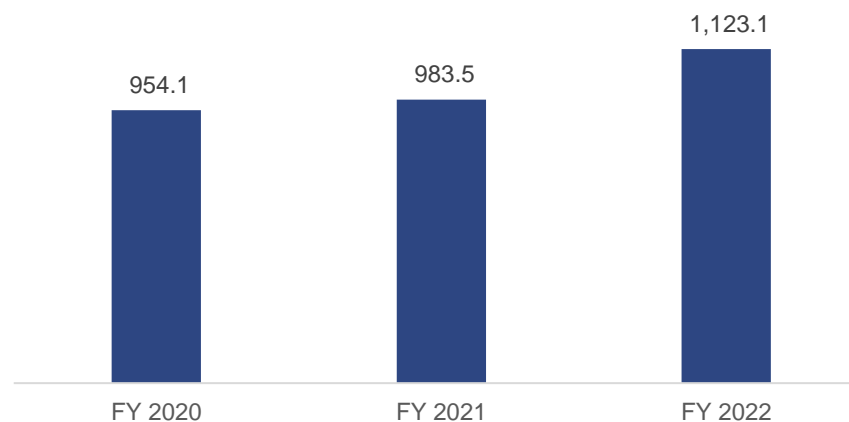
## Cash and Cash Equivalent<sup>(1)</sup>

€ m



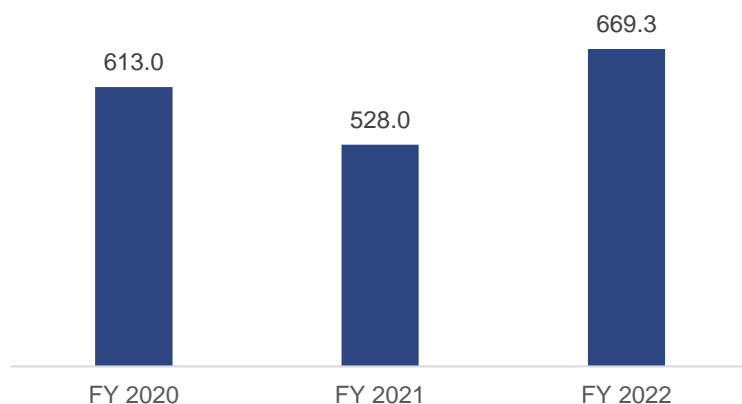
## Gross debt

€ m



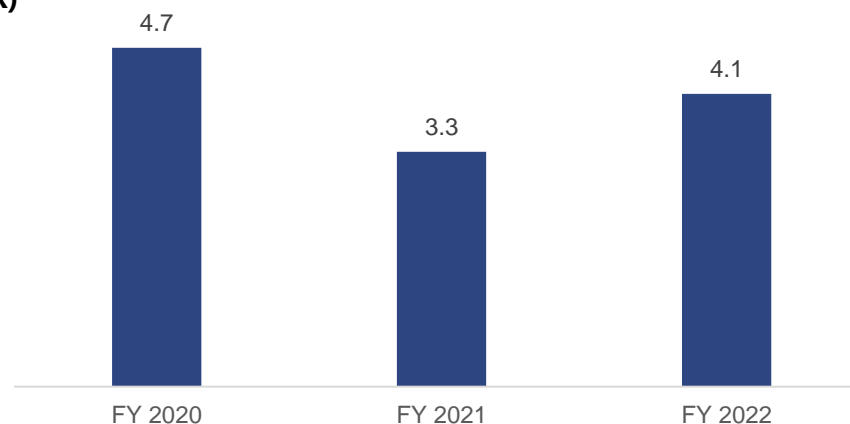
## Net Debt

€ m



## Net debt / adj. EBITDA

(x)



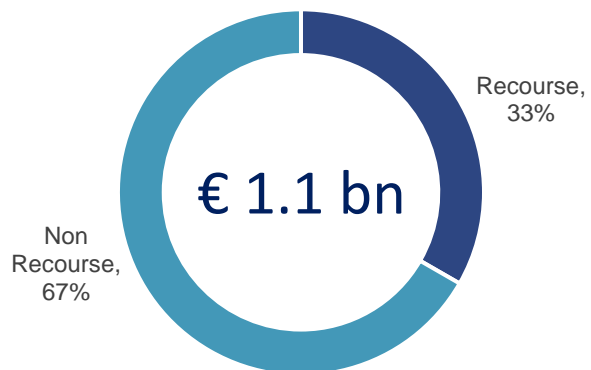
Notes: 1. Does not include restricted cash of € 65.1m as of 31/12/2022



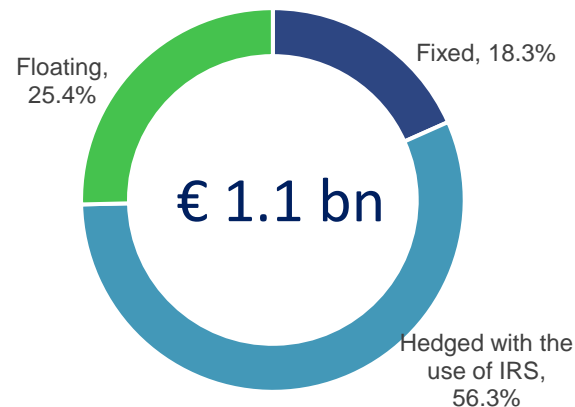
# Balance sheet highlights (II)

Debt profile Dec'2022

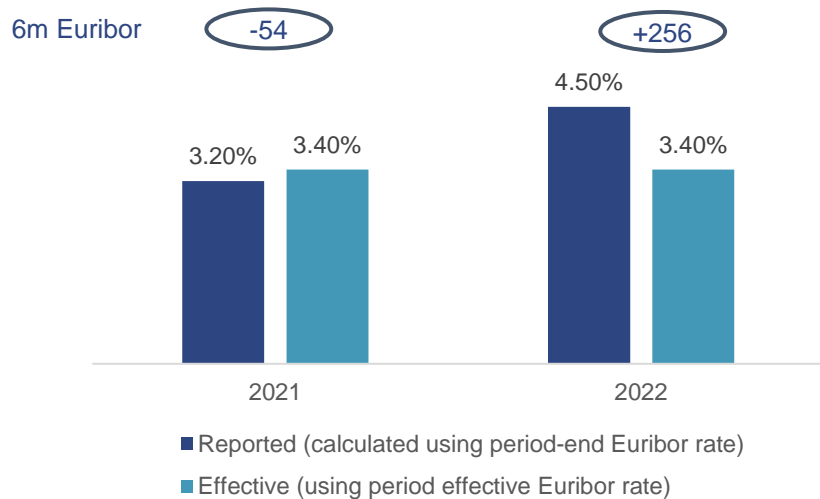
### Gross debt breakdown by type



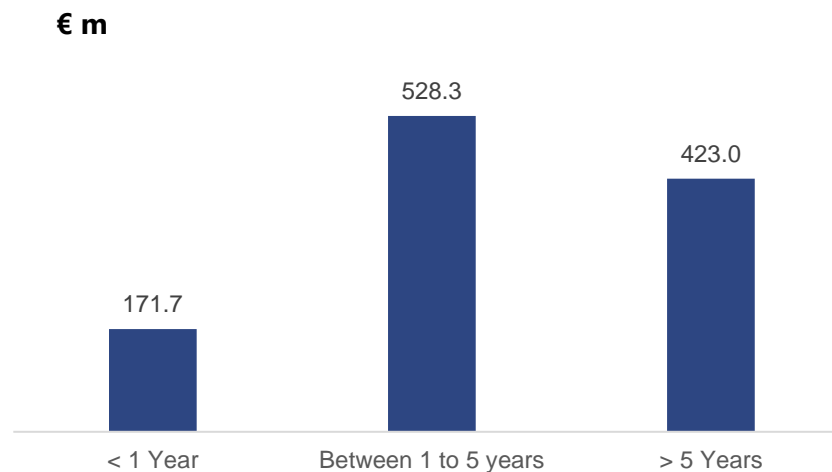
### Gross debt breakdown by coupon



### Weighted average cost of LT debt



### Debt maturity profile



# Market Backdrop - Outlook

Ambitious targets vs. challenging realities

- **Steadfast commitment for RES growth**

- RePowerEU: EU RES capacity to grow RES by 1,000 GW (Wind – up 3x vs. 2022, PV – up 4x vs. 2022)
- Greek Draft NCEP: ~16 GW of RES capacity additions by 2030 (vs. ~10 GW installed currently)

- **Installations pace to accelerate in order to meet targets**

- EU wind additions ~30 GW a year to meet RePowerEU target (2022 additions ~19 GW)
- EU solar additions ~70 GW a year to meet RePowerEU target (2022 additions ~41 GW)
- Greece >2.2 GW of annual RES capacity additions required to meet NCEP target (2022 additions ~1.6GW)

- **Capex costs up by 20%-30%, driving prices higher**

- PV costs stabilized since mid-2022 - Wind turbine prices still on the rise
- EU PPA prices increase by ~60% y-o-y (~10% q-o-q in 4Q22) – Greek auction price Sep'22 (W.A.) up 30%-50% vs. May'21
- Greek PPA market still at early stage due to maturity and size

- **TERNA Energy: Positive outlook despite challenges**

- Focus - Local access - First mover - Vertical integration
- One of the biggest and most mature diverse and complementary portfolios in the local market, constantly evolving and assessing new assets
- Returns to remain within targeted range (“well into the teens”)

# ESG KPI's

	2021	2022
<b>People</b>		
Total number of employees (excl. freelancers)	388	427
Percentage of female employees	N/A	21,8%
Percentage of female employees at the top 10% of employees by total compensation	N/A	16,1%
Number of fatalities as a result of work-related injury	0	0
<b>Environment</b>		
Renewable production (GWh)	2,293	2,415
Percentage of energy consumed from renewable sources (in MWh)	92%	95%
Total gross direct (Scope 1) GHG emissions (in CO <sub>2</sub> e)	333	372.4
Scope 2 emissions-Location-based emissions (in tCO <sub>2</sub> e)	3,923	2,672.4
Scope 2 emissions-Market-based emissions (in tCO <sub>2</sub> e)	195	0
Avoided emissions (CO <sub>2</sub> e tons)	1,066,103	1,119,436
<b>Taxonomy - Aligned (% of total)</b>		
Revenues		79%
CapEx		93%
OpEx		94%



# Group PnL

€ m	FY 2021	FY 2022
Revenue	273.1	298.1
Cost of sales	(133.6)	(152.7)
<b>Gross profit</b>	<b>139.5</b>	<b>145.4</b>
Administrative & distribution expenses	(24.2)	(77.9)
Research and development	(5.3)	(7.4)
Other income, net	11.1	14.1
<b>Operating profit</b>	<b>121.1</b>	<b>74.2</b>
Other	0.2	(0.1)
Financial expenses, net	(26.6)	(35.4)
<b>EBT</b>	<b>94.7</b>	<b>38.7</b>
Income tax expense	(25.3)	(17.0)
<b>Net Profit</b>	<b>69.4</b>	<b>21.7</b>
Discontinued ops	(90.5)	35.3
<b>Net Profit from continued &amp; discontinued ops</b>	<b>(21.1)</b>	<b>57.0</b>
<b>EBITDA</b>	<b>162.0</b>	<b>115.9</b>
adj. EBITDA <sup>(1)</sup>	159.9	164.7
adj. Net Profit <sup>(2)</sup>	68.0	69.7

Notes: 1. FY 2022 adjusted EBITDA for € 48.8m cost of stock bonus scheme - FY 2021 adj. EBITDA for € 2.1m profit from insurance claims  
 2. FY 2022 adjusted net income for € 48.8m cost of share bonus scheme and € 0.8m profit from derivatives valuation – FY 2021 adjusted net income for € 2.1m profit from insurance claims and € 0.8m loss from derivatives valuation

# Group Balance Sheet and Cash Flow

€ m	FY 2021	FY 2022
Tangible and Intangible fixed assets	1,053.8	1,256.9
Investments	68.3	75.0
Other long-term assets	18.4	54.9
Inventories and Receivables	232.0	256.7
Cash and cash equivalent	397.4	391.9
<b>Total assets</b>	<b>1,769.9</b>	<b>2,035.4</b>
Total loans	983.5	1,123.1
Grants	76.7	167.1
Other Long-term liabilities	87.5	118.0
Other Short-term liabilities	190.5	136.2
<b>Total Liabilities</b>	<b>1,338.3</b>	<b>1,544.4</b>
<b>Total Equity</b>	<b>431.6</b>	<b>491.0</b>
Non controlling interest	(10.8)	(10.0)
<b>Shareholders equity</b>	<b>420.9</b>	<b>481.0</b>

€ m	FY 2021	FY 2022
<b>adj. EBITDA</b>	<b>162.0</b>	<b>164.7</b>
WC change and other non-cash	2.3	(39.5)
Taxes	(18.2)	(15.0)
<b>Net Operating CF</b>	<b>146.1</b>	<b>110.2</b>
Capex	(181.6)	(240.0)
Other Investing	20.6	85.6
<b>Net Investment CF</b>	<b>(161.0)</b>	<b>(155.4)</b>
Interest paid	(29.8)	(39.3)
Net change in loans	193.0	127.2
Dividends and share buy back	(44.2)	(47.1)
<b>Net financing CF</b>	<b>118.9</b>	<b>40.8</b>
Disc. Ops and FX	2.5	(1.1)



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