Edison International Holding NV

Claude Debussylaan 10
1082 MD Amsterdam
Tel. +31 (0) 20 7055421

Cross-border merger by incorporation of EDISON INTERNATIONAL HOLDING NV into EDISON SpA

Interim Statements of the merger at June 30, 2020

of Edison International Holding NV

Share capital 123.500.000,00 euros fully paid in
Amsterdam Chamber of Commerce 24102979
VAT number NL002412706B01

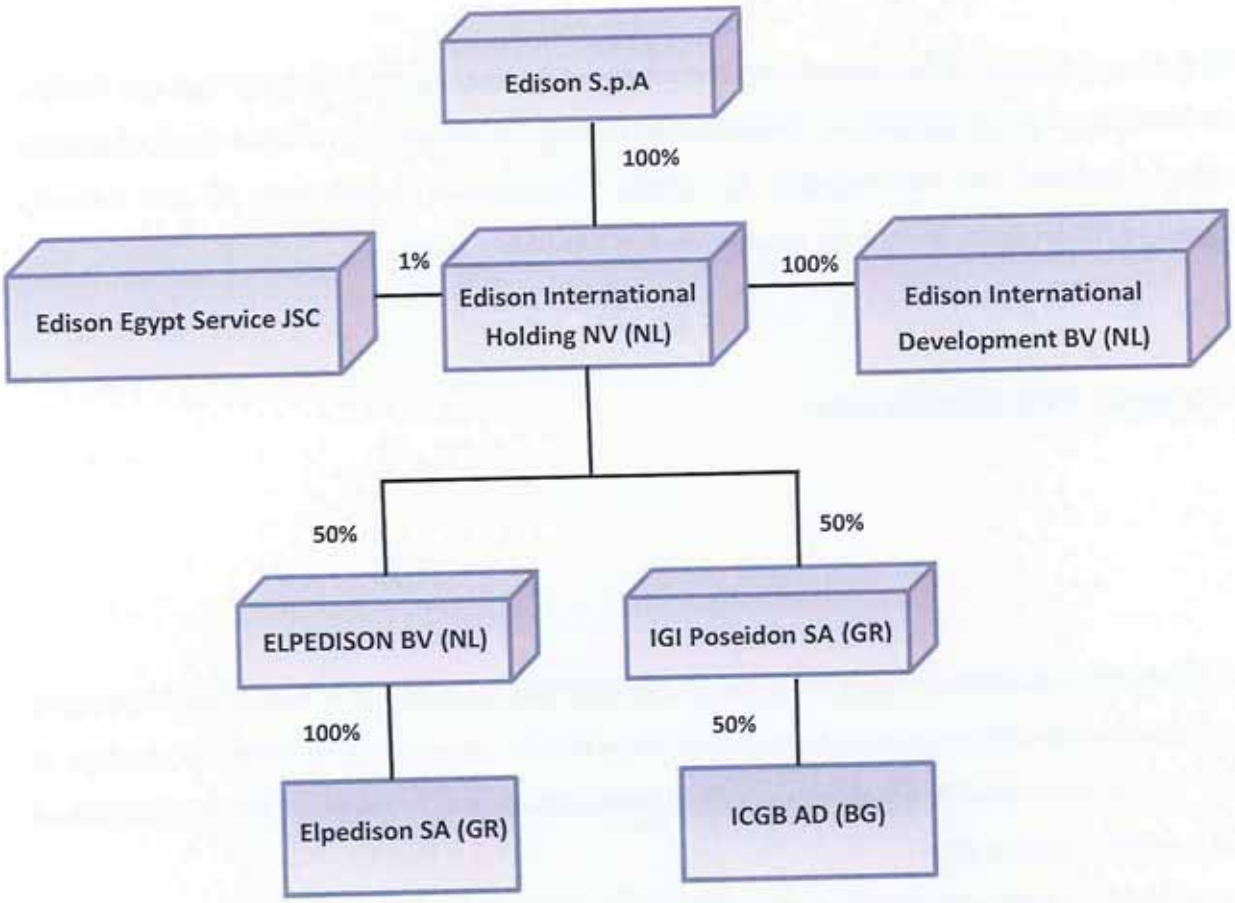
EDISON INTERNATIONAL HOLDING NV

COMPANY INTERIM FINANCIAL STATEMENTS

JUNE 30, 2020

Commercial Register No. 24102979

STRUCTURE OF THE GROUP AT JUNE 30, 2020



DIRECTORS' REPORT

The Managing Directors are pleased to present the interim report and accounts of Edison International Holding NV ("the Company" or EIH) as per June 30, 2020.

Overview of Activities

The principal activity of the Company in the course of its financial first half-year was the holding and financing of group companies: Elpedison BV, owning a company active in the Greek electricity market (Elpedison SA), IGI Poseidon SA, Edison International Development BV and minority interest in Edison Egypt Service JSC incorporated in December 2016.

Risk overview

Risk appetite of the Company is low.

Highlights on first half of 2020

1. Company highlights

The Company's financial statements show in the first half of 2020 a net loss of 68,9 thousand euros (compared with a net loss of 4,3 million euros for the same period of 2019), total assets of 164,7 million euros (164,9 million euros in 2019) and a Shareholder's equity of 121,8 million euros (121,9 million euros in 2019).
In particular the Company shows a net result of the period before equity investment evaluation, positive for 0,7 million euros (0,7 million euros for the same period of 2019); this result is mainly driven by net financial income for 1,1 million euros (1,2 million euros for the same period of 2019) less operating net loss amounting to 0,4 million euros (0,4 million euros for the same period of 2019). The loss for the period includes equity evaluations results for 0,6 million euros and taxes for 0,2 million euros (respectively 4,9 and 0,2 million euros for the same period of 2019).

The Company contributed, in January and in March, in a share capital increase of IGI Poseidon of totally 8 and 14 million euros respectively, with reference to the funds necessary for EastMed

project (FEED studies). These instalments followed IGI Poseidon's shareholders' meeting resolutions of January 16th, 2020 and February 26th, 2020 respectively.

Impact of the COVID-19 pandemic

The COVID-19 outbreak has developed rapidly in 2020, with a significant number of infections throughout the world. The virus was confirmed to have spread to the Netherlands on February 27th, 2020, when its first COVID-19 case was confirmed. In late March, the government announced strict social distancing rules as cases surged over 5.000. All large public events and gatherings are banned until 1 September. Furthermore, in public space a distance of at least 1,5 meters between people not from the same household must be observed, and shops and other venues are to enforce this distancing among their visitors. These measures taken by the government to contain the virus have affected economic activity. Management has taken a number of measures to monitor, prevent and mitigate the effects of the COVID-19 virus, such as safety and health measures for the employees (like social distancing and working from home). To date, however, no the impact on the Company's financial performance has been observed.

2. Subsidiaries' highlights

POWER SECTOR

Elpedison SA

A new Transitory Flexible Capacity Remuneration Mechanism (TFCRM), effective as of Quarter 4, 2018, based on a competitive allocation process performed every three months was suspended, in 2019, due to a letter of objection from DG Comp stating that starting from April 2019 the auctions should allow the participation of demand-response, a participation currently not foreseen due to the lack of the Target Model.

The Ministry of Energy has announced having reached an agreement with the EC for the re-start of the suspended Transitional Flexibility Remuneration Mechanism. The mechanism however requires DG Comp approval, which the DG will not grant unless PPC withdraws the recourse against the original approval. No indication exists about any step undertaken by PPC in this direction. Additionally, after the adoption of the Target Model, the capacity which will be auctioned is what RAE considers the required "reserve capacity", which is announced to be much less than the capacity previously auctioned under the TFRM. Accordingly, the price of the

auctions, if any, is expected to be zero or nearly zero as PPC will be able to cover the entire demand and – as in the past – has the interest to depress the TFRM value.

The actual production volumes were much higher than for the same period of 2019 on YTD basis (+55%), notwithstanding Thessaloniki outage that lasted from 16 April 2020 till 20 May 2020 due to the starter transformer failure. The difference in production levels can be explained by prolonged shutdown of Thisvi plant, in 2019, for the major general outage and the postponement from April to October of the Thessaloniki CCGT scheduled maintenance and plant upgrade due to the COVID-19 restrictions. Sales to end customers of electricity and natural gas were higher than for the same period of 2019 by 17% and 82% respectively, mainly due to marketing & communication initiatives.

Margins were much higher than for the same period of 2019 on the power generation side mainly due to lower NG (mainly due to LNG imports throughout the whole semester and collapsed commodity prices, especially in May) and CO2 costs. To be noted that margins compared to 2019 were higher notwithstanding lower SMP in 2020 due to the combined effect of LNG imports and reduced commodity prices: gross margin (+24,1 million euros June 2020 compared to +14,6 million euros in June 2019), while net result (+5,1 million euros in June 2020 compared to negative 10,6 million euros in June 2018).

On the retail side, Elpedison continues to grow in number of customers and has now reached 232,880 electricity clients and 12,816 gas clients. Notwithstanding the policy of shedding MV and large LV loss-making contracts in favour of profitable LV clients the growth in electricity volumes is tangible, +17% vs 2019. Volumes were, however, negatively impacted, in 2020, by the COVID restrictions for both electricity and gas: gross margin (+16,5 million euros June 2020 compared to +7,1 million euros in June 2019). This positive gross margin variance can be explained by low SPM (therefore, lower variable costs), on top of positive volume variance explained above. The net result (+6,0 million euros in June 2020 compared to +1,0 million euros in June 2019).

During the period Elpedison SA regularly paid interests and capital repayments of the bond loan, for the amount of 3,3 million euros as interests and 8 million euros as capital reimbursement and the outstanding bond loan as at June 30th, 2020 amounts to 192 million euros.

Impact of the COVID-19 pandemic

Subsequent to the Company's year end, the COVID-19 outbreak has developed rapidly in 2020, with a significant number of infections. Measures taken by various governments to contain the virus have affected economic activity. Management has taken a number of measures to monitor, prevent and mitigate the effects of the COVID-19 virus, such as safety and health measures for the employees (like social distancing and working from home) and securing the appropriate maintenance and technical support of the power pants, which are essential to the Company's operation, in full respect of the containment measures as from time to time in force.

Management is continuing to follow the various national institutes policies and advice and in parallel will do their utmost to continue the Company's operations in the best and safest way possible without jeopardizing the health of its people.

To date, the impact on the Company's financial performance has been limited. However, due to the expected economic recession, globally and in Greece, the Company is expecting that its financial performance by year's end and the evolution of its cash flow during the year may be negatively impacted by this crisis. For this reason, management has developed different cash flow scenarios in order to assess the impact on the Company's available cash balances and any need for further funding. These scenarios have considered the likely reduction in electricity demand in Greece, the impact of oil and natural gas prices in the market, as well as possible deterioration of credit risk (I.e. delays in collection of receivables).

In these scenarios, consideration has also been given to the planned outflows for the maintenance of the plants, which has now been postponed until Autumn 2020, as well as additional credit lines up to an amount of Euro 65 million which had already been planned to support the activities and development of the Company and for which management has already initiated the relevant process and for which the banks have provided an initial approval. These credit lines, as existing borrowings of the Company, will enjoy guarantees by the Company's shareholders.

Based on the above analysis management has concluded that sufficient funds are available to the Company to meet its ongoing obligations and to address the impact of the current adverse economic conditions resulting from the Covid-19 outbreak.

GAS INFRASTRUCTURES

IGI Poseidon

During 2020 first six months IGI continued, as scheduled, its activities on the development of Poseidon Pipeline project, EastMed FEED studies and IGB (throughout the co-controlled company ICGB) construction phase.

The Company contributed, in January and in March, in a share capital increase of IGI Poseidon of totally 8 and 14 million euros respectively, with reference to the funds necessary for EastMed project (FEED studies). These instalments followed IGI Poseidon's shareholders' meeting resolutions of January 16th, 2020 and February 26th, 2020 respectively.

Subsequent event

Following the reorganization program of the parent company, a project to merge EIH into Edison SpA has started.

Amsterdam, July 23, 2020

Roberto Cozzi

Managing Director - Chief Executive Officer

Edison International Holding N.V.
Balance Sheet at June 30, 2020

06/30/2019 EUR		ASSETS	Notes	06/30/2020 EUR		12/31/2019 EUR	
		Fixed Assets					
34.555.404		Investments in group companies	(2)	76.429.404		55.006.404	
58.274.524		Non-current portion of loans to group companies	(4)	54.150.712		55.907.973	
	92.829.928				130.580.116		110.914.377
		Current assets					
4.594.653		Current portion of loans to group companies	(4)	4.123.813		4.733.103	
66.262.832		Other receivables from group companies and shareholder	(3)	27.367.167		47.061.078	
50.000		Receivables from third parties and prepayments	(5)	50.000		121.273	
431.499		Tax asset	(6)	310.364		536.314	
110.270		Corporate income tax receivable		123.414		215.336	
172.444		Cash and cash equivalents	(7)	2.173.585		1.284.249	
	71.621.698				34.148.343		53.951.353
	164.451.626	TOTAL ASSETS			164.728.459		164.865.730

06/30/2019 EUR		EQUITY AND LIABILITIES	Notes	06/30/2020 EUR		12/31/2019 EUR	
		Shareholder's Equity	(8)				
123.500.000		Share capital		123.500.000		123.500.000	
318.179.003		Share premium		318.179.003		318.179.003	
(312.373.096)		Accumulated deficit		(319.789.904)		(312.373.097)	
(4.315.680)		Net results for the year		(68.852)		(7.416.808)	
	124.990.227				121.820.247		121.889.098
		Non current Liabilities					
18.435.826		Provisions for risks	(9)	21.931.826		21.931.826	
	18.435.826				21.931.826		21.931.826
		Current Liabilities					
2.707.214		Short-term loans to affiliated companies	(10)	2.701.214		2.701.214	
18.267.340		Other payables to group companies and shareholder	(3)	18.246.634		18.274.092	
0		Corporate Income Tax		0		0	
51.019		Accrued expenses and accounts payable	(11)	28.538		69.500	
	21.025.573				20.976.386		21.044.806
	164.451.626	TOTAL EQUITY AND LIABILITIES			164.728.459		164.865.730

The accompanying notes form part of these accounts.

Edison International Holding N.V.
Profit and loss account first half year 2020

Full Year 2019			*Notes*	*1st half year 2020*		*1st half year 2019*	
	EUR				EUR		EUR
120.000		Revenues	(13)	60.000		60.000	
(921.097)		General and administrative expenses	(14)	(482.151)		(484.426)	
	(801.097)	**Total operating profit**			**(422.151)**		**(424.426)**
	2.316.561	Financial income	(15)		1.102.021		1.163.760
	(17.612)	Financial expenses	(16)		(8.689)		(8.835)
	7.070	Gains/(losses) on not-realized forex	(17)		(9.650)		594
	(8.559.000)	Impairement losses on investments in group companies	(2)		(577.000)		(4.874.000)
	(7.054.078)	**Result on ordinary activities before taxation**			**84.531**		**(4.142.907)**
	(362.730)	Taxation of result on ordinary activities	(18)		(153.383)		(172.773)
	(7.416.808)	**Result on ordinary activities after taxation**			**(68.852)**		**(4.315.680)**

The accompanying notes form part of these accounts.

Edison International Holding N.V
Notes to the financial statements

1 General

a Principal Activities

The Company, which was incorporated on November 9, 1962, is a limited liability company with its statutory seat at Claude Debussylaan 10, 1082 MD Amsterdam, The Netherlands.

The purpose of the Company is the holding and financing of group companies.

b Group structure

The Company is fully owned by the Edison S.p.A. group, which is an Italian based company.
The financial information of the Company has been recorded in the consolidated financial statements of Edison S.p.A, Milan, Italy.

c Related parties

The Company has transactions and balances outstanding with the following related parties:
- Edison Spa: shareholder
- Edison International Development BV: subsidiary
- Elpedison B.V. affiliate
- Elpedison SA: affiliate
- Edison Egypt Service JSC: subsidiary of shareholder's subsidiary
- Atema Ltd: subsidiary of shareholder

Elpedison BV

In June 2020 Elpedison SA revenues were 308,0 million euros while EBITDA accounted for +27,6 million euros (+7,1 million euros in June 2019). EBIT accounted for +13,6 million euros (negative 7,1 million euros in June 2019) and net profit in June is 11,1 million euros (net loss of 9,6 million euros in June 2019).

GAS INFRASTRUCTURES - IGI Poseidon

In January and February 2020 the relevant shareholders' meeting resolved to increase IGI Poseidon share capital for a total amount of 16 million and 28 million euros respectively (EIH share 8 million and 14 million euros respectively), which were effectively done in January and March 2020 respectively.

CORPORATE - Edison International Development BV

Edison International Development (former Exploration and Production BV), had no relevant activities in the first half of 2020.

d Basis of preparation and methods applied to the preparation of the interim financial statements

This report has been prepared according to Edison practice for management information purposes.

Please note that the accounting principles applied are consistent with those used for the Financial Statements at December 31, 2019 and the interim financial disclosures are consistent with the provisions of IAS 34 - Interim Financial Reporting.

Unless otherwise stated, the amounts in these Notes to the Condensed Semiannual Financial Statements are in thousands of euros.

2. Investments in group companies

	06/30/2020	12/31/2019
	EUR	EUR
The movements in investments are as follows:		
Opening balance	55.006.404	34.605.404
Additions	22.000.000	21.790.000
Write downs	(577.000)	(1.389.000)
Closing balance	**76.429.404**	**55.006.404**

The composition of the investments in group companies is as follows:

		06/30/2020	12/31/2019
		EUR	EUR
Elpedison B.V., Amsterdam, The Netherlands	50%	10.000.000	10.000.000
IGI Poseidon, Athens, Greece	50%	48.419.000	26.996.000
Edison International Development B.V., Amsterdam, NL	100%	18.000.000	18.000.000
Edison Egypt Service JSC	1%	10.404	10.404
		76.429.404	**55.006.404**

Write down (inclusive charge to the provisions)	1st half year 2020	2019
	EUR	EUR
Elpedison BV	0	(7.360.000)
IGI Poseidon	(577.000)	(1.199.000)
	(577.000)	**(8.559.000)**

Additions and acquisitions

The additions refer to IGI Poseidon (22.000.000 euros).

Write-downs and expenses on equity investments

In the first half of 2020, a write-down of equity investment in IGI Poseidon was recognized only to reflect its loss arising from the operational costs of the period.

3. Short-term loans to shareholder and other receivables/(payables) from/to group companies and shareholder

The table below shows the balances on various I/Cs and other receivables/(payables) from/to group companies and shareholder as of June 30, 2020:

	06/30/2020	12/31/2019
Receivables	EUR	EUR
Edison Spa - EUR	27.345.917	47.025.628
Receivables from EID - EUR	10.000	24.200
Receivables from IGI Poseidon - EUR	11.250	11.250
	27.367.167	**47.061.078**

	06/30/2020	12/31/2019
Payables	EUR	EUR
Edison International Development BV - EUR	17.980.120	18.007.578
Payables to Edison SpA - EUR	266.514	266.514
	18.246.634	**18.274.092**

4. Current and non-current portions of loans to group companies

The table below shows the balance outstanding of the current and non-current portion of the loans to group companies:

	06/30/2020	2019
	EUR	EUR
Non-current portion of Bond Loan Elpedison SA	54.186.016	56.013.886
Current portion of Bond Loan Elpedison SA	4.265.031	4.874.321
Total Bond Loan	**58.451.047**	**60.888.207**
Non-current portion of deferred borrowing cost	(35.304)	(141.217)
Current portion of deferred borrowing cost	(141.218)	(105.914)
Total deferred borrowing cost	**(176.522)**	**(247.131)**
	58.274.525	**60.641.076**

	06/30/2020	2019
	EUR	EUR
Opening balance	60.888.207	63.325.366
Repayments, cash sweep and historical deficit	(2.437.160)	(2.437.159)
Total Bond Loan	**58.451.047**	**60.888.207**

The deferred borrowing costs relate to the bank fees for the arrangement of the Bond Loans to Elpedison S.A., expiring in September 2021, which will be amortized using the effective interest rate method.

The movement of deferred borrowing cost is as follows:	*06/30/2020*	*2019*
	EUR	EUR
Opening balance	247.131	388.348
Amortization of deferred borrowing costs	(70.609)	(141.217)
	176.522	**247.131**

5. Receivables from third parties and prepayments

First half year 2020 accrued income of 50.000 euros represent service remuneration fees recharged to EGD.

6. Tax assets

The tax assets of the Company amount to 310.364 euros and represent the withholding tax on the interests of the Greek Bond Loan.

7. Cash and cash equivalents

	06/30/2020	*12/31/2019*
	EUR	EUR
Intesa Sanpaolo SpA, Amsterdam (EUR)	2.014.591	1.115.006
Intesa Sanpaolo SpA, Amsterdam (USD)	30.882	30.980
Intesa Sanpaolo SpA, Amsterdam (GBP)	115.322	123.887
Intesa Sanpaolo SpA, Amsterdam (NOK)	12.790	14.376
	2.173.585	**1.284.249**

The cash and cash equivalents are at free disposal of the Company.

8. Shareholder's Equity

The authorized share capital of the Company amounts to 150.000.000 euros divided into 150.000.000 shares of 1 euro each. At balance sheet date a total of 123.500.000 shares were issued and fully paid up.

Movements in the shareholder's equity are as follows:

	06/30/2020	Changes for the Year	*12/31/2019*
	EUR	EUR	EUR
Share capital	123.500.000	0	123.500.000
Share premium	318.179.003	0	318.179.003
Accumulated deficit	(319.789.904)	(7.416.808)	(312.373.097)
Net results of previous year	0	7.416.808	(7.416.808)
Net results for the year	(68.852)	(68.852)	0
Total Equity	**121.820.247**		**121.889.098**

9. Provisions for risks and charges

	06/30/2020	*2019*
Provisions for risks and charges	EUR	EUR
Elpedison equity provision	21.931.826	21.931.826
	21.931.826	**21.931.826**

10. Short-term loans to affiliated companies

The short-term loans to affiliated companies consist of short-term loans to Atema Ltd., a subsidiary of Edison Spa. The short-term loan payable as of June 30, 2020 matures on September 30, 2020 and bears interest at zero.

11. Accrued expenses and accounts payable

	06/30/2020	*12/31/2019*
	EUR	EUR
Audit fees	5.000	45.000
Tax advisory fees	3.415	6.000
Legal & notary fees	466	20.000
Administrators costs	12.263	4.700
Creditors	0	(10.400)
VAT payable and others	7.394	4.200
	28.538	**69.500**

12. Contingent liabilities

The Company issued the following guarantee to Intesa bank in the interest of Elpedison S.A.

- Bond Loan 1 11.008.902 euros

The guarantee will expire on September 2021

The Company issued the following guarantee to HSBC bank in the interest of Elpedison SA.

- Bond Loan 1 3.237.9097 euros

The guarantee will expire on September 2021

The Company took-over the guarantees issued by the sellers to the bank system for the bond loan 3 in relation to the acquisition of Elpedison SA minority (seller) shares by Elpedison BV.

- Bond Loan 3 23.235.161 euros

The guarantee will expire on September 2021

The Company issued the following guarantee to the Alpha Bank in the interest of Elpedison S.A.

- Credit Facility Agreement 6.555.179 euros

The guarantee has no expiration date.

The Company took-over the guarantees issued by the sellers to the bank system for a bank facility in relation to the acquisition of Elpedison SA minority (seller) shares by Elpedison BV.

- Credit Facility Agreement 2.095.000 euros

The guarantee has no expiration date.

The rental contract with Gateway Amsterdam, renewed on November 29, 2017 with current quarterly rental fee of 14.395,08 euros (no VAT) and quarterly service fee of 5.000,00 euros (plus VAT), is in place. The contract's end date is November 30, 2020.

13. Revenues

There were invoiced and accrued the following amounts during the first half of 2020:

- The total amount of 50.000 euros for the services rendered to EGD in finance, controlling, administrative, accounting, tax and legal activities covered by Service Agreement between EIH and EDF Gas Deutschland GmbH (EGD);
- The total amount of 10.000 euros for Edison International Development B.V. (EID) for services rendered by EIH according to Cash Management Agreement.

14. General and administrative expenses

	06/30/2020	2019
	EUR	EUR
Accounting fees and legal fees	46.664	49.013
Notary fees	18.235	9.279
Tax advisory fees	30.668	48.082
External audit fees	(2.500)	46.645
Administrators fees	24.309	48.671
Labour cost	261.613	442.250
Other employee related costs	55.682	161.365
Office rent costs	47.480	80.176
Other	0	35.616
	482.151	**921.097**

15. Financial income

		06/30/2020	2019
		EUR	EUR
Financial income other receivables from group companies and shareholder	(3)	20.289	3.743
Interest income loans to group companies	(4)	1.011.123	2.099.541
Amortization of deferred borrowing costs		70.609	213.277
		1.102.021	**2.316.561**

Financial income other receivables from group companies and shareholder refers to I/C accounts balances.

Interest income loans to group companies refers to Elpedison Bond Loan.

16. Financial expenses

		06/30/2020	2019
		EUR	EUR
Financial expense other payables to group companies and shareholder	(3)	6.742	13.505
Bank charges		1.947	4.107
		8.689	**17.612**

Financial expense other payables to group companies and shareholder refers to I/C accounts balances.

17. Gains/(losses) on not-realized forex

		06/30/2020	2019
		EUR	EUR
Gains on not-realised forex	(17)	31.597	8.629
		31.597	**8.629**

		06/30/2020	2019
		EUR	EUR
Losses on not-realised forex	(17)	41.247	1.559
		41.247	**1.559**

18. Taxation of result on ordinary activities

The taxation of result on ordinary activities can be summarized as follows:

	06/30/2020	2019
	EUR	EUR
Current income tax	153.383	362.730
	153.383	**362.730**

The Company is in a positive taxable position at June 30, 2020.

Directors and Employees

During the first half of 2020 the Company had three employees, one seconded from Edison Spa. No loans or advances have been given to or received by any director. The Company has no supervisory directors.

The total pension costs, for a pension scheme adopted in 2016, incurred during the first half of 2020 were 11,5 thousand euros.

Amsterdam - July 23, 2019

Roberto Cozzi
Managing Director - Chief Executive Officer