

Press Release

Athens, 10 July 2025

Strategic partnership between GEK TERNA and Motor Oil
New Utility Company with leading position in Greece and Southeast Europe

- *GEK TERNA and Motor Oil strategically reposition in the electricity market, creating value for their shareholders.*
- *Heron and nrg will merge, with equal participation of GEK TERNA and Motor Oil, into a new corporate entity (UtilityCo) that will play a significant role in the electricity market in Greece and Southeast Europe*
- *UtilityCo will serve a portfolio of 550,000 electricity and natural gas customers and have 1.5GW of generation capacity.*
- *New UtilityCo to achieve further vertical integration and realise significant synergies across all activities*
- *Transaction to be completed by early 2026, pending the receipt of customary regulatory approvals*

GEK TERNA and Motor Oil announce the signing of a binding agreement for the merger of their activities in the supply of electricity and natural gas and the generation of electricity from natural gas-fired units. In more detail, Motor Oil will contribute 100% of nrg¹, its 50% stake in Komotini CCGT along with a cash amount of EUR 79m. GEK TERNA will contribute 100% of Heron² and its 50% stake in Komotini CCGT, while it will receive a cash amount of approximately EUR 128m (including the previously mentioned EUR 79m and additional cash amounts through a pre-defined permitted leakage mechanism). Above cash considerations are subject to confirmatory due diligence.

Under the agreed framework a new corporate entity will be established (UtilityCo), in which GEK TERNA and Motor Oil will hold equal participation and voting rights. UtilityCo will eventually own Heron and nrg as well as the new natural gas fired unit (CCGT) in Komotini. Beyond the Komotini CCGT, that has a capacity of 877 MW, UtilityCO will also have full control of Heron II natural gas fired unit (CCGT) with a capacity of 441 MW and also hold a 35% stake in Korinthos Power natural gas fired unit with a capacity of 437 MW. UtilityCo will serve in total 488,000 electricity customers, representing total volume sales of about 8.3

¹ Excluding the electromobility activities (e-mobility (InCharge), micro-mobility (Automotive Solutions)).

² Excluding energy trading activities abroad, aggregator services for RES producers (FOSE), electromobility services and other ancillary services, and services for the production of electricity from RES and storage BESS

TWh and hold a market share of approximately 17% (based on end-2024 data). Moreover it will serve 61,000 customers of natural gas, with a respective market share of 11%.

The combination of an enlarged customer base with the most efficient portfolio of generation capacity will establish a highly effective vertically integrated structure that will have the knowhow and will be supported by GEK TERNA and Motor Oil, two of the biggest Groups in the country with a proven experience in the energy sector. With a leading position in the market, the new corporate entity will be best positioned to achieve higher growth rates and superior financial results, while more effectively addressing the challenges of energy transition. The merger of Heron and nrg will achieve significant synergies across all critical operations like procurement, commercial activity and energy management, creating significant value for the consumers and the shareholders.

Electricity demand in Greece is anticipated to increase by 2.4% CAGR up to 2030 driven by global mega-trends. At the same time the local supply market remains fragmented, with sub-scale players controlling about 10%. This creates a growth opportunity in the supply of electricity by capturing an addressable market of over 11TWh for the coming years. Also the acceleration of RES penetration with the anticipated addition of about 6.0 GW of wind and PV capacity during 2025-30 will increase significantly the system needs for balancing capacity.

The transaction is expected to be completed by early 2026, pending the completion of the due diligence process as well as the receipt of relevant approvals from regulatory bodies and the general assemblies of the two stakeholders.

GEK TERNA retained Mediobanca S.p.A. as sole financial advisor, Sioufas & Associates as legal advisor, while EY provided tax and accounting advice and services in connection with the Transaction.

Motor Oil retained Morgan Stanley as sole Financial Advisor, Potamitis Vekris as Legal Advisor, while Deloitte provided tax and accounting advice and services in connection with the Transaction.

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