

Press Release

Athens, November 23rd 2023

Signing of the Sub-Concession Agreement for “Philippos II” Port for 40 years

GEK TERNA S.A. (Bloomberg: GEKTERNA GA / RIC: HRMr.AT) announces that it has signed today, as the initial shareholder and member of the special-purpose entity “SARISA SUB-CONCESSION PORT OF KAVALA PHILIPPOS II S.A.”, the sub-concession agreement regarding the right to use, operate, maintain, and exploit a multi-purpose terminal within the port “Philippos II” of the “Kavala Port Authority S.A.” (OLK S.A.), for a period of 40 years, with contracting parties being the Greek State, the Hellenic Republic Asset Development Fund (HRADF S.A.), and the “Kavala Port Authority S.A.” (OLK S.A.).

The special-purpose entity under the name “SARISA SUBCONCESSION S.A.” (the sub-concessionaire), established for the purposes of the subconcession agreement between BLACKSUMMIT FINANCIAL GROUP INC (55%), GEK TERNA S.A. (35%), and EUROPEAN INVESTMENTS AND AEROSPACE VENTURES SOCIETE ANONYME (10%) as a joint venture, through the agreement undertakes the exclusive right to use the port for commercial exploitation, maintenance, development, provision of services and operations, as well as the imposition and collection of fees, according to the specific terms of the agreement.

Today, the main activity of “Philippos II” port, is the handling of general cargo and bulk dry cargo. In addition, its port facilities are capable of accommodating cargo containers, while the port has ready-to-use port infrastructure and areas for the movement, handling, and storage of goods.

The subconcession of the port “Filippos II” includes:

- The existing quay with a paved area of approximately 117,000 square meters,
- An additional non-paved area under restoration of approximately 165,000 square meters,
- The detached pier/breakwater,
- Commercial activities (general cargo, bulk dry cargo, and occasional container handling) and
- Specific items of the existing port equipment.

The financial exchange from the sub-concession to HRADF (Hellenic Republic Asset Development Fund) amounts to 33.9 million euros. Additionally, the sub-concessionaire is expected to make investments amounting to 36 million euros, including mandatory and heavy maintenance costs. These expenses involve the purchase of new and the replacement of old equipment, and the construction and purchase of infrastructure - superstructures, software, hardware, etc. Furthermore, the investments are intended to address the needs of the Port Authority, the Navigation Service, and the Customs Station.

The General Director of Business Development and Executive Member of the Board of Directors of GEK TERNA Group, Manos Moustakas, emphasized after the signing of the agreement: *"The port of Kavala is soon to acquire the position it deserves, capitalizing on its comparative advantages and highlighting its importance for the wider region. Through an integrated strategic plan, targeted and substantial investments, we aim to create added value for all stakeholders, boosting employment, protecting natural resources, and enhancing the region's extroversion. Ultimately, we aspire to establish a modern reference point for the freight transport of the Balkans, achieving the significant promotion of the strategic role of Kavala's port "Philippos II".*

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