



## **TO BME GROWTH**

**Barcelona, October 31, 2023**

In accordance with the provisions of article 227 of the consolidated text of the Law on Market Securities and Investment Services, approved by Royal Legislative Decree 6/2023, of 17 March, and its concordant provisions, as well as Circular 3/2020 of the BME Growth segment of BME MTF Equity, Holaluz-Clidom, S.A ("Holaluz" or the "Company") hereby informs you of the following information:

### **OTHER RELEVANT INFORMATION**

Attached to this document are:

Audit report and individual financial statements for the six-months ended June 30, 2023.

In compliance with the provisions of BME MTF Equity Circular 3/2020, it is hereby expressly stated that the information provided has been prepared under the sole responsibility of the Company and its directors.

Carlota Pi Amorós  
CEO and co-founder  
HOLALUZ-CLIDOM, S.A.

Report on Limited Review

Holaluz-Clidom, S.A.

Interim financial statements  
for the six-month period ended  
June 30, 2023

## REPORT ON LIMITED REVIEW OF INTERIM FINANCIAL STATEMENTS

Translation of a report originally issued in Spanish.  
In the event of discrepancy, the Spanish-language version prevails

To the shareholders of Holaluz-Clidom, S.A., at the request of Management:

### *Introduction*

We have carried out a limited review of the accompanying interim financial statements of Holaluz-Clidom, S.A., which comprise the balance sheet at June 30, 2023, the income statement, the statement of changes in equity, the cash flow statement and the explanatory notes thereto for the six-month period then ended. The directors are responsible for the preparation of the Company's interim financial statements in accordance with the regulatory framework for financial information applicable to the entity in Spain (which is identified in note 2 to the accompanying explanatory notes), and for such internal control as they determine is necessary to enable the preparation of interim financial statements that are free from material misstatement, whether due to fraud or error. Our responsibility is to express a conclusion on these interim financial statements based on our limited review.

### *Scope of the review*

We conducted our limited review in accordance with International Standard on Review Engagements 2410, "Review of Interim Financial Information Performed by the Independent Auditor of the Entity". A limited review of interim financial information consists of making inquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A limited review is substantially less in scope than an audit conducted in accordance with prevailing audit regulations in Spain and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion on the accompanying interim financial statements.

### *Conclusion*

As a result of our limited review, which under no circumstances should be considered an audit of financial statements, no matter came to our attention that would lead us to conclude that the accompanying interim financial statements do not express, in all material respects, a true and fair view of the financial position of Holaluz-Clidom, S.A. at June 30, 2023, as well as its results and cash flow for the six-month period then ended, in conformity with the applicable regulatory framework for financial information and, in particular, the accounting principles and criteria established therein.

*Paragraph on other issues*

This report has been prepared at the request of the Management of Holaluz-Clidom, S.A. with regard to the publication of the half-year financial report required by Circular 3/2020 de Bolsas y Mercados Españoles, Sistemas de Negociación, S.A. (BME Growth) on “Information to be provided by companies admitted to trading on the BME Growth segment of BME MTF Equity”.

ERNST & YOUNG, S.L.  
(Signature on the original in Spanish)

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Alfredo Eguiagaray

October 30, 2023

# HOLALUZ-CLIDOM, S.A.

## **Interim Financial Statements and Explanatory Notes at June 30, 2023**

*(Translation of interim financial statements and explanatory notes thereto originally issued in Spanish.  
In the event of discrepancy, the Spanish-language version prevails)*

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- Explanatory notes to the interim financial statements at June 30, 2023.



HOLALUZ-CLIDOM, S.A.  
BALANCE SHEET  
AT JUNE 30, 2023 AND DECEMBER 31, 2022

ASSETS	NOTE	June 30, 2023	December 31, 2022
<b>NON-CURRENT ASSETS</b>		<b>84,340,457</b>	<b>90,432,236</b>
<b>Intangible assets</b>	<b>4</b>	<b>22,770,251</b>	<b>22,788,383</b>
Patents, licenses, trademarks et al.		1,014	1,111
Development costs		22,121,030	22,267,001
Software		107,056	130,879
Other intangible assets		541,151	389,392
<b>Property, plant, and equipment</b>	<b>5</b>	<b>1,301,836</b>	<b>1,410,005</b>
Land and buildings		513,267	549,854
Technical installations, machinery and other PP&E items		788,569	860,151
<b>Investments in group companies and associates</b>		<b>33,684,861</b>	<b>30,734,861</b>
Equity instruments	7	7,088,665	5,038,665
Loans to companies	8, 21	26,596,196	25,696,196
<b>Financial investments</b>	<b>8</b>	<b>2,041,235</b>	<b>5,005,767</b>
Derivatives	16	1,769,915	4,742,047
Other financial assets	8	271,320	263,720
<b>Deferred tax assets</b>	<b>18</b>	<b>10,635,343</b>	<b>12,116,658</b>
<b>Accruals</b>	<b>11</b>	<b>13,906,932</b>	<b>18,376,562</b>
<b>CURRENT ASSETS</b>		<b>151,909,692</b>	<b>184,325,057</b>
<b>Inventories</b>	<b>10</b>	<b>1,273,645</b>	<b>8,985,600</b>
Commercial inventories		1,273,645	7,805,294
Prepayments to suppliers		-	1,180,306
<b>Trade and other receivables</b>	<b>9</b>	<b>104,099,173</b>	<b>116,791,183</b>
Trade receivables for sales and services		38,657,908	50,682,197
Trade receivables from group companies and associates	21	39,450,934	12,306,928
Other receivables		20,769,594	45,203,038
Receivables from employees		59,436	64,935
Current income tax assets	18	12,529	22,782
Other receivables from Public Administrations	18	5,148,772	8,511,303
<b>Investments in group companies and associates</b>		<b>4,227,459</b>	<b>2,476,594</b>
Loans to companies	8, 21	591,208	-
Other financial assets		3,636,251	2,476,594
<b>Financial investments</b>		<b>22,788,220</b>	<b>33,155,197</b>
Derivatives	16	21,691,494	30,388,848
Other financial assets	8	1,096,726	2,766,349
<b>Accruals</b>	<b>11</b>	<b>14,575,338</b>	<b>13,421,637</b>
<b>Cash and cash equivalents</b>	<b>12</b>	<b>4,945,857</b>	<b>9,494,846</b>
Cash		4,945,857	9,494,846
<b>TOTAL ASSETS</b>		<b>236,250,149</b>	<b>274,757,293</b>



HOLALUZ-CLIDOM, S.A.  
BALANCE SHEET  
AT JUNE 30, 2023 AND DECEMBER 31, 2022

EQUITY AND LIABILITIES	NOTE	June 30, 2023	December 31, 2022
<b>EQUITY</b>		<b>43,910,163</b>	<b>39,896,875</b>
<b>Capital and reserves</b>	<b>13</b>	<b>56,691,883</b>	<b>63,066,575</b>
<b>Share capital</b>		<b>656,662</b>	<b>656,662</b>
Issued capital		656,662	656,662
<b>Share premium</b>		<b>61,772,144</b>	<b>61,772,144</b>
<b>Reserves</b>		<b>845,797</b>	<b>-7,111,230</b>
Legal and statutory reserves		123,477	123,477
Other reserves		722,320	-7,234,707
<b>Treasury shares</b>		<b>-333,287</b>	<b>-300,217</b>
<b>Profit/(loss) for the year</b>		<b>-6,249,433</b>	<b>8,049,216</b>
<b>Valuation adjustments</b>		<b>-12,781,721</b>	<b>-23,169,700</b>
Hedging transactions	16	-12,781,721	-23,169,700
<b>NON-CURRENT LIABILITIES</b>		<b>30,904,119</b>	<b>35,922,720</b>
<b>Payables</b>	<b>14</b>	<b>30,904,119</b>	<b>35,922,720</b>
Bank borrowings	14	17,645,673	23,267,096
Derivatives	16	13,258,446	12,655,624
<b>CURRENT LIABILITIES</b>		<b>161,435,867</b>	<b>198,937,698</b>
<b>Payables</b>	<b>14</b>	<b>69,732,566</b>	<b>77,064,804</b>
Bank borrowings		34,255,643	40,604,261
Other financial liabilities		26,727,210	8,080,672
Derivatives	<b>16</b>	8,749,713	28,379,871
<b>Payables to group companies and associates</b>	<b>21</b>	<b>4,226,203</b>	<b>2,979,839</b>
<b>Trade and other payables</b>	<b>15</b>	<b>87,471,908</b>	<b>118,887,864</b>
Suppliers		61,084,222	58,725,015
Suppliers, group companies and associates	<b>21</b>	5,632,912	687,650
Other payables		15,006,944	55,353,629
Employee benefits payable		304,056	1,032,321
Current income tax liabilities	<b>18</b>	691,794	403,202
Other payables to Public Administrations	<b>18</b>	3,088,936	817,382
Customer advances		1,663,044	1,868,665
<b>Accruals</b>		<b>5,191</b>	<b>5,191</b>
<b>TOTAL EQUITY AND LIABILITIES</b>		<b>236,250,149</b>	<b>274,757,293</b>





HOLALUZ-CLIDOM, S.A.  
INCOME STATEMENT FOR  
THE SIX-MONTH PERIODS ENDED JUNE 30, 2023 AND JUNE 30, 2022

	NOTE	June 30, 2023	June 30, 2022
<b>Revenue</b>	<b>19</b>	<b>294,637,524</b>	<b>540,915,809</b>
Sales		294,545,183	536,756,024
Rendering of services		92,341	4,159,785
<b>Work performed by the entity and capitalized</b>	<b>4.1</b>	<b>2,210,735</b>	<b>2,064,078</b>
<b>Cost of sales</b>	<b>19</b>	<b>-271,511,450</b>	<b>-491,225,908</b>
Consumption of goods		-271,511,450	-487,097,099
Work performed by third parties		-	-4,128,809
<b>Other operating income</b>	<b>19</b>	<b>8,864,128</b>	<b>464,285</b>
Ancillary income		8,864,128	464,285
Grants related to income		-	-
<b>Employee benefits expense</b>	<b>19</b>	<b>-13,749,895</b>	<b>-5,903,615</b>
Wages, salaries et al.		-10,567,489	-4,684,041
Social security costs et al.		-3,182,406	-1,219,574
<b>Other operating expenses</b>		<b>-22,908,543</b>	<b>-26,804,325</b>
External services	<b>19</b>	-17,504,876	-21,743,189
Taxes		-38,487	-161,963
Losses on, impairment of and change in trade provisions	<b>9.2</b>	-5,267,554	-4,788,108
Other current management expenses		-97,627	-111,065
<b>Depreciation and amortization</b>	<b>4.5, 19</b>	<b>-3,603,847</b>	<b>-2,646,643</b>
<b>Other gains and losses</b>	<b>19</b>	<b>-501,307</b>	<b>-129,647</b>
Non-recurring expenses		-503,004	-135,227
Non-recurring income		1,697	5,580
<b>OPERATING PROFIT/(LOSS)</b>		<b>-6,562,656</b>	<b>16,734,034</b>
<b>Finance income</b>		<b>430,926</b>	<b>46,594</b>
From marketable securities and other financial instruments		4,585	-106
Of group companies and associates	21	426,341	46,700
<b>Finance costs</b>		<b>-1,913,637</b>	<b>-658,885</b>
Third-party borrowings	<b>19</b>	-1,913,637	-658,885
<b>Exchange gains (losses)</b>		<b>29,966</b>	<b>-562</b>
<b>FINANCE COST</b>		<b>-1,452,745</b>	<b>-612,853</b>
<b>PROFIT/(LOSS) BEFORE TAX</b>		<b>-8,015,401</b>	<b>16,121,181</b>
<b>Income tax</b>	<b>18</b>	<b>1,765,968</b>	<b>-4,155,487</b>
<b>PROFIT/(LOSS) FOR THE YEAR</b>		<b>-6,249,433</b>	<b>11,965,694</b>



HOLALUZ-CLIDOM, S.A.  
 STATEMENT OF CHANGES IN EQUITY AT JUNE 30, 2023 AND JUNE 30, 2022  
 A) STATEMENT OF RECOGNIZED INCOME AND EXPENSES FOR THE YEAR ENDED JUNE 30, 2023 AND JUNE 30, 2022

	Notes	June 30, 2023	June 30, 2022
<b>PROFIT/(LOSS) FOR THE YEAR</b>		<b>-6,249,433</b>	<b>11,965,694</b>
<b>INCOME AND EXPENSES RECOGNIZED DIRECTLY IN EQUITY</b>			
From cash flow hedges		37,024,232	-40,271,056
Tax effect		-9,256,058	10,067,764
<b>TOTAL INCOME AND EXPENSES RECOGNIZED DIRECTLY IN EQUITY</b>		<b>27,768,174</b>	<b>-30,203,292</b>
<b>AMOUNTS TRANSFERRED TO INCOME STATEMENT</b>			
From cash flow hedges		-23,173,593	35,260,789
Tax effect		5,793,398	-8,815,197
<b>TOTAL AMOUNTS TRANSFERRED TO INCOME STATEMENT</b>		<b>-17,380,195</b>	<b>26,445,592</b>
<b>TOTAL RECOGNIZED INCOME AND EXPENSES</b>		<b>4,138,546</b>	<b>8,207,994</b>



HOLALUZ-CLIDOM, S.A.  
STATEMENT OF CHANGES IN EQUITY AT JUNE 30, 2023 AND JUNE 30, 2022

	Share capital	Share premium	Reserves	Treasury shares	Profit/(loss) for the year	Valuation adjustments	Total Equity
	(Note 13.1)	(Note 13.3)	(Note 13.2)	(Note 13.1)		(Note 16)	
<b>Balance at December 31, 2022</b>	656,662	61,772,144	- 7,111,230	-300,217	8,049,216	-23,169,700	39,896,875
<b>Total recognized income / expenses</b>	-	-	-	-	-6,249,433	10,387,979	4,138,546
<b>Transactions with the Sole Shareholder</b>	-	-	-	-	-	-	-
Other transactions	-	-	-92,189	-33,070	-	-	-125,259
<b>Appropriation of prior-year profit/(loss)</b>	-	-	8,049,216	-	-8,049,216	-	-
<b>Balance at June 30, 2023</b>	656,662	61,772,144	845,797	-333,287	-6,249,433	-12,781,721	43,910,162

	Share capital	Share premium	Reserves	Treasury shares	Profit/(loss) for the year	Valuation adjustments	Total Equity
	(Note 13.1)	(Note 13.3)	(Note 13.2)	(Note 13.1)		(Note 16)	
<b>Balance at December 31, 2021</b>	656,662	61,772,144	- 2,284,159	-300,217	- 4,827,071	-40,812,106	14,205,253
<b>Total recognized income / expenses</b>	-	-	-	-	11,965,694	-3,757,700	8,207,994
<b>Transactions with the Sole Shareholder</b>	-	-	-	-	-	-	-
Other transactions	-	-	-	-	-	-	-
<b>Appropriation of prior-year profit/(loss)</b>	-	-	-4,827,071	-	4,827,071	-	-
<b>Balance at June 30, 2022</b>	656,662	61,772,144	-7,111,230	-300,217	11,965,694	-44,569,806	22,413,247



HOLALUZ-CLIDOM, S.A.  
CASH FLOW STATEMENT  
AT JUNE 30, 2023 AND JUNE 30, 2022

	<u>NOTE</u>	<u>June 30, 2023</u>	<u>June 30, 2022</u>
<b>CASH FLOWS FROM/(USED IN) OPERATING ACTIVITIES</b>		<b>24,345,910</b>	<b>(5,529,049)</b>
<b>Profit/(loss) before tax</b>		<b>(8,015,401)</b>	<b>16,121,181</b>
<b>Adjustments to profit</b>		<b>28,282,818</b>	<b>8,047,041</b>
Depreciation and amortization (+)		3,603,845	2,646,642
Impairment losses (+/-)		9,936,861	4,788,108
Changes in provisions (+/-)		-	-
Finance income (-)		-	-46,594
Finance costs (+)		1,871,331	658,885
Other income and expenses (-/+)		12,870,781	-
<b>Change in working capital:</b>		<b>994,309</b>	<b>(29,084,980)</b>
Inventories (+/-)		1,934,060	(2,429,488)
Trade and other receivables (+/-)		34,275,370	(40,480,895)
Other current assets (+/-)		5,499	(2,711,383)
Trade and other payables (+/-)		(35,220,620)	12,921,008
Other current liabilities (+/-)		-	5,191
Other non-current assets and liabilities (+/-)		-	3,610,587
<b>Other cash flows from/(used in) operating activities</b>		<b>3,084,184</b>	<b>612,291</b>
Interest paid (-)		-1,871,331	(658,885)
Interest received (+)		-	46,594
Other payments (receipts) (+/-)		4,955,515	-
<b>CASH FLOWS FROM/(USED IN) INVESTING ACTIVITIES</b>		<b>(33,827,984)</b>	<b>(12,420,595)</b>
<b>Payments on investments (-):</b>		<b>(35,497,607)</b>	<b>(14,206,523)</b>
Group companies and associates		(28,548,507)	(8,698,420)
Intangible assets	4	(3,603,845)	(4,895,111)
Property, plant and equipment	5	108,169	(612,992)
Other financial assets		(3,453,424)	-
Other assets		-	-
<b>Proceeds from disposals (+):</b>		<b>1,669,623</b>	<b>1,785,932</b>
Other financial assets		1,669,623	1,785,932
<b>CASH FLOWS FROM FINANCING ACTIVITIES</b>		<b>4,933,085</b>	<b>20,305,394</b>
<b>Proceeds from and payments on equity instruments</b>		<b>-</b>	<b>-</b>
Issuance of equity instruments (+)		-	-
Disposal of own equity instruments (+)		(33,070)	-
<b>Proceeds from and payments on financial liabilities:</b>		<b>4,966,155</b>	<b>20,305,394</b>
<i>Issues:</i>		61,200,000	20,305,394
Bank borrowings (+)		61,200,000	13,521,702
Payables to group companies and associates (+)		-	1,232,273
Other payables		-	5,551,419
<i>Repayment and redemption of:</i>		(56,233,845)	-
Bank borrowings (-)		(17,259,483)	-
Payables to group companies and associates (-)		-	-
Other payables		(38,974,362)	-
<b>NET INCREASE/DECREASE IN CASH AND CASH EQUIVALENTS</b>		<b>(4,548,989)</b>	<b>2,355,753</b>
Cash and cash equivalents at the beginning of the period	11	9,494,846	8,133,927
Cash and cash equivalents at the end of the period	11	4,945,857	10,489,680



HOLALUZ-CLIDOM, S.A.  
NOTES  
TO THE INTERIM FINANCIAL STATEMENTS  
AT JUNE 30, 2023

## 1. Activity

HOLALUZ-CLIDOM, S.A. (hereinafter Holaluz or the Company) was incorporated on November 12, 2010. It is domiciled in Barcelona at Passeig de Joan de Borbó, 99, 08039, 4th floor. On September 6, 2019, the Company changed its corporate name to HOLALUZ-CLIDOM, S.A. (formerly CLIDOM ENERGY, SL).

Pursuant to its bylaws, the Company's corporate purpose consists in the purchase and sale, even at an international level, production and commercialization of energy in general, natural gas and telecommunications, even their transfer, regardless of their source of generation and production. Additionally, the Company provides energy, environment and telecommunications advisory and engineering services.

It also acts as a representative before third parties, and specifically in the electricity market, of power stations that produce electricity under a special regime applicable to electricity produced from renewable energy sources.

Its main activity is the commercialization of energy in general.

The Company's functional currency is the euro.

At the general meeting held on October 25, 2019 the Company's shareholders resolved to increase capital through a public offering of shares paid with monetary contributions in order to increase the Company's shareholders' equity by a maximum effective amount of 30M euros (nominal amount + share premium). It was also resolved to make a request for all Company outstanding shares to be traded on the Alternative Stock Market (MAB; Growth Company Segment: MAB-EE by its acronym in Spanish, currently BME Growth Bolsas y Mercados Españoles), specifically shares issued within the public offering framework. Said capital increase was approved on November 21, 2019 by the Company's Board of Directors (Note 13), and shares were admitted to trading on the MAB-EE on that same date.

## 2. Basis of presentation of the interim financial statements

The Company's interim financial statements at June 30, 2023 have been prepared in accordance with the regulatory framework for financial information applicable to the Company and established by Spanish GAAP, which were passed by Royal Decree 1514/2007 of November 16, and amended several times since publication (last time through Royal Decree 1/2021, of January 12), and enacting regulations, as well as prevailing mercantile law, and, should no disagreement with the former exist, by Royal Decree 437/1998 of March 20, approving the electricity sector adaptation standards.

HOLALUZ-CLIDOM, S.A. is the parent company of the Holaluz Group, as it wholly owns the share capital of its subsidiaries. The interim consolidated financial statements for the period ended June 30, 2023 have been authorized for issue by the Company's Directors.

Since November 2019, the Company shares have been traded on BME Growth (formerly MAB); Growth Company Segment (see Note 13).

a) True and fair view

These interim financial statements give a true and fair view of the Company's equity and financial position at June 30, 2023, as well as the results of its operations, changes in equity and cash flows for the period comprised between January 1 and June 30, 2023 and have been prepared from the Company's accounting records.

b) Going concern principle

At June 30, 2023, the Company shows negative working capital amounting to 9,002 thousand euros (negative working capital amounting to 14,613 thousand euros at December 31, 2022). However, the Company has undrawn credit and other financing facilities amounting to 16,934 thousand euros at June 30, 2023. This situation, together with cash projections for the rest of the year 2023, which also consider the materialization in the short term of the PPAs (purchases of electricity at a fixed price that are not recorded in the balance sheet in accordance with prevailing regulations), which at the closing of these interim financial statements were valued at 15,609 thousand euros, allows the Company's Board of Directors to prepare the interim financial statements under the going concern principle.

c) Comparison of information

In accordance with prevailing mercantile legislation, for comparative purposes, the figures for the year ended December 31, 2022 have been included for each item of the balance sheet and the statement of changes in equity. For comparative purposes, the figures for the 6-month period ended June 30, 2022 have been included for each item of the income statement and the cash flow statement. The explanatory notes to the financial statements also include quantitative and qualitative information at said dates, presented in the balance sheet or the income statement, as appropriate, except where disallowed by an accounting standard.

d) Accounting principles

The Company's interim financial statements at June 30, 2023 were prepared in accordance with the generally accepted accounting principles and measurement standards described in section 3 to the explanatory notes. All mandatory accounting principles have been applied.

e) Critical issues concerning the assessment of uncertainty

The Company's Directors are responsible for the information included in these interim financial statements.

The interim financial statements were prepared using estimates made by the Company's Directors to measure the assets, liabilities, and commitments recognized therein. These estimates basically refer to:

- The capitalization and useful lives of property, plant and equipment and intangible assets (Note 3a and 3b).
- The assessment of possible impairment losses on certain assets (Note 3c).
- The fair value of certain financial instruments (Note 3e).
- Provisions for unbilled income from energy supplied to customers and provisions for expenses for the purchase of energy and cost of tariffs pending invoice (Note 3j).

- The estimated projections for assessing the recovery of tax credits related to deductions (Notes 3g and 18).
- Current and non-current accrued expenses and useful lives of contracts with customers (Note 3n).

Although these estimates were made on the basis of the best information available, for the preparation of the interim financial statements at June 30, 2023, events may occur in the future that require prospective adjustments (upwards or downwards) to these estimates in subsequent years.

#### e) Grouping of items and Current/non-current classification of items

Certain items in the balance sheet, the income statement, the cash flow statement, and the statement of changes in equity have been aggregated with other items to make them easier to understand; however, whenever the amounts involved are material, the information is disclosed separately in the related notes.

For items to be classified as current, a maximum period of 1 year from the reporting date of these interim financial statements at June 30, 2023 has been considered.

#### g) Regulatory framework General overview

Electricity sector regulations in Spain are detailed in Law 24/2013, of December 26, 2013 on the Electricity Sector (hereinafter “Electricity Sector Law”), repealing Law 54/1997, of November 27. The most significant matters set out by said Law and subsequent regulations for its implementation are as follows:

- Electrical energy production is carried out in a free market.
- The energy dispatch of power plants is established through a daily market that consists in 24 hourly auctions that match supply with demand. The matching price corresponds to the marginal price of the auctions. Production under the specific remuneration system receives the price resulting from the market and is supplemented by regulated remuneration.
- The transmission, distribution and economic and technical management of the system are considered regulated activities.
- The supply of electricity is fully deregulated and all consumers must contract the supply of electricity with a power marketer. As of July 1, 2009 consumers that meet certain characteristics may choose to contract the supply of electricity with a Marketer of Reference and they will be applied the “voluntary price for the small consumer” tariff. This tariff is linked to the hourly price set in the daily market.
- The tariff chosen by most household consumers is called Voluntary Price for Small Consumers (VPSC), whereas the Last Resort Tariff (LRT) is for vulnerable consumers and for consumers who do not meet the requirements for being entitled to the Voluntary Price for Small Consumers (VPSC) but do not temporarily have an agreement in force with a power marketer in the free market

Access tariffs and electric charges are the same throughout Spain and are collected by the marketers and paid to the distributors and transmitters.

Royal Decree 413/2014 of June 6, regulating the production of electrical energy by means of renewable energy sources, cogeneration and waste.

Royal Decree 15/2018, of October 5, regulating urgent measures for energy transition and consumer protection and modifying and repealing certain terms of the Electricity Sector Law, of Royal Decree 1995/2000, of December 1, regulating the transmission, distribution and commercialization activities, among others, of RD 900/2015, of October 9, regulating the administrative, technical and economic conditions of the supply of electrical energy with self-consumption models, of Law 15/2012, of December 27, on tax measures for energy system sustainability, and of Law 38/1992 of December 28, on Special Taxes. The most significant items established by this regulation are as follows:

- The right to consume electrical energy without charges is recognized, as well as shared supply by one or several consumers to take advantage of the economies of scale and administrative and technical procedures for small-power facilities are simplified.
- Self-consumed energy of a renewable, cogeneration and waste origin is exempt from charges and tariffs. Consequently, the charge imposed to self-consumers for the energy generated and consumed in their own facilities, the so-called “sun tax” has been repealed.
- The administrative procedures for facilities of up to 100kW included in the self-consumption without surplus model are simplified, and must exclusively meet the requirements of the corresponding technical regulations and, specifically, the Low-Voltage Electro-technical Regulations. Also, the need to process certain access and connection permits for facilities of less than 15kW included in the self-consumption without surplus model is eliminated. Lastly, self-consumption facilities with less than 100kW power, are exempt from registration in the Administrative Register of Electrical Energy Production Facilities.
- Any consumer is allowed (even if it is not the direct consumer of the market) to purchase power by means of a bilateral agreement with a producer (PPA), driving economy towards decentralization.
- The coverage of the electricity social tariff is extended, so it is now prohibited to cut off the power supply to households adhered to the social tariff with at least a 16 year old minor or with at least one person with a disability equal to or greater than 33%, among others.
- Additionally, the thermal social tariff is created. This is a direct economic aid so that vulnerable households can pay the heating, and hot water bills, among others.

Self-consumption regulations have been developed by Royal Decree 244/2019 of April 5, regulating the administrative, technical and economic terms and conditions of electricity self-consumption.



Royal Decree Law 29/2021 adopting urgent measures on energy to encourage e-mobility, self-consumption and deployment of renewable energies introduced two significant amendments regarding self-consumption:

- It also eliminated the requirement for nearby facilities to be connected in low voltage to distribution and transmission systems through the grid.
- It amended RD 1183/2020 on access and connection to transmission and distribution systems, releasing self-consumption facilities with excess power installed not exceeding 100 kW from having to deposit economic guarantees for processing the connection to the grid.

During the state of emergency comprised between March 14 and June 21, 2020 exceptional social and economic measures were implemented to tackle the social and economic crisis generated by the COVID-19 pandemic that affected the electricity and gas commercialization activity. The main measures established in Royal Decree Law 11/2020 were as follows:

- The coverage of the social tariff was extended to the following consumers: (i) professionals who were entitled to this benefit as a result of total cessation of business or a 75% decrease in turnover in the month prior to applying for the social tariff; (ii) and who also showed joint household income thresholds of 2.5 (childless), 3 (one child) or 3.5 (two or more children) times the IPREM (public indicator of income of multiple effects) at 14 pays.
- Bans on electricity or gas shutoffs at the consumers' usual homes were imposed until April 11, a period that was extended to September 20, 2020 through Royal Decree Law 26/2020.
- Flexible electricity and gas supply contracts for freelancers and companies were offered, with the possibility of fully suspending or amending the contract to change to another option with the same marketer (change in power contracted, daily volume contracted, inclusion into a level of tariffs corresponding to lower consumption...) with no penalty to end consumers.
- Finally, the payment of electricity and gas invoices for invoicing periods comprising days included in the state of emergency was suspended for freelancers and SMEs. This measure freed marketers from the duty to pay the access tariff in these invoices until the end customer paid all invoices, and from settling VAT, Special Tax on Electricity and Tax on Hydrocarbons until six months had passed since the end of the state of emergency.

The lack of a caption for the commercialization of electricity was eradicated by passing Spain's 2021 General State Budget Act 11/2020, whereby RDL 1175/1990 was modified and a caption for the commercialization of electricity activity (151.6) was added that considers a national tax charge for this tax.

As for the Special Electricity Tax, a reform has been introduced whereby the electricity supplied subject to compensation with the surplus hourly energy of the customers adhered to simplified compensation is exempt from this tax.

As for electric tariffs and charges, the Spanish National Markets and Competition Commission (CNMC) approved Circular 3/2020, which establishes the methodology for calculating electricity transmission and distribution tariffs. Furthermore, the Ministry for Ecological Transition and Demographic Challenge approved Royal Decree 148/2021 of March 9, establishing a methodology for calculating electrical system charges, setting a new methodology for charges and tariffs that came into force last **June 1, 2021**.



Additionally, as for the gas industry, the Spanish National Markets and Competition Commission (CNMC) approved Circular 6/2020, which establishes the methodology for calculating electricity transmission and distribution tariffs. Furthermore, the Ministry for Ecological Transition and Demographic Challenge approved Royal Decree 1184/2020 of December 29, establishing the methodologies for calculating gas system charges, regulated remuneration for basic underground storage and fees applied for their use, setting a new methodology for gas charges and tariffs that came into force last October 1, 2021.

To mitigate the rise in the prices of gas and electricity in 2021, Royal Decree Law 12/2021 on urgent energy taxation measures approved to reduce to 10% the tax rate applicable to the value added tax in electricity supply contracts where the power contracted is lower than or equal to 10kW provided that the average arithmetic price of the daily market corresponding to the last calendar month prior to the last day of the billing period is greater than 45€/MWh during the period comprised between June 26 and December 31, 2021. This period was extended to April 30, 2021 through Royal Decree Law 29/2021, of December 21, adopting urgent measures on energy to encourage e-mobility, self-consumption and deployment of renewable energies. The period of validity was extended again to June 30, 2022 through Royal Decree Law 6/2022. Lastly, this period has been extended to December 31, 2022 through Royal Decree Law 11/2022.

Also in this line, Royal Decree Law of September 14, on urgent measures to mitigate the impact of the rise in the prices of natural gas in the gas and electricity retail markets, approved a discount in electric charges for the period comprised between September 16 and December 31, 2021.

Additionally, Decree Law 17/2021 approved an amendment to the tax rate applicable to the excise tax on electricity effective from September 16 to December 31, 2021, which has been reduced from 5.1% to 0.5%, which is the lowest tax rate allowed by EU regulations, provided that the lowest taxation level is not below 0.5 euros per megawatt-hour, if the said electricity is used for professional purposes, and 1 euro per megawatt-hour in the rest of cases. This period was extended to April 30, 2022 through Royal Decree Law 29/2021 and subsequently it was extended again to June 30, 2022 through Royal Decree Law 6/2022. Lastly, this period has been extended to December 31, 2022 through Royal Decree Law 11/2022.

Royal Decree Law 6/2022 effective from March 31, 2022, adopting urgent measures within the Spanish national plan to deal with the economic and social consequences of the war in Ukraine, has adopted measures such as the reduction of electric charges as from March 31, 2022 until the end of the year and has revised the social tariff, in relation to both beneficiaries and the mechanism used to fund it: the social tariff and the co-funding cost of supply and default by highly vulnerable customers is assumed by the entities operating in the electricity industry participating in power supply chain activities, including the production, transmission, distribution and commercialization of electricity, as well as direct consumers.

In addition to the measures indicated above, Royal Decree Law 6/2022 has passed further measures such as reducing the remuneration of the electricity production activity carried out at production facilities that do not emit GHG, amending the obligation to maintain minimum emergency stocks, diversifying natural gas supply, reducing access tariffs by 80% for electro-intensive industry, and revising the special regime (RECORE), among others. All these measures are aimed at mitigating the rise in the prices of electricity and natural gas caused by the war in Ukraine.



Another measure to mitigate the rise in prices has been the one approved through Royal Decree Law 10/2022, which establishes a temporary mechanism, until May 1, 2023 at the latest, for adjusting the production cost of marginal fossil technologies. The amounts corresponding to this adjustment are paid by the consumers that benefit from the said reduction, which in the end results in a lower final price than the one that would be applied should the measure not have been implemented. However, if a hedging instrument was arranged before April 26, 2022, it can be used to exempt related energy from the payment of the adjustment cost.

Also, Royal Decree Law 11/2022 adopts and extends certain measures taken to face the economic and social consequences of the war in Ukraine, to address social and economic vulnerabilities and to stimulate economic and social recovery in the island of La Palma. Among others, the following measures will remain in force until December 31, 2022: extension of taxable base at 0 euros of the Tax on the value of electricity production, flexible gas supply contracts, social tariff discounts, prohibition of cutting off electricity or gas to vulnerable and acutely vulnerable consumers and consumers at risk of social exclusion, and reduction of remuneration of the electricity production activity carried out at production facilities that do not emit GHG. Additionally, revisions of the price of the last resort gas tariff have been extended and the scope of application of the fast-track procedure for processing renewable plants has changed from moderate environmental sensitivity areas to just low environmental sensitivity areas.

Lastly, Royal Decree Law 20/2022, of December 27, on measures for addressing the economic and social consequences of the war in Ukraine and for supporting reconstruction in the island of La Palma and other situations of vulnerability, was passed, extending certain measures previously adopted in the field of energy. Among these measures there is the extension until December 31, 2023 of the reduction in the Value Added Tax (reduced rate at 5%) of deliveries of electricity, natural gas and briquettes or pellets from biomass and tinder used as fuel in heating systems. In the case of electricity, the reduction is limited to EU deliveries, imports and acquisitions of electricity made in favor of: a) holders of electricity supply contracts with contracted power lower than or equal to 10kW regardless of the level of voltage and type of contract, when the average arithmetic price of the daily market corresponding to the last calendar month prior to the last day of the billing period is greater than 45€/MWh; b) holders of electricity supply contracts that are receivers of the electricity social tariff and are recognized as acutely vulnerable consumers and acutely vulnerable consumers at risk of social exclusion; the extension until December 31, 2023 of the reduction in the excise tax on electricity, applying a tax rate of 0.5%; and the extension until December 31, 2023 of taxable income at 0 euros of the Tax on the value of electricity production.



### 3. Recognition and measurement accounting policies

The main recognition and measurement accounting policies applied in the preparation of the interim financial statements at June 30, 2023 are the following:

#### a) Intangible assets

As a general rule, intangible assets are recorded provided that the identifiability criteria is met and are initially measured at acquisition or production cost. Subsequently, they are stated at cost less accumulated amortization and any recognized impairment loss.

Intangible assets are amortized on a straight-line basis over their estimated useful lives and residual values. Amortization methods and periods are reviewed at year end, and adjusted prospectively where applicable. Intangible assets are tested for impairment at least at year end and are written down where applicable.

#### a.1) Industrial property

It is initially measured at acquisition or production cost, including registration and processing costs. It is amortized on a straight-line basis over its useful life (10 years).

#### a.2) Development costs

Technical innovation expenses incurred during the year are recorded in the income statement. However, the Company capitalizes these expenses as an intangible asset provided that the following conditions are met:

- The related assets are specifically itemized by project and costs are clearly established so that they can be distributed over time.
- It is possible to demonstrate the technical feasibility and financial profitability of the project.

They are amortized on a straight-line basis over their useful lives (5 years).

#### a.3) Software

This caption includes the amounts paid for the ownership or use of software programs.

Software programs that meet the recognition criteria are capitalized at their acquisition or production cost. They are amortized on a straight-line basis over a period of three and six years from the date each application is put to use.

Work performed by the Company and capitalized as intangible assets is recorded following the same criteria as for determining the production cost of inventories. Production cost is capitalized with a credit to the costs attributable to the asset in the "Work performed by the Company and capitalized" caption in the income statement.

Software maintenance costs are recognized in the income statement for the year in which they are incurred.

b) Property, plant and equipment

Property, plant and equipment items are measured at acquisition or production cost. Subsequently, they are stated at cost less accumulated depreciation and any recognized impairment loss.

Indirect taxes levied on the acquisition of property, plant and equipment are included only in the acquisition cost when that amount is directly recoverable from the tax authorities.

Expenses incurred for expansion, remodeling or improvements which increase the productivity, capacity, or prolong the useful life of the asset are recorded as an increase in the cost of the assets. Repairs and maintenance expenses are charged to the profit and loss account of the year incurred.

Property, plant and equipment items are depreciated on a straight-line basis over the estimated useful life of the asset in accordance with the following annual percentages:

Property, plant and equipment	Percentage applied	
	30.06.2023	30.06.2022
Technical installations	10%	10%
Furniture	10%	10%
Data processing equipment	25%	25%
Other items	10%	10%

c) Impairment loss on intangible assets and property, plant, and equipment items

Property, plant and equipment items and intangible assets are deemed to be impaired when carrying amount exceeds recoverable value, which is understood to be the higher of fair value less costs to sell and value in use.

The Company assesses at each year end whether there is an indication that a non-current asset or, where applicable, a cash-generating unit may be impaired. If any indication exists, the Company estimates the asset's recoverable amount.

The recoverable amount is the higher of fair value of the asset less cost to sell and value in use. When the carrying amount of an asset exceeds its recoverable amount, the asset is considered impaired. To assess value in use, expected future cash flows are discounted to their present value using risk free market rates, adjusted by the risks specific to the asset. For those assets that do not generate cash inflows that are largely independent of those from other assets or groups of assets, the recoverable amount is determined for the cash-generating unit to which the asset belongs. A cash-generating unit is the smallest identifiable group of assets that generates cash inflows that are largely independent of the cash inflows from other assets or groups of assets.

Impairment loss and its reversion are recognized in the income statement. Impairment loss is reversed only if the circumstances giving rise to it have ceased to exist. Any such reversal is limited to the carrying amount that would have been determined had no impairment loss been recognized for the asset.

d) Operating leases

Operating lease expenses are recognized in the income statement in the year in which they accrue.

Any collection or payment that is made when arranging an operating lease is treated as advance collection or payment, which is allocated to profit or loss over the lease term as the benefits of the leased asset are provided or received.

e) Financial instruments

e.1) Financial assets

Recognition and measurement

At initial recognition, the Company classifies all financial assets into one of the categories listed below, which determines the initial and subsequent measurement methods used:

- Financial assets at fair value through profit or loss
- Financial assets at amortized cost
- Financial assets at fair value through equity
- Financial assets at cost

*Financial assets at fair value through profit or loss*

The Company classifies a financial asset in this category unless it should be classified into one of the other categories.

Financial assets held for trading are classified into this category. The Company considers that a financial asset is held for trading when it meets at least one of the following three circumstances:

- a) It is acquired for the purpose of selling in the near future.
- b) At initial recognition, it is part of a portfolio of identified financial instruments managed together and for which there is evidence of a recent actual pattern of short-term profit-taking.
- c) It is a derivative financial instrument, provided that it is not a financial guarantee contract or has been designated as a hedge.

Additionally, upon initial recognition the Company has the possibility of irrevocably measuring a financial asset at fair value through profit or loss that would otherwise have been included in another category (the “fair value option”). This option is permitted if the Company eliminates a measurement inconsistency or accounting mismatch that would otherwise arise from measuring assets or liabilities on different bases.

The financial assets classified into this category are initially measured at fair value, which unless there is evidence to the contrary, is the transaction price, which is equivalent to the fair value of the consideration paid. Directly attributable transaction costs are recognized in the income statement for the year (that is, they are not capitalized).

Subsequent to initial recognition, the Company measures the financial assets included in this category at fair value through profit or loss (financial profit/loss).



### *Financial assets at amortized cost*

The Company classifies a financial asset in this category, even when it is admitted to trading on an organized market, if the following conditions are met:

- The Company keeps the investment under a management model whose purpose is to receive the cash flows derived from the execution of the contract.

Managing a portfolio of financial assets to obtain contractual cash flows does not mean that all instruments should be held to maturity; they can be managed for that purpose even when they are sold or are expected to be sold in the future. In this regard, the Company considers the frequency, the amount and timetable of sales in prior years, the reasons for these sales and expectations for future sales.

- The contractual characteristics of the financial asset give rise on specified dates to cash flows that are solely collections of principal and interest on the principal amount outstanding. That is, cash flows are inherent to an agreement that is an ordinary or common loan in nature, without prejudice that a zero interest rate or below-market interest rate is agreed for the transaction.

It is considered that this condition is met in the case of a note or basic loan with a specific maturity date and on which the Company receives interest at a floating market rate, and may be subject to a limit. On the contrary, it is considered that this condition is not met in the case of instruments convertible into equity instruments of the issuer, reverse floating rate loans (that is, a rate that carries a spread inversely related to market interest rates) or loans where the issuer can defer payment of interest if that could impact its solvency, with deferred interest not accruing further interest.

In general, trade receivables and non-trade receivables (other receivables) are included in this category.

At initial recognition, financial assets in this category are recognized at fair value, which, unless there is evidence to the contrary, it is considered to be the transaction price, which is equivalent to the fair value of the consideration paid plus directly attributable transaction costs. That is, inherent transaction costs are capitalized.

Nevertheless, trade receivables which mature within less than one year with no specific contractual interest rate, as well as loans to personnel, receivable dividends and called-up payments on equity instruments, the amount of which is expected in the short term, are carried at nominal value when the effect of not discounting cash flows is not significant.

Subsequently, they are measured at amortized cost. Interest is recognized in the income statement (finance income) using the effective interest method.

Receivables maturing within a year that, as explained above, are initially stated at nominal value will continue to be measured at nominal value unless they have become impaired.

In general, when contractual cash flows from a financial asset at amortized cost change because of financial difficulties of the issuer, the Company analyzes whether an impairment loss should be recorded.



### *Financial assets at fair value through equity*

This category includes the financial assets that meet the following conditions:

- The financial instrument is not held for trading and cannot be classified at amortized cost.
- The contractual characteristics of the financial asset give rise on specified dates to cash flows that are solely collections of principal and interest on the principal amount outstanding.

The Company does not apply the option of classifying investments in equity instruments in this category.

At initial recognition, financial assets in this category are recognized at fair value, which, unless there is evidence to the contrary, it is considered to be the transaction price, which is equivalent to the fair value of the consideration paid plus directly attributable transaction costs. That is, inherent transaction costs are capitalized.

They are subsequently measured at fair value without deducting any transaction costs that may be incurred upon disposal. Changes in fair value are recognized directly in equity until the financial asset is derecognized or determined to be impaired at which time the cumulative gain or loss previously recorded in equity is recognized in the income statement.

Impairment losses and foreign exchange gains and losses on monetary assets are recognized in the income statement rather than in equity.

Interest earned is also recognized in the income statement, calculated using the effective interest method, as well as any dividends (finance income).

### *Financial assets at cost*

The Company includes in this category:

- a) Investments in group companies, joint ventures and associates (separate financial statements).
- b) Other investments in equity instruments whose fair value cannot be determined by reference to a quoted price on an active market for an identical instrument or be reliably measured, and derivatives whose underlying assets are these investments.
- c) Hybrid financial assets whose fair value cannot reliably measured, unless they meet the requirements for them to be recorded at amortized cost.
- d) Contributions made as a result of joint account contracts or similar agreements.
- e) Participation loans that accrue contingent interest, either because they are agreed at a fixed or floating interest rate conditional on the fulfilment of a milestone at the borrower (e.g. obtaining profit) or because they are calculated by reference exclusively to the evolution of the borrower's activity.
- f) Any other financial asset that should initially be classified at fair value through profit or loss when fair value cannot be reliably estimated.





Investments included in this category are initially measured at cost, which is equivalent to the fair value of the consideration paid plus directly attributable transaction costs. That is, inherent transaction costs are capitalized.

In the case of investments in group companies, if an investment exists prior to its classification as an investment in a group company, joint venture or associate, cost value is deemed to be the investment's recognized carrying amount immediately prior to the company being classified as such.

Subsequent measurement is also at cost, less any accumulated impairment losses.

Contributions made as a result of joint account contracts and similar agreements shall be measured at cost plus or minus the gain or loss, respectively, attributable to the company as a non-trustee venturer, less any accumulated impairment.

The same principle is applied to participation loans that accrue contingent interest, either because they are agreed at a fixed or floating interest rate conditional on the fulfilment of a milestone at the borrower (e.g. obtaining profit) or because they are calculated by reference exclusively to the evolution of the borrower's activity. If in addition to a contingent interest an irrevocable fixed interest is agreed on, the irrevocable fixed interest is recorded as finance income on an accruals basis. Transaction costs are recorded in the income statement on a straight-line basis over the life of the participation loan.

#### Derecognition of financial assets

The Company derecognizes a financial asset from the balance sheet when:

- The contractual rights to receive cash flows from the asset have expired. In this regard, a financial asset is derecognized when it matures and the Company has received the corresponding amount.
- The contractual rights to the cash flows from the financial asset have been transferred. In this case, the financial asset is derecognized when the risks and rewards incidental to its ownership have been substantially transferred. In particular, in sale transactions under repurchase agreements, factoring or securitizations, the financial asset is derecognized once the Company's exposure to changes in amounts has been compared before and after the transfer, and it has been deduced from the timetable of net cash flows from the transferred asset that the risks and rewards have been transferred.

After analyzing the risks and rewards, the Company derecognizes the financial assets in accordance with the following situations:

- a) The risks and rewards incidental to the ownership of the asset have been substantially transferred. The asset transferred is derecognized from the balance sheet and the Company recognizes the gain or loss on the transaction: the difference between the consideration received, net of attributable transaction costs (including any new asset obtained less any liability assumed) and the carrying amount of the financial asset transferred, plus any cumulative gain or loss directly recognized in equity.

- b) The risks and rewards incidental to the ownership of the asset have been substantially retained by the Company. The financial asset is not derecognized and a financial liability at an amount equal to the consideration received is recorded.
- c) The risks and rewards incidental to the ownership of the asset have neither been substantially transferred nor retained. In this case, there are two possibilities:
  - Control is transferred (the transferee has the practical ability to transfer the asset again to a third party): the assets is derecognized from the balance sheet.
  - Control is not transferred (the transferee has no practical ability to transfer the asset again to a third party): the Company continues to recognize the asset to the extent to which it is exposed to changes in the value of the transferred asset, i.e. due to its continuing involvement, recognizing as well the associated liability.

### Impairment of financial assets

#### *Debt instruments at amortized cost or fair value through equity*

At least at year end, the Company analyzes whether there is objective evidence that a financial asset or group of financial assets with collectively measured similar credit risk characteristics is impaired as a result of one or more events which have occurred following initial measurement and which lead to a reduction or delay in estimated future cash flows due to debtor insolvency.

In the event that there is such objective evidence, impairment losses are calculated as the difference between the book value and the present value of future cash flows, including, where appropriate, estimated future cash flows from the execution of in rem and personal guarantees, discounted at the effective interest rate calculated upon initial recognition. For financial assets carrying floating interest rates, the effective interest rate used is that prevailing at the closing date of these interim financial statements as per the instrument's contractual terms. Impairment losses in groups of financial assets are computed using formula-based approaches and statistical methods.

Impairment losses, and any reversals in a subsequent period when the decrease in the impairment loss can be related objectively to an event occurring after recognition of the impairment, is recognized as an expense or income, respectively, in the income statement. Reversal of impairment is limited to the book value of the asset that would have been recognized on the reversal date had no impairment loss been recognized.

The present value of future cash flows can be substituted by the instrument's market value, provided that this is considered a sufficiently reliable indicator of the amount that could be recovered by the company.

In the case of assets measured at fair value through equity, accumulated impairment losses are recognized in equity as a decrease in fair value, provided that there is objective evidence of impairment, are recognized in the income statement.



#### *Equity instruments at fair value through equity*

In this type of investments, the Company considers that equity instruments are impaired when their value has decreased over 18 months and by 40% of their initial quoted price without having recovered their initial value, without prejudice that an impairment loss may need to be recorded before the said period has ended or the 40% drop has been reached.

Impairment loss and its reversion are recognized as an expense in the income statement.

Should fair value increase, impairment losses recognized in prior years shall not reverse with a credit to the income statement and the increase in fair value shall be recognized directly in equity.

#### *Financial assets at cost*

In this case, the impairment loss is the difference between the carrying amount and the recoverable amount. The recoverable amount is understood to be the greater amount of either the fair value amount less cost to sell or the present value of the cash flows derived from the investment, which for equity instruments are calculated either by estimating the expected flows due to dividend payments made by the investee or the disposal or withdrawal of the investment, or by estimating the participation by the investee in the expected cash flow to be generated, coming from their ordinary activities as well as from disposal or withdrawal of investment. Unless better evidence of the recoverable amount of investments in equity instruments is available, impairment of this type of asset is estimated taking into account the equity of the investee and any unrealized capital gains existing on the measurement date, net of tax effect.

Impairment loss and its reversion are recognized as an expense or as income, respectively, in the income statement. The reversal is limited to the carrying amount that would have been determined had no impairment loss been recognized for the asset.

#### *Interest and dividends received from financial assets*

Interest and dividends from financial assets accrued subsequent to acquisition are recognized as income in the income statement. Interest is recognized using the effective interest method; dividends are recognized when the right to receive them is established.

If distributed dividends are derived unmistakably from profit generated prior to the date of acquisition given that the amounts of distributed dividends exceeded the profit generated by the associate since acquisition, the dividends are not recognized as income and decrease the cost of the investment. Judgment on whether the investee has generated profit shall be based exclusively on the profits recorded in the separate income statement since acquisition date, unless the distribution of the said profit has to be classified undoubtedly as a recovery of the investment from the perspective of the entity receiving the dividends.

e.2) Financial liabilities

Recognition and measurement

At initial recognition, the Company classifies all financial liabilities into one of the categories listed below:

- Financial liabilities at amortized cost
- Financial liabilities at fair value through profit or loss

*Financial liabilities at amortized cost*

The Company classifies all financial liabilities into this category except when they must be measured at fair value through profit or loss.

In general, trade payables (“suppliers”) and non-trade payables (“other creditors”) are included in this category.

Participation loans that have the characteristics of an ordinary or common loan are also included in this category without prejudice that a zero-interest rate or below-market rate is agreed for the transaction.

At initial recognition, financial liabilities in this category are recognized at fair value, which, unless there is evidence to the contrary, is the transaction price, which is equivalent to the fair value of the consideration received adjusted by directly attributable transaction costs. That is, inherent transaction costs are capitalized.

Nevertheless, trade payables which mature within less than one year with no contractual interest rate, as well as called-up payments on shares, the amount of which is expected in the short term, are carried at the nominal value when the effect of not discounting cash flows is not significant.

Subsequently, they are measured at amortized cost. Interest is recognized in the income statement (finance expense) using the effective interest method.

However, payables maturing within a year that in keeping with the description above are initially stated at nominal value shall continue to be measured at nominal value.

Contributions received as a result of joint account contracts and similar agreements shall be measured at cost plus or minus the gain or loss, respectively, that shall be attributed to the non-trustee venturers.

The same principle is applied to participation loans that accrue contingent interest, either because they are agreed at a fixed or floating interest rate conditional on the fulfilment of a milestone at the borrower (e.g. obtaining profit) or because they are calculated by reference exclusively to the evolution of the borrower’s activity. Finance expenses are recognized in the income statement in accordance with the accruals principle, and transaction costs shall be recorded in the income statement in accordance with a financial criterion or, should that not be applicable, on a straight-line basis over the life of the participation loan.

*Financial liabilities at fair value through profit or loss*

In this category the Company includes the financial liabilities that meet one of the following conditions:

- These are liabilities held for trading. A financial liability is considered held for trading if it meets one of the following conditions:
  - o It is issued or assumed mainly for the purpose of repurchasing it in the short term (e.g. bonds or other quoted marketable securities that the company may purchase in the short term based on changes in value).
  - o It is an obligation that short sellers have to deliver the financial assets that have been lent to them (“short selling”).
  - o At initial recognition, it is part of a portfolio of identified financial instruments managed together and for which there is evidence of a recent actual pattern of short-term profit-taking.
  - o It is a derivative financial instrument, provided that it is not a financial guarantee contract or has been designated as a hedge.
- Since initial recognition it has irrevocably been designated as at fair value through profit or loss (“fair value option”), due to the fact that:
  - o An inconsistency or “accounting mismatch” is eliminated or significantly reduced against other instruments at fair value through profit or loss; or
  - o A group of financial assets and/or financial liabilities that is managed and its performance is evaluated on a fair value basis, in accordance with a documented risk management or investment strategy and information about the assets and/ or liabilities is provided internally to the entity's key management personnel.
- Optionally and irrevocably, hybrid financial liabilities with a separable embedded derivative may be entirely included in this category.

The financial liabilities included in this category are initially measured at fair value, which unless there is evidence to the contrary, is the transaction price, which is equivalent to the fair value of the consideration received. Directly attributable transaction costs are recognized in the income statement.

Subsequent to initial recognition, the company measures the financial liabilities included in this category at fair value through profit or loss.

### Derecognition of financial liabilities

The Company derecognizes a previously recognized financial liability when one of the following circumstances occurs:

- The obligation under the liability is extinguished because payment to the creditor for cancelling the debt has been made (through payments in cash or other goods or services) or because the debtor is legally released from any responsibility for the liability.
- Own financial liabilities are acquired, even if the Group intends to resell them in the future.
- An exchange between a borrower and a lender of debt instruments with substantially different terms, recognizing the new financial liability. Similarly, any substantial modification of the terms of an existing financial liability shall also be recognized, as indicated for debt restructuring.

A financial liability is derecognized as follows: the difference between the carrying amount of the financial liability (or the part of it that has been derecognized) and the consideration paid, including any attributable transaction costs, which also has to include any new asset transferred other than cash or liability assumed, is recognized in the income statement in the year to which it relates.

#### f) Hedge accounting

The Company carries out cash flow hedging transactions related to future energy purchases.

Transactions are only designated as hedges when they effectively eliminate any risk inherent to the hedged item or position throughout the duration of the hedge, which means that the hedging item must be deemed highly effective at the inception of the contract (prospective effectiveness) and there must be sufficient evidence that the hedge will be effective throughout the life of the hedge (retrospective effectiveness).

The Company adequately documents its hedges when the hedging relationship is determined, including how they are intended to achieve and measure effectiveness under current risk management policies.

In order to determine whether hedge accounting can be applied, the Company does tests to verify that the differences arising from changes in the value of the hedged item and the corresponding hedging instrument remain within a range of 80% to 125% over the remaining term to maturity, and comply with forecasts established at the related contract dates.

If at any time financial derivatives do not qualify to be treated as hedges, they are reclassified as held-for-trading derivatives.

For measurement purposes, cash flow hedges hedge exposure to variability in cash flows that is attributable to changes in energy purchase prices. Interest rate swaps are used to exchange floating rates for fixed rates. The portion of the gain or loss on the hedging instrument that is determined to be an effective hedge is recognized temporarily in equity; the cumulative gain or loss is reclassified to profit or loss in the year or years in which the hedged transaction affects profit or loss.

At the date these interim financial statements for the period ended June 30, 2023 were prepared, the Company's hedging strategy includes PPAs (Power Purchase Agreements) with producers of renewable plants at a fixed price for an average period of 4.6 years (until 2027) that meet the required conditions.

#### g) Income tax

Since the year 2023, Holaluz Clidom and subsidiaries (Clidom Solar, S.L., Katae Energía S.L., Holaluz Generación S.L, Holaluz Rooftop Revolution S.L, Clidom Generación S.L, Clidom Energía Iberica S.L and Gestión Hidráulica Canarias, S.L) will file a consolidated income tax return, with the company as the parent of the tax group. On December 22, 2022, the company informed the tax authorities of the formation of said tax group.

Income tax paid or received is calculated as the sum of the current income tax paid or received plus the portion corresponding to the deferred tax paid or received.

Current income tax is the amount resulting from applying the tax rate to the tax base for the year, after applying the appropriate tax deductions.

Deferred tax expense or income relates to the recognition and settlement of deferred tax assets and liabilities. These include the temporary differences, measured at the amount expected to be payable or recoverable, between the carrying amounts of assets and liabilities and their tax bases, as well as unused tax loss carryforwards and unused tax credits. These amounts are measured at the tax rates that are expected to apply in the period when the asset is realized or the liability is settled.

Deferred tax liabilities are recognized for all taxable temporary differences, except for those arising from the initial recognition of goodwill or of other assets and liabilities in a transaction that is not a business combination and affects neither accounting nor taxable profit/(loss).

Deferred tax assets are only recognized when the Company considers it probable that future taxable profit will be available against which these assets may be utilized.

To determine the amount of deferred tax assets that can be recognized, the directors estimate the amounts and dates on which future taxable profits will be obtained and the reversion period of taxable temporary differences. Deferred tax assets recognized in the balance sheet at June 30, 2023 amount to 10.49 million euros (12.12 million euros at December 31, 2022), of which 4.26 million euros correspond to 25% of adjustments for changes in value of derivatives, recorded in equity and to be materialized next year, that mature subsequent to year end. In summary, tax loss carryforwards and other temporary differences at June 30, 2023 amount to 6.23 million euros.

Deferred tax assets and liabilities relating to transactions charged or credited directly to equity are also recognized in equity.

Deferred taxes that have been recognized are reviewed at each balance sheet date to verify that they are still applicable, making any necessary adjustments if required. Unrecognized deferred tax assets are reassessed, recognizing them to the extent that it has become probable that taxable profit will be available against which they can be utilized.

#### h) Cash and cash equivalents

This heading includes cash, current accounts, short-term deposits and purchases of assets under resale agreements which meet the following criteria:

- They are readily convertible to cash.
- They mature within less than three months from the acquisition date.
- The risk of change in value is insignificant.
- They are part of the Company's standard cash management strategy.

#### i) Grants

Grants are recognized as non-repayable when the requirements established for receiving them are met and are recognized directly in equity, net of the corresponding tax effect.

Repayable grants are recognized as liabilities until they meet the criterion for being considered non-repayable. No income is recorded until this criterion is met.

Grants received to finance specific expenses are released to the income statement in the year in which the expenses which they are intended to compensate are incurred. Grants received to acquire property, plant, and equipment are released to income in proportion to the depreciation charged for the related assets.

#### j) Provisions and contingencies

In preparing the interim financial statements, the Company's Directors make a distinction between:

##### j.1) Provisions

Liabilities existing at the balance sheet date, arising as a result of past events, the settlement of which is likely to cause an outflow of resources, but which are uncertain as to their amount and/or date of settlement, are recognized in the balance sheet as provisions at the present value of the amount that the Company deems most likely will have to be paid to settle the obligation.

Provisions are quantified on the basis of the best information available at the balance sheet date on the consequences of the event giving rise to them and are reviewed and adjusted at the end of each year.

The financial effect of provisions is recognized as a financial expense on the income statement. No discounts are made on those provisions falling due within twelve months that do not have a significant financial effect.

If it is no longer probable that an outflow of resources will be required to settle an obligation, the provision is reversed.

##### j.2) Contingent liabilities

Possible obligations arising from past events, and whose existence will be confirmed by the occurrence or non-occurrence of one or more future events not wholly within the control of the Company.

The interim financial statements at June 30, 2023 include all provisions when the Company considers that it will more likely than not have to settle related obligations, and are measured at the present value of the best possible estimate of the amount needed to cancel or transfer the obligation to a third party. Contingent liabilities are not recognized in the balance sheet but disclosed in the notes to the financial statements.



k) Related-party transactions

Related-party transactions, independently of the degree of relationship, are recognized in accordance with general regulations, that is, initially at fair value. If the agreed-upon price of a transaction differs from its fair value, the difference is recorded taking into account the economic substance of the transaction. Subsequent measurement follows prevailing accounting regulations.

l) Income and expenses

In the recognition of revenue the Company follows a process consisting in the following stages:

- a) Identifying the contract (or contracts) with the customer, understood as an agreement between two or more parties that creates enforceable rights and obligations.
- b) Identifying the obligation or obligations to be satisfied in the contract, representative of the commitments to transfer goods or render services to a customer.
- c) Determining the transaction price, or consideration of the contract that the Company expects to be entitled to in exchange for the promised transfer of goods or rendering of services to the customer.
- d) Allocating the transaction price to the obligations to be satisfied, which shall be done based on separate selling prices of each good or service promised in the contract or, where appropriate, following an estimate of the selling price when it cannot be observed independently.
- e) Recognizing revenue from ordinary activities when the Company satisfies a promised obligation through the transfer of a good or rendering of a service; the obligation is satisfied when the customer obtains control over the said asset or service and, thus, recognized revenue from ordinary activities shall be the amount allocated to the satisfied contractual obligation.

The Company recognizes revenue from a contract when control over the promised goods or services (that is, the obligation or obligations to be satisfied) is transferred to the customer. For each identified obligation to be satisfied, at inception of the contract the Company determines whether the commitment is met over time or at a point in time.

Income from commitments met over time is recognized based on the stage of completion towards complete fulfillment of contractual obligations provided that reliable information is available to the Company for measuring the stage of completion.

In the event of contractual obligations that are satisfied at a given point in time, income from their execution is recognized at that date. The costs incurred in the production or manufacture of a product are accounted for as inventory.

Ordinary income from the sale of goods and the rendering of services is measured at the monetary amount or, where appropriate, the fair value of the consideration received or receivable. The consideration is the price agreed on for the assets to be transferred to the customer less any discounts, rebates, and other similar items given by the Company, and any interest included in the nominal amount of loans.



In accordance with the accruals principle, income is recognized when control is transferred and expenses are recognized when they arise, regardless of when actual payment or collection occurs.

Income from energy supply is recognized when energy has been delivered to the customer in accordance with available information on the electrical system based on periodic meter readings and, where appropriate, considers an estimate of its accrual and the value of energy/product consumed from the date of available reading to the closing of the period. Estimated daily consumption is based on adjusted historical customer profiles considering seasonality and other measurable factors that affect consumption.

Certain electricity and gas system figures, including those corresponding to other companies used to estimate the overall settlement of the system that shall be materialized in the corresponding final settlements, may affect the determination of the deficit in the settlements of regulated electricity and gas activities in Spain.

Income from representation of renewable energy producers is recorded when this energy is generated, which is notified by Red Eléctrica de España and other official agencies in their respective calculations. These are the best estimates that the company has access to.

Income from installations is recorded when contracts with customers are signed and invoices corresponding to these installations are issued.

Additionally, the company recognizes income from the rendering of services over time as associated costs are incurred.

Income related to dividends is recognized in the income statement when the right to receive them is established. In case distributed dividends are derived from profit generated prior to the date of acquisition they are recognized as a decrease in the carrying amount of the investment. Interest from financial assets is recognized in the income statement using the effective interest method.

#### m) Termination benefits

Under prevailing labor legislation, the Company is bound to pay indemnities for the termination of labor contracts in certain conditions. Reasonably quantifiable termination benefits are recognized as an expense in the year in which the Company has created a valid expectation with respect to third parties that it will assume an obligation.

#### n) Accrual of customer acquisition costs

Until the year ended December 31, 2020 the Company recognized as an intangible asset all costs incurred for obtaining a new contract with a customer only if the Company estimated that these costs would be recovered in the future.

Pursuant to the resolution issued by ICAC on February 10, 2021, since January 1, 2021 the Company has adapted its accounting records and customer acquisition costs are therefore recorded as long- and short-term accruals based on the average life of the contract.

These acquisition costs are those incremental costs that the Company would not have incurred had the contract not been concluded.

As from January 1, 2022, these costs are accrued over a period of about 4 years in accordance with the average life of the contracts that the Company signs with its customers. At each year end Management assesses the period and makes the corresponding amendments prospectively, where appropriate.



Additionally, the Company records these accruals in the income statement under “Other operating expenses”.

p) Inventories

Stocks are valued at acquisition price or production cost. Costs of purchase include the invoice price after deducting any trade discounts, rebates and other similar items, plus all other costs incurred until the goods are available for sale, such as transport, customs, insurance, and others directly attributable to the acquisition of inventory items.

When the net realizable value of inventories is less than acquisition or production cost, the corresponding provision is recognized in the income statement. No provision is set aside for raw materials and other consumables used in production, if the finished products in which they are incorporated are sold above cost.

q) Fair value

Fair value is the price that would be received to sell an asset or paid to transfer or cancel a liability in an orderly transaction between market participants at the measurement date. Fair value shall be determined without deducting any transaction costs that may be incurred as a result of derecognition or disposal. The amount a company would receive or pay in a forced transaction, distress sale or involuntary liquidation shall not be considered as fair value.

Fair value is estimated for a certain date and, since market conditions may change over time, fair value may not be appropriate for another date. Additionally, when estimating fair value, the company considers the conditions of the asset or liability that market participants would consider when establishing the price of the asset or liability at the measurement date.

Fair value shall generally be calculated by reference to a reliable market value. Where there is an active market for an item, fair value shall be calculated using models and valuation techniques. For example, by reference to recent arm’s length transactions between knowledgeable, willing parties where available, reference to the fair value of other assets that are substantially the same, or through the use of discounted estimated future cash flow methods or models generally used to measure options.

Valuation techniques are consistent with accepted pricing methodologies used in the market. Where possible, the valuation technique used should be that proven to obtain the most realistic price estimates. They must also take into account the use of observable market data and other factors that its participants would consider when setting prices, and limit as far as possible the use of subjective considerations and non-observable or non-verifiable data.

The Company shall periodically evaluate the effectiveness of the valuation techniques used, by reference to observable prices of recent transactions involving the same asset as that being measured, or using prices based on any available and applicable observable market data or indices.



Thus, a hierarchy in the inputs used in determining fair value is deduced and a fair value hierarchy is established in order to classify estimates into three levels:

- Level 1: estimates that use unadjusted quoted prices in active markets for identical assets or liabilities that the company can access at the measurement date.
- Level 2: estimates that use quoted prices in active markets for similar instruments or other valuation methods for which the relevant inputs are based on directly or indirectly observable market data.
- Level 3: estimates in which significant inputs are not based on observable market data.

A fair value estimate is classified into the same level of the fair value hierarchy as the lowest level input that is significant to the results of the valuation. To that effect, a significant input is an input that has decisive influence on the results of the estimate. When assessing the significance of a specific input to the estimate, specific conditions of the asset or liability being measured are considered.

r) Treasury shares

Treasury shares are recognized in equity as a decrease in “Capital and reserves” when acquired. No loss or gain is shown in the income statement on sale or cancelation. Income and expenses incurred in connection with transactions with treasury shares are recognized directly in equity as a decrease in reserves.

#### 4) Intangible assets

At June 30, 2023 and December 31, 2022, the movements in Intangible Assets are as follows:

	Balance at December 31, 2022	Investments and Charge for the year	Transfers and other	Disposals	Balance at June 30, 2023
<b>Cost</b>					
Industrial property	15,950	-	-	-	15,950
Development costs	37,282,928	3,243,349	-	-	40,526,277
Software	1,280,759	-	-	-	1,280,759
Other intangible assets	397,479	179,413	-	-	576,892
<b>Total</b>	<b>38,977,116</b>	<b>3,422,762</b>	-	-	<b>42,399,878</b>
<b>Accumulated amortization</b>					
Industrial property	-14,839	-97	-	-	-14,936
Development costs	-15,015,928	-3,389,319	-	-	-18,405,247
Software	-1,149,879	-23,824	-	-	-1,173,703
Other intangible assets	-8,087	-27,654	-	-	-35,741
<b>Total</b>	<b>-16,188,733</b>	<b>-3,440,894</b>	-	-	<b>-19,629,627</b>
<b>NET TOTAL</b>	<b>22,788,383</b>	<b>-18,132</b>	-	-	<b>22,770,251</b>

	Balance at December 31, 2021	Investments and Charge for the year	Transfers and other	Disposals	Balance at December 31, 2022
<b>Cost</b>					
Industrial property	15,950	-	-	-	15,950
Development costs	24,781,745	12,501,183	-	-	37,282,928
Software	1,273,259	7,500	-	-	1,280,759
Other intangible assets	-	397,479	-	-	397,479
<b>Total</b>	<b>26,070,954</b>	<b>12,906,162</b>	-	-	<b>38,977,116</b>
<b>Accumulated amortization</b>					
Industrial property	-14,644	-195	-	-	-14,839
Development costs	-9,562,075	-5,453,853	-	-	-15,015,928
Software	-1,064,307	-85,572	-	-	-1,149,879
Other intangible assets	-	-8,087	-	-	-8,087
<b>Total</b>	<b>-10,641,026</b>	<b>-5,547,707</b>	-	-	<b>-16,188,733</b>
<b>NET TOTAL</b>	<b>15,429,928</b>	<b>7,358,455</b>	-	-	<b>22,788,383</b>

##### 4.1. Significant movements

Additions in intangible assets recorded during the period between January 1 and June 30, 2023 include the capitalization of work carried out by the Company amounting to 2,210,735 euros (4,743,586 euros at December 31, 2022) and are part of the new technological innovation project (2-year period 2023-24) related to the vertical integration of all the solar business processes, including VPP (virtual power plants) projects and flexible assets (EV chargers and batteries) and the consolidation of the billing by charge project (Fair Tariff) launched in 2022. This project also includes developments by external technology consulting firms amounting to 1,032,614 euros at June 30, 2023 (7,757,597 euros at December 31, 2022).



Based on a unique strategy of two businesses, installation of solar panels and energy management, Holaluz seeks to create the largest green energy community in Europe. The objective is to build a green ecosystem in houses transforming rooftop square meters into locally-sourced 100% renewable electricity producers and optimizing efficiency in household facilities through flexible assets such as electric vehicles chargers and batteries. The generation model proposed by Holaluz maximizes the potential of each rooftop, making it possible through the development of own technology and the use of data to distribute the energy exceeding the self-consumption of the owner of the solar panels to other users, thus democratizing the access to green locally-sourced energy.

The aim is to contribute to dismantling fossil fuel power plants and building the power grid of the future:

- Electricity is produced and consumed in houses through solar panels and batteries, which guarantees savings in market prices and fixed costs of the system (transport, distribution, etc.).
- Excess is transferred to the local grid so that other customers with no rooftop can benefit from green, cheap locally-sourced electricity with no transport or distribution costs.
- Flexible assets such as batteries and electric vehicle chargers allow customers to use green locally-sourced energy during the whole day at low fixed costs.

A holistic vision of energy management that consolidated the company's position as a key asset in the solar segment.

#### 4.2. Other information

The gross value of fully amortized intangible assets still in use is as follows:

<b>Account</b>	<b>Balance at 30.06.2023</b>	<b>Balance at 31.12.2022</b>
Development costs and Software	6,501,694	4,486,908
Industrial property	14,000	14,000
<b>Total</b>	<b>6,515,694</b>	<b>4,500,908</b>

At June 30, 2023 and December 31, 2022, no intangible assets have been acquired from group companies. No intangible assets are located outside of Spain.

## 5) Property, plant and equipment

At June 30, 2023 and December 31, 2022, the movements in Property, plant and equipment are as follows:

Cost	Balance at December 31, 2022	Investments and Charge for the year	Transfers and other	Disposals	Balance at June 30, 2023
Data processing equipment	1,197,067	44,202	-	-	1,241,269
Installations	846,768	6,344	-	-	853,112
Furniture and office equipment	201,726	4,238	-	-	205,964
<b>Total</b>	<b>2,245,561</b>	<b>54,784</b>	<b>-</b>	<b>-</b>	<b>2,300,345</b>
<b>Accumulated depreciation</b>					
Data processing equipment	-542,993	-110,091	-	-	-653,084
Installations	-238,815	-42,179	-	-	-280,994
Furniture and office equipment	-53,748	-10,683	-	-	-64,431
<b>Total</b>	<b>-835,556</b>	<b>-162,953</b>	<b>-</b>	<b>-</b>	<b>-998,509</b>
<b>NET TOTAL</b>	<b>1,410,005</b>	<b>-108,169</b>	<b>-</b>	<b>-</b>	<b>1,301,836</b>

Cost	Balance at December 31, 2021	Investments and Charge for the year	Transfers and other	Disposals	Balance at December 31, 2022
Data processing equipment	635,236	561,831	-	-	1,197,067
Installations	489,600	357,168	-	-	846,768
Furniture and office equipment	131,349	70,377	-	-	201,726
<b>Total</b>	<b>1,256,185</b>	<b>989,376</b>	<b>-</b>	<b>-</b>	<b>2,245,561</b>
<b>Accumulated depreciation</b>					
Data processing equipment	-372,719	-170,274	-	-	-542,993
Installations	-175,810	-63,005	-	-	-238,815
Furniture and office equipment	-36,195	-17,553	-	-	-53,748
<b>Total</b>	<b>-584,724</b>	<b>-250,832</b>	<b>-</b>	<b>-</b>	<b>-835,556</b>
<b>NET TOTAL</b>	<b>671,461</b>	<b>738,544</b>	<b>-</b>	<b>-</b>	<b>1,410,005</b>

### 5.1 Significant movements

Additions in new data processing equipment have been acquired for the renewal of laptops and other computer equipment, as a result of an increase in the Company's staff in the last few months.

## 5.2 Other information

The gross value of fully amortized intangible assets still in use is as follows:

<b>Account</b>	<b>Balance at 30.06.2023</b>	<b>Balance at 31.12.2022</b>
Data processing equipment	358,864	304,082
Furniture and other property, plant and equipment items	2,757	2,757
<b>Total</b>	<b>361,621</b>	<b>306,839</b>

It is Company policy to take out the insurance policies necessary to cover the potential risks to which its property, plant, and equipment items are exposed. At June 30, 2023 and December 31, 2022 these potential risks were fully covered by the insurance.

At June 30, 2023 and December 31, 2022 there are no property, plant and equipment items acquired from group companies. No property, plant and equipment items are located outside of Spain.

## 6) Leases and similar arrangements

### 6.1 Operating leases

The operating lease payments recognized as expenses at June 30, 2023 compared to the interim financial statements for the period ended June 30, 2022 are as follows:

<b>Description</b>	<b>Balance at 30.06.2023</b>	<b>Balance at 30.06.2022</b>
Lease expenses	432,568	297,167
<b>Total</b>	<b>432,568</b>	<b>297,167</b>

According to the current contracts in force, the Company's future non-cancelable minimum operating lease payments that may be updated in the future based on the evolution of CPI are as follows:

<b>Maturity</b>	<b>Balance at 30.06.2023</b>	<b>Balance at 31.12.2022</b>
Within one year	930,892	906,380
Between one and five years	1,208,510	1,606,730
More than five years	-	-
<b>Total</b>	<b>2,139,402</b>	<b>2,513,110</b>

The Company entered into a lease arrangement on its head offices on September 1, 2017 that expires in December 2024.

On November 19, 2021, a new rental agreement was signed, maturing in December 2026, for extending the said offices.



## 7) Non-current investments in group companies and associates

The breakdown and movements in 2023 are as follows:

	Balance at December 31, 2022	Additions	Disposals	Balance at June 30, 2023
Equity instruments	5,038,665	2,050,000	-	7,088,665
<b>TOTAL</b>	<b>5,038,665</b>	<b>-</b>	<b>-</b>	<b>7,088,665</b>

The breakdown and movements in 2022 are as follows:

	Balance at December 31, 2021	Additions	Disposals	Balance at December 31, 2022
Equity instruments	3,863,665	1,175,000	-	5,038,665
<b>TOTAL</b>	<b>3,863,665</b>	<b>1,175,000</b>	<b>-</b>	<b>5,038,665</b>

On December 23, 2019 and January 4, 2021 two financing transactions were carried out with Clidomer, which was granted two participation loans amounting to 300,000 euros and 150,000 euros, respectively. These amounts were increased by 700,000 euros. Consequently, the loans total 1,150,000 euros. Within the context of Portuguese legislation and after being approved at the meeting of Clidomer's Board of Directors held on March 30, 2022, the said amount was recorded in the Capital and Reserves heading of the company, recapitalizing it in order to cover losses. On March 29, 2023, the Company's Board of Directors resolved to carry out a capital increase amounting to 2.05 million euros for the subsidiary Clidomer, which have already been paid in.

Following an agreement of its Board of Directors, on March 25, 2021 Holaluz-Clidom carried out a financing transaction with Clidom Italy, which was granted a participation loan amounting to 25,000 euros. Within the context of Italian legislation and after being approved at the meeting of Holaluz-Clidom's Board of Directors held on March 30, 2022, the said amount was recorded in the Capital and Reserves heading of the company, recapitalizing it in order to cover losses.

## 7.1 Significant investments

The information relating to group companies, joint ventures and associates at June 30, 2023 is as follows:

	Net carrying amount	Direct ownership %	Indirect ownership %	Share capital	Reserves	Other Contributions	Retained earnings	Net profit/(loss) 30.06.2023	Total equity
Clidomer Unipessoal	3,210,000	100%	-	3,210,000	-	-	-3,184,515	-2,343,157	-2,317,672
Clidom France	10,000	100%	-	10,000	-	-	-31,485	-323	-21,808
Holaluz Generación	3,000	100%	-	3,000	-	-	-5,894	1,342	-1,552
Clidom Solar	3,000	100%	-	3,000	-	-	-15,395,200	-12,800,665	-28,192,865
Clidom Italia	35,000	100%	-	10,000	-	-	7,095	-	17,095
Clidom Generación	3,000	100%	-	3,000	-	-	-1,201	-	1,799
Rooftop Revolution	3,000	-	100%	3,000	-	-	78,143	150,146	231,289
Katae Energía	-	-	100%	3,010	177,266	-	-619,101	366,348	-72,477
Gestión Hidráulica Canarias	-	-	100%	3,000	35,025	-	-8,567	-3,286	26,172
Clidom Energía Ibérica	3,821,665	100%	-	3,000	-	180,659	2,670,516	-23,826	2,830,349
<b>Total</b>	<b>7,088,665</b>			<b>3,251,010</b>	<b>212,291</b>	<b>180,659</b>	<b>-16,490,209</b>	<b>-14,653,421</b>	<b>-27,499,670</b>

The operating profit/(loss) of the group companies, joint ventures and associates shown in the table above correspond entirely to continuing operations. None of the above companies is listed on the stock exchange.

- Clidomer Unipessoal, LDA is a sole shareholder company domiciled in Lisbon, at Av. Jose Malhoa 16 B. Its main activity is the manufacture, purchase, sale and commercialization of energy and goods inherent to the electricity market.
- Clidom Italia, SRL is a limited liability company domiciled in Milan at via Gabba Fratelli, 4. Its corporate purpose consists in the sale of electricity, gas and other energy products. At the date the interim financial statements at June 30, 2023 were prepared, the company is dormant.
- Clidom France, SARL is a limited liability company domiciled in Paris at Avenue de l'Opera 75001. Its corporate purpose consists in the sale of gas, electricity and other energy products in France. At the date the interim financial statements at June 30, 2023 were prepared, the company is dormant.
- Holaluz Generación, SL (formerly Orwell Power, SL) is a sole shareholder limited liability company domiciled in Barcelona at Passeig Joan de Borbó, 99-101. Its corporate purpose consists in the purchase and sale, even at an international level, production and commercialization of energy in general, natural gas and telecommunications, even their transfer, regardless of their source of generation and production. Its corporate purpose also includes the provision of energy, environmental and telecommunications advisory and engineering services. The company started its activity during the year ended September 30, 2020. Additionally, said subsidiary is the sole shareholder of the company Holaluz Rooftop Revolution, SL.



- Holaluz Rooftop Revolution, SL is a sole shareholder limited liability company domiciled in Barcelona at Passeig Joan de Borbó, 99-101. Its corporate purpose is to provide financial support for private projects consisting in the purchase or installation of solar panels and to grant loans and credits (including consumer loans) and other funding transactions for developing the self-consumption business and distributed generation of energy. Its corporate purpose also consists in transactions or activities related or supplementary to the abovementioned ones or any transactions or activities that are necessary or advisable for the development of these activities or favor their development. This company started its activity in June 2021.
- Clidom Solar, SL is a sole shareholder limited liability company domiciled in Barcelona at Passeig Joan de Borbó, 99-101. Its corporate purpose consists in the purchase and sale, even at an international level, production and commercialization of energy in general, natural gas and telecommunications, even their transfer, regardless of their source of generation and production. It also provides energy, environmental and telecommunications advisory and engineering services. On July 1, 2021 Clidom Solar, SL acquired the company Katae Energía, SL, the corporate purpose of which consists in (i) the promotion of energy efficiency, sensible use of energy and integration of renewable energies, in households and bioclimatic urban spaces, to adopt a sustainable energy system; (ii) the entire construction, repair, restoration, renovation, rehabilitation and maintenance of buildings and civil works, and the intermediation in all types of real estate transactions. This transaction is framed withing the plan for installers in Spain.
- On January 21, 2022 Katae Energía, SL acquired the company Gestión Hidráulica Canarias, SL, which was incorporated on April 13, 2015 and is domiciled in Santa Cruz de Tenerife at Punta de la Vista, 3. Its corporate purpose consists, among others, in the construction, installation and maintenance of solar heating and cooling systems.
- Clidom Generación, SL is a sole shareholder limited liability company domiciled in Barcelona at Passeig Joan de Borbó, 99-101. Its corporate purpose consists in the production or generation of electricity, including the generation of renewable electricity, and the construction, operation and maintenance of production facilities. This activity can be carried out directly or through the acquisition of an ownership interest in special purpose vehicles that own the generation projects. At the date the interim financial statements at June 30, 2023 were prepared, the company is dormant.
- Clidom Energía Ibérica, S.L. (formerly Bulb Energía Ibérica, S.L. Unipersonal) is an electricity marketer focused on households and small- and medium-sized enterprises in Spain which had approximately 23,000 customers at December 2021, the date it was acquired by Holaluz. During 2023 Bulb customers were transferred to Holaluz, which left the subsidiary without customers at 2022 year end. The company is domiciled in Barcelona at Passeig Joan de Borbó 99-101, 08039. Its corporate purpose consists in the commercialization and distribution of electricity from renewable sources.

Accumulated losses by Clidom Solar and Katae are mainly due to the fact that the companies are still in a stage of growth and, consequently, require investments in structure costs, which generate these losses.

The Directors have prepared projections in accordance with the approved business plan and they expect that the situation will be reversed and cash flows will be obtained in the coming years. Thus, they consider that no impairment of ownership interest applies.



## 8) Current and non-current financial investments

### 8.1 Non-current financial investment categories

Financial investments, except for cash and cash equivalents, are classified into the following categories:

Financial assets at amortized cost	Loans, derivatives, and other financial investments	
	Balance at June 30, 2023	Balance at December 31, 2022
Loans to group companies and associates	26,596,196	25,696,196
Other financial assets	271,320	263,720
<b>TOTAL</b>	<b>26,867,516</b>	<b>25,959,916</b>

#### *Loans to group companies and associates*

This caption includes the collection right that the Company holds with the subsidiary Holaluz Rooftop Revolution, SL after the latter started its activity. As mentioned in Note 7.1, this subsidiary's corporate purpose is to provide financial support for private projects consisting in the purchase or installation of solar panels and to grant loans and credits (including consumer loans) and other funding transactions for developing the self-consumption business and distributed generation of energy. The first loans were granted in June 2021. The monthly installments thereof will be paid by the customers in the electricity bill, with Holaluz-Clidom, SA acting as the servicer. Once the installments are received, the servicer (Holaluz-Clidom, SA) will pay the money to the finance company (Rooftop Revolution, SL). The amount pending receipt by the Company to be paid to Holaluz Rooftop Revolution, SL at June 30, 2023, which corresponds to the total amount of loans granted up to that date and pending transfer to the finance company, totals 7.0M euros (7.4M euros at December 31, 2022).

Up to the current date, the parent company has granted participation loans to the subsidiary Clidom Solar for an overall amount of 18.72 million euros to remedy the negative shareholders' equity of the said company.

The rest of the balance is detailed in Note 21.

#### *Other financial assets*

This heading substantially includes the deposit given as a lease guarantee on the offices rental maturing in 2024 amounting to 157 thousand euros at June 30, 2023 (149 thousand euros at December 31, 2022), guarantees at MIBGAS (12 thousand euros) and long-term social contributions in Avalis (28.6 thousand euros) and Cajamar (30 thousand euros), among others.

#### *Derivatives*

The "Derivatives" balance at June 30, 2023 is commented on in Note 16.

## 8.2 Current financial investment categories

Current financial investments are classified based on the following categories:

Financial assets at amortized cost	Loans, derivatives, and other financial investments	
	Balance at June 30, 2023	Balance at December 31, 2022
Loans to group companies and associates	591,208	-
Other financial assets	1,096,726	2,766,349
<b>TOTAL</b>	<b>1,687,934</b>	<b>2,766,349</b>

### *Derivatives*

The “Derivatives” balance at June 30, 2023 is commented on in Note 16.

### *Other financial assets*

As at December 31, 2022, this heading includes deposits given as guarantees to the electricity and gas market operators.

## 9) Trade and other receivables

The breakdown of “Trade and other receivables” corresponding to financial assets at amortized cost is as follows:

	June 30, 2023	December 31, 2022
<b>Trade and other receivables</b>		
Trade receivables for sales and services	38,657,908	50,682,197
Trade receivables from group companies and associates	39,450,934	12,306,928
Other receivables	20,769,594	45,203,038
Receivable from employees	59,436	64,935
Current income tax assets	12,529	22,782
Other receivables from Public Administrations	5,148,772	8,511,303
<b>TOTAL</b>	<b>104,099,173</b>	<b>116,791,183</b>

At June 30, 2023, the balances related to electricity sales pending invoice included in “Trade receivables for sales and services” amount to 23.0 million euros (34.0 million euros at December 31, 2022) and correspond to energy supplied during June, which is invoiced to customers during the first business days of the following month (in this case, July 2023). The Company's operations for billing the electricity commercialization activity consist in issuing invoices for the amount of electricity and gas consumed during the calendar month and sending the corresponding invoices to customers during the first days of the following month.

Other receivables basically correspond to balances pending receipt from OMIE (9.7 million euros) and outstanding settlements of derivatives (6.6 million euros).

The balance of receivables from public administrations amounting to 5.1 million euros is commented on in Note 18.

## 9.2 Impairment losses arising from credit risk

The balance of “Trade receivables for sales and services” is presented net of impairment losses. The movements in impairment losses are as follows:

	June 30, 2023	December 31, 2022
<b>Impairment losses due to credit risk</b>		
Opening impairment losses	-14,857,622	-5,574,343
Impairment losses	-5,339,272	-9,283,279
Derecognition and reductions	-	-
<b>Total</b>	<b>-20,196,894</b>	<b>-14,857,622</b>

## 10) Inventories

At June 30, 2023 and December 2022 there were no firm commitments to purchase inventories.

The breakdown of inventories at June 2023 and December 2022 is as follows:

	June 30, 2023	December 31, 2022
Commercial inventories	1,273,645	7,805,294
Prepayments to suppliers	-	1,180,306
<b>Total</b>	<b>1,273,645</b>	<b>8,985,600</b>

The balance of commercial inventories at June 30, 2023 corresponds to gas inventories amounting to 1.3 million euros (7.8 million euros at December 31, 2022). However, as the gas business was discontinued in the last quarter of 2022, the Company must keep a minimum level of inventory (a calculation made based on the gas customer portfolio for the past 12 months) until April 2023, when it will be able to sell this mandatory minimum stock. During the first half of 2023 part of the gas stock was sold as there is no customer portfolio for its consumption.

Impairment losses on inventories are recorded based on the decrease in the market price of certain raw materials that will not be recovered from the sale of finished products. At 2022 year end the Group has no impaired inventories.

## 11) Accruals

Current and non-current accruals include customer acquisition costs. The movement for the year is as follows:

	Balance at December 31, 2022	Additions	Accruals income statement	Transfers	Balance at June 30, 2023
<b>Non-current</b>					
Customer acquisition costs	18,376,562	1,522,059	-	-5,991,689	13,906,932
<b>Total</b>	<b>18,376,562</b>	<b>1,522,059</b>	<b>-</b>	<b>-5,991,689</b>	<b>13,906,932</b>
<b>Current</b>					
Customer acquisition costs	10,919,209	468,326	-7,006,979	5,991,689	10,372,245
<b>Total</b>	<b>10,919,209</b>	<b>468,326</b>	<b>-7,006,979</b>	<b>5,991,689</b>	<b>10,372,245</b>
<b>TOTAL</b>	<b>29,295,771</b>	<b>1,990,385</b>	<b>-7,006,979</b>	<b>-</b>	<b>24,279,177</b>

### *Current accruals*

Current accruals include, in addition to the customer acquisition costs broken down above, the following unaccrued expenses at year end:

- Sales commissions for an amount of 1,732 thousand euros (1,656 thousand euros at December 31, 2022) for annual customer contracts.
- Insurance premiums amounting to 232 thousand euros (206 thousand euros at December 31, 2022).
- Other general expenses amounting to 2,239 thousand euros (641 thousand euros at December 31, 2022).

## 12) Cash and cash equivalents

The breakdown of this caption at June 30, 2023 and December 31, 2022 is as follows:

	June 30, 2023	December 31, 2022
<b>Cash and cash equivalents</b>		
Cash	972	972
Demand current accounts	4,944,885	9,493,874
<b>Total</b>	<b>4,945,857</b>	<b>9,494,846</b>

Current accounts earn market interest rates.

Cash and cash equivalents are unrestricted.

### 13) Equity

#### 13.1 Share capital and Treasury shares

At December 31, 2020, the Company's share capital amounted to 617,385 euros and consisted of 20,579,484 shares with a nominal value of 0.03 euros each, fully subscribed and paid in.

On September 30, 2021, given the chance of carrying out potential acquisitions of electricity marketers, arisen as a result of the upward trend in the wholesale market electricity prices, and thus speed up its organic growth plan, Holaluz entered into a subordinated financing transaction convertible into Company shares for the amount of 11.36 million euros, whose conversion was approved by the shareholders at the general meeting held on November 9, 2021, through the corresponding capital increase for the same amount.

On December 10, 2021, the Company's board of directors, pursuant to the authorization granted by the shareholders in general meeting, and following the board of director's report, resolved to increase capital through monetary contributions waiving pre-emptive subscription rights, for an effective aggregate amount of 7,499,990.04 euros (aggregate nominal amount of 16,292.52 euros and aggregate share premium of 7,483,697.52 euros). Additionally, the Company's board of directors resolved to carry out the capital increase by issuing and putting into circulation 543,084 ordinary Company shares, of the same class and series as currently outstanding shares, represented by book entries. The shares are issued at a nominal unit value of 0.03 euros plus a share premium of 13.78 euros per share, giving an effective issue rate of 13.81 euros per share. The board of director's agreement envisaged the possibility that the capital increase may be subscribed incompletely and delegates the power to some board directors of establishing the final terms and conditions of the capital increase, among others. On December 28, 2021, a capital increase of 6,699,990.55 euros was carried out (aggregate nominal amount of 14,554.65 euros and aggregate share premium of 6,685,435.90 euros), declaring the subscription incomplete in the amount of 799,999.49 euros. Thus, the capital increase was carried out by the issuance and putting into circulation of 485,155 new ordinary Company shares. This capital increase was subscribed by three qualified investors: Abacon Invest GmbH, Pelion Green Future Alpha GMBH and MDR Inversiones, S.L.

As a result of these transactions, since December 2021 the Company's share capital has amounted to 656,661.57 euros, fully subscribed and paid in, and consists of 21,888,719 ordinary shares with a par value of 0.03 euros each. There have been no changes in 2023.

All Company shares, including the new ones, are ordinary shares and bear the same voting and dividend rights.

The breakdown of legal entities which hold an ownership interest greater than 10% in the Company is as follows:

	June 30, 2023	December 31, 2022
Axon Capital e Inversiones	16.81%	16.81%



### 13.2 Legal reserve

Under the revised text of the Spanish Capital Companies Law, 10% of net profit for each year must be transferred to the legal reserve until the balance of this reserve reaches at least 20% of the share capital. The legal reserve may be used to increase capital in an amount equal to the portion of the balance that exceeds 10% of capital after the increase. Otherwise, until it exceeds 20% of share capital and provided there are no sufficient available reserves, the legal reserve may only be used to offset losses.

At June 30, 2023, the legal reserve is funded by 18.80%.

### 13.3 Reserves and share premium

The balance of the share premium account can be freely distributed except for the amount under “Losses from prior years”.

### 13.4 Transactions with treasury shares

Treasury shares at June 30, 2023 account for 0.31% of the Company’s share capital (0.28% at December 31, 2022) and amount to 67,195 shares (61,226 shares at December 31, 2022), at an average acquisition price of 5.94 euros per share.

The number of treasury shares in the Company has been changing based on the purchase and sale of shares in the market. The losses from this change have been recorded against reserves.

## 14) Non-current and current payables

Non-current payables are classified based on the following categories:

	Bank borrowings		Other items	
	Balance at June 30, 2023	Balance at December 31, 2022	Balance at June 30, 2023	Balance at December 31, 2022
<b>Financial liabilities at amortized cost</b>	17,645,673	23,267,096	-	-
<b>TOTAL</b>	<b>17,645,673</b>	<b>23,267,096</b>	-	-

At June 30, 2023 non-current payables amounting to 17.6 million euros (23.3 million euros at December 31, 2022) include:

- 12.6 million euros corresponding to capital pending repayment on ICO loans taken out by the Company in 2020 and 2021 within programs launched by the Government to mitigate the effect of COVID on Spanish companies.
- 5.0 million euros (10.7 million euros at December 31, 2022) corresponding to ICO credit facilities taken out by the Company. They correspond to the amounts drawn down on these credit facilities at year end. The credit facilities total 23 million euros.

No new non-current loans have been taken out in 2023.

The breakdown of “Derivatives” is commented on in Note 16.



Current payables are classified based on the following categories:

	Bank borrowings		Other items	
	Balance at June 30, 2023	Balance at December 31, 2022	Balance at June 30, 2023	Balance at December 31, 2022
<b>Financial liabilities at amortized cost</b>	34,255,642	40,604,261	26,727,210	8,080,672
<b>TOTAL</b>	<b>34,255,642</b>	<b>40,604,261</b>	<b>26,727,210</b>	<b>8,080,672</b>

At June 30, 2023 current payables amounting to 34.26 million (40.6 million at December 31, 2022) include:

- 2.6 million euros corresponding to capital pending repayment on ICO loans taken out by the Parent Company in 2020 and 2021 within programs launched by the Government to mitigate the effect of COVID on Spanish companies.

During the year 2023 two loans maturing in the short-term have been taken out to pay taxes for an amount of 500 thousand euros each, which had been fully repaid at the closing date of these interim financial statements.

- 1.5 million euros (4.8 million euros at December 31, 2022) corresponding to ICO credit facilities taken out by the Parent Company. They correspond to the amounts drawn down on these credit facilities at year end.
- 13.3 million euros corresponding to ordinary and ICO reverse factoring agreements taken out by the Company. They correspond to the amounts drawn down on these reverse factoring agreements at year end. From the total amount drawn down, 7 million correspond to ICO agreements maturing in 2026. However, this is a short-term product.
- 10.7 million euros (13.0 million euros at December 31, 2022) corresponding to a SEPA financing. The Company issues the power bill to every customer at the end of the month and sets up a direct debit for it to be charged during the first days of the following month. At the end of the month, since all the bills have been issued, a SEPA financing remittance is issued. Its limit amounts to 13 million euros and matures within 3-4 business days, as the debt is automatically repaid to the bank once the billed amount is received from the customer. Consequently, the 13.3 million euros drawn down at June 30, 2023 were repaid during the first business days of July 2023. Setting up a direct debit during the first business days of the following month makes it possible to minimize debt repayments.
- 6.2 million euros of VAT financing pending receipt from the tax authorities. As indicated in the Regulatory framework note to the financial statements, since June 2022 all bills issued to customers of the Company whose contracted power is lower than or equal to 10kW are added 5% VAT (10% for the period between June 2021 - June 2022, and 21% before that). In turn, all invoices received from suppliers include 21% VAT. Consequently, the Company generates refundable VAT of approximately 2 million euros on a recurring monthly basis that the Spanish tax authorities refund within a period of about 150 days. Since January 2023, the companies Holaluz-Clidom, SA, KATAE Energía SL and Clidom Solar SL have formed a Single VAT Group (see Note 18 on tax matters), thus allowing them to offset positive and negative settlements and reduce the net profit/(loss) to be refunded from the Spanish tax authorities. As soon as the Government decides to set output VAT at 21% again (currently extended until December 2023), these recurring settlements to be refunded by the Spanish tax authorities will decrease. The Company has a VAT financing facility of 20 million euros, from which 6.2 million euros have been drawn down at June 30, 2023 (this facility had not



been drawn down at December 31, 2022 since the tax authorities had refunded the whole amount at that date).

#### Green Commercial Paper Notes Program

On November 21, 2022 BME’s Fixed-Income Market (MARF) registered the first Green Commercial Paper Notes Program of Holaluz-Clidom, SA amounting to 100 million euros. Through this program, the Company expects to have flexible access to qualified investors over the next twelve months, within a strategy to diversify its funding sources. Holaluz has structured the commercial paper notes issued under these Green Commercial Paper Notes Program so that they are considered a green instrument in accordance with the Holaluz Green Finance Framework, whereby the company can issue notes and commercial paper notes in accordance with the Green Bond Principles 2021 and take out financing agreements in accordance with the Green Loan Principles 2021 of the International Capital Markets Association (ICMA). To that end, Holaluz has obtained a favorable opinion from Sustainalytics, which confirms that the Holaluz Green Finance Framework is aligned with the four core ideas integrating both Principles. During the first half of 2023 no new commercial paper notes have been issued. From the 26.7 million euros classified as “Other”, 26.5 million euros correspond to said commercial paper notes issued on MARF (an outstanding balance of 6.5 million euros at December 31, 2022 and maturing in January 2023).

The breakdown of “Derivatives” is commented on in Note 16.

#### 14.1 Classification by maturity

The breakdown by maturity of the loans, with fixed or determinable maturity, at June 30, 2023 and December 31, 2022, is as follows:

<b>June 30, 2023</b>	<b>2023</b>	<b>2024</b>	<b>2025</b>	<b>2026</b>	<b>Subsequent years</b>	<b>TOTAL</b>
Bank loans	2,624,552	4,982,257	4,622,354	2,422,212	560,617	15,211,992
<b>TOTAL</b>	<b>2,624,552</b>	<b>4,982,257</b>	<b>4,622,354</b>	<b>2,422,212</b>	<b>560,617</b>	<b>15,211,992</b>

The 15.2 million euros outstanding at June 30, 2023 mainly correspond to ICO loans, whose initial capital amounted to 20.3 million euros: 2.6 million euros as current and the rest of the amount as non-current.

<b>December 31, 2022</b>	<b>2023</b>	<b>2024</b>	<b>2025</b>	<b>2026</b>	<b>Subsequent years</b>	<b>TOTAL</b>
Bank loans	4,627,928	5,018,674	4,603,608	2,372,459	571,825	17,194,494
<b>TOTAL</b>	<b>4,627,928</b>	<b>5,018,674</b>	<b>4,603,608</b>	<b>2,372,459</b>	<b>571,825</b>	<b>17,194,494</b>

## 14.2 Other information

The breakdown of bank borrowings by item is as follows:

<b>June 30, 2023</b>			
	<b>Limit (*)</b>	<b>Current</b>	<b>Non-current</b>
Bank loans	20,350,000	2,624,552	12,587,440
Credit facilities	22,950,000	1,453,838	5,058,233
VAT financing facilities	20,000,000	6,176,210	-
Factoring, reverse factoring and funded payments	13,770,000	13,273,751	-
Bills discounted	13,000,000	10,668,356	-
Credit cards	258,000	58,936	-
<b>TOTAL</b>	<b>90,328,000</b>	<b>34,255,642</b>	<b>17,645,673</b>

(\*) In the case of bank loans, initial amount obtained.

<b>December 31, 2022</b>			
	<b>Limit (*)</b>	<b>Current</b>	<b>Non-current</b>
Bank loans	22,390,744	4,627,928	12,566,566
Credit facilities	25,950,000	4,830,124	10,700,530
Factoring, reverse factoring and funded payments	23,770,000	18,045,743	-
Bills discounted	13,000,000	12,999,500	-
Credit cards	139,900	100,966	-
<b>TOTAL</b>	<b>85,250,644</b>	<b>40,604,261</b>	<b>23,267,096</b>

(\*) In the case of bank loans, initial amount obtained.

Additionally, the Company has lines of security interests and guarantees that have been granted by several financial institutions for an overall amount of 46.55 million euros:

- 30 million euros of surety lines, from which 21.6 million euros have been drawn down at June 30, 2023 (18 million euros at December 31, 2022). The increase in the amount drawn down is due to the natural evolution of business.
- 16.5 million euros of bank guarantees, from which 14.5 million euros have been drawn down at June 30, 2023 (15.7 million euros at December 31, 2022).

Security interests, both sureties and bank guarantees, are given to energy suppliers (producers of renewable energies with whom the Company enters into power purchase agreements - PPAs) and market operators (OMIE, REE, MIGBAS, etc.) to be able to purchase and commercialize energy.

The interest rate paid by the Company related to bank borrowings is on average Euribor + 3.34% for the first half of 2023 (Euribor + 1.9% at December 31, 2022).

## 15) Trade and other payables

The breakdown of “Trade and other payables” is as follows:

Financial liabilities at amortized cost	June 30, 2023	December 31, 2022
<b>Trade and other payables</b>		
Suppliers	61,084,222	58,725,015
Suppliers, group companies and associates	5,632,912	687,650
Other payables	15,006,944	55,353,629
Employee benefits payable	304,056	1,032,321
Current income tax liabilities	691,794	403,202
Other payables to Public Administrations	3,088,936	817,382
Customer advances	1,663,044	1,868,665
<b>TOTAL</b>	<b>87,471,908</b>	<b>118,887,864</b>

The balance of “Other payables to Public Administrations” is shown in Note 18.

At June 30, 2023 the balances for invoices pending receipt corresponding to supplied electricity included under “Suppliers” amount to 31.9 million euros (24.6 million euros at December 31, 2022), of which 25.0 million euros correspond to invoices pending receipt from the plants (15.6 million euros at December 31, 2022), 4.4 million euros to invoices pending receipt from distributors (6.3 million euros at December 31, 2022) and 1.5 million euros (2.0 million euros at December 31, 2022) to invoices pending receipt from REE (corporation operating the Spanish electricity grid).

### 15.1 Information on the average payment period to suppliers. Additional Provision Three. “Disclosure requirements”, of Spanish Law 15/2010

The information on the average payment period to suppliers is as follows:

	2023	2022
<b>(Days)</b>		
Average payment period to suppliers	52	51
Ratio of transactions paid	63	55
Ratio of transactions outstanding	13	22
<b>(Thousands of euros)</b>		
Total payments made	362,465,143	829,681,831
Total payments outstanding	81,724,077	114,766,295
Monetary volume of invoices paid by the deadline established in late payment regulations	356,349,715	897,225,720
Percentage of payments made by the established deadline over total payments	98%	95%
<b>(Number of invoices)</b>		
Invoices paid by the deadline established in late payment regulations	1,784,448	3,003,914
Percentage over total number of invoices	86%	77%

## 15.2. Provisions and contingencies

On March 24, 2023, the Company was notified of the resolution by the Energy Authority of the Spanish National Markets and Competition Commission (“CNMC”) dated March 16, 2023, whereby it was agreed to start disciplinary proceedings against the Company and 34 other companies for alleged manipulation or attempted manipulation of the wholesale energy market. On April 18, 2023, the Company filed defense allegations against the Agreement for initiating said proceedings. The Company and its legal advisors consider that the proceedings will not succeed and no provision has therefore been recorded.

## 16) Hedging transactions using derivative financial instruments

The Company uses derivatives to hedge the risks to which its activities, operations and projected cash flows are exposed. At June 30, 2023 and December 31, 2022 base loads of energy are covered at a fixed price. All of them end in 2027, and meet the requirements detailed in (Note 3f) on measurement policies to be classified as hedging instruments.

Cash flow hedges in force at the closing date of these interim financial statements are as follows:

Description of the hedge	Type	Entity	Underlying	Fair value	
				Asset	Liability
EEX Power hedge	SWBCCAL25	Investment entity	MWh	-	(6,969,456)
EEX Power hedge	SWBCCAL24	Investment entity	MWh	-	(5,609,462)
EEX Power hedge	SWBCCAL23	Investment entity	MWh	-	(4,257,122)
EEX Power hedge	SWBCQ1-24	Investment entity	MWh	-	(49,947)
EEX Power hedge	SWBCQ4-23	Investment entity	MWh	-	(263,158)
EEX Power hedge	SWBCQ3-23	Investment entity	MWh	692,650	-
EEX Power hedge	SWBCJUL-23	Investment entity	MWh	-	(35,995)
Over the counter	OTCCAL24	Investment entity	MWh	50,572	(254,360)
Over the counter	OTCCAL23	Investment entity	MWh	1,002,733	(589,521)
Over the counter	OTCQ124	Investment entity	MWh	-	(375,220)
Over the counter	OTCQ423	Investment entity	MWh	-	(631,178)
Over the counter	OTCQ323	Investment entity	MWh	-	(972,739)
Over the counter	OTCAUG23	Investment entity	MWh	8,876	-
Over the counter	OTCJUL23	Investment entity	MWh	20,402	-
Power Purchases Agreement	CAL22-26	Investment entity	MWh	3,190,632	-
<b>Total</b>				<b>4,965,865</b>	<b>(22,008,159)</b>
<b>Net</b>					<b>(17,042,294)</b>

Cash flow hedges in force at December 31, 2022 are as follows:

Description of the hedge	Type	Entity	Underlying	Fair value	
				Asset	Liability
EEX Power hedge	SWBCCAL23	Investment entity	MWh	-	(12,409,416)
EEX Power hedge	SWBCCAL24	Investment entity	MWh	-	(5,609,462)
EEX Power hedge	SWBCCAL25	Investment entity	MWh		(6,969,456)
Over the counter	OTCCAL23	Investment entity	MWh	1,974,060	(8,196,122)
Over the counter	OTCQ1-23	Investment entity	MWh	6,450	(6,993,957)
Over the counter	OTCJAM23	Investment entity	MWh		(669,834)
Over the counter	OTCFEB23	Investment entity	MWh	-	(11,254)
Over the counter	OTCMAR23	Investment entity	MWh	-	(61,165)
Over the counter	OTCQ2-23	Investment entity	MWh	145,237	-
Over the counter	OTCQ3-23	Investment entity	MWh	-	(27,081)
Over the counter	OTCQ4 -23	Investment entity	MWh	-	(11,772)
Over the counter	OTCCAL24	Investment entity	MWh	752,955	-
Over the counter	OTCQ124	Investment entity	MWh	-	(71,811)
Power Purchases Agreement	CAL20_26	Investment entity	MWh	7,259,369	-
<b>Total</b>				<b>10,138,397</b>	<b>(41,031,330)</b>
<b>Net</b>					<b>(30,892,933)</b>

The net amounts of these transactions at the closing date of the interim financial statements for the period ended June 30, 2023 total -17.0 million euros (-30.9 million euros at December 31, 2022) and have been recorded as follows:

	June 30, 2023	December 31, 2022
<b>Derivatives</b>		
NC derivative assets	1,769,915	4,742,047
C derivative assets	21,691,495	30,388,848
NC derivative liabilities	(13,258,446)	(12,655,624)
C derivative liabilities	(8,749,713)	(28,379,871)
<b>TOTAL</b>	<b>1,453,251</b>	<b>(5,904,600)</b>

Additionally, at June 30, 2023 the Company's cash account includes -18.5 million euros corresponding to hedging instruments settled before maturity (-25.0 million euros at December 31, 2022).

The amounts recognized in equity and income statement during the year related to the hedging transactions above are as follows:

	June 30, 2023	December 31, 2022
Amount recognized in equity - Profit / (loss)	(12,781,721)	(23,169,700)
Amount recorded directly in income statement - Profit / (loss)	(17,379,976)	(51,615,496)
<b>Total</b>	<b>(30,161,697)</b>	<b>(74,785,196)</b>

According to their nature, they are included in the consumption of goods caption.

## 17) Nature and extent of risks arising from financial instruments

### Qualitative information

The Company centralizes financial risk management in the Finance Department, which has the necessary mechanisms in place to control exposure to fluctuations in interest rates, as well as to credit and liquidity risk. The main financial risks to which the Company is exposed are as follows:

#### 17.1 Credit risk

In general, the Company keeps their cash and cash equivalents in financial entities with high credit ratings, and there is no significant concentration of credit risk with third parties. The guarantees deposited at the market operators (OMIE, MIBGAS and REE) mature within less than 12 months.

Additionally, the breakdown of trade receivables and their maturities is as follows:

	June 30, 2023	December 31, 2022
Not due	6,296,758	22,033,016
Past due, not impaired		
Less than 30 days	4,084,774	6,059,786
30 – 60 days	347,284	1,454,745
More than 60 days	27,929,092	21,134,650
	<b>38,657,908</b>	<b>50,682,197</b>
Doubtful receivables	20,196,894	14,857,622
Impairment losses	(20,196,894)	(14,857,622)
<b>Total</b>	<b>38,657,908</b>	<b>50,682,197</b>

#### 17.2 Liquidity risk

In order to ensure ongoing liquidity and the ability to service all payment commitments arising from its activity, the Company holds the cash balances reflected in the balance sheet and the credit lines detailed in the note about financial institutions (Note 14).

#### 17.3 Market risk

Market risk exists when a potential loss may arise from fluctuations in the fair value or future cash flows of a financial instrument due to changes in market prices. Market risk comprises interest rate risk, currency risk, and other price risks.

Exposure to interest rate risk is mainly related to some working capital facilities at floating rates. The purpose of interest rate risk management is to find a balance in debt structure, maintaining part of the borrowings issued at a fixed rate.

As for the market price risk of energy, the Company's policy is to arrange hedging financial instruments to minimize fluctuations in the Megawatt-hour (MWh) market price of energy (Note 16) and thus ensure trade margin.



## 18) Taxes

The breakdown of this heading at June 30, 2023 and December 31, 2022 is as follows:

	<b>June 30, 2023</b>			
	<b>Debit balances</b>		<b>Credit balances</b>	
	<b>Non-current</b>	<b>Current</b>	<b>Non-current</b>	<b>Current</b>
Value added tax	-	5,132,182	-	2,119,781
Canary Islands general indirect tax	-	16,590	-	40
Current income tax assets		12,529	-	-
Deferred tax assets	10,635,343	-	-	-
Current income tax assets	-	-	-	-
Current income tax liabilities	-	-	-	691,794
Deferred tax liabilities	-	-	-	-
Electricity tax	-	-	-	89,885
Gas tax	-	-	-	-
Personal income tax	-	-	-	315,901
Social security agencies	-	-	-	563,329
<b>Total</b>	<b>10,635,343</b>	<b>5,161,301</b>	<b>-</b>	<b>3,780,730</b>

At the closing date of these interim financial statements VAT receivable is due to the modification of output VAT, which has been reduced from 21% to 10% and to 5% due to the measures implemented by the Government (see note Regulatory Framework).

Since the year beginning on January 1, 2023, Holaluz Clidom and subsidiaries (Clidom Solar S.L, Katae Energía S.L, Holaluz Generación S.L, Holaluz Rooftop Revolution S.L, Clidom Generación S.L, Clidom Energía Iberica S.L and Gestión Hidráulica Canarias, S.L) will file a consolidated income tax return, with the company Holaluz Clidom as the parent of the tax group. On December 22, 2022, the company informed the tax authorities of the formation of said tax group.

	<b>December 31, 2022</b>			
	<b>Debit balances</b>		<b>Credit balances</b>	
	<b>Non-current</b>	<b>Current</b>	<b>Non-current</b>	<b>Current</b>
Value added tax	-	8,398,964	-	-
Canary Islands general indirect tax	-	112,339	-	-
Current income tax assets	-	22,782	-	-
Deferred tax assets	12,116,658	-	-	-
Current income tax assets	-	-	-	-
Current income tax liabilities	-	-	-	403,202
Deferred tax liabilities	-	-	-	-
Electricity tax	-	-	-	(89,693)
Gas tax	-	-	-	18,954
Personal income tax	-	-	-	312,824
Social security agencies	-	-	-	575,297
<b>Total</b>	<b>12,116,658</b>	<b>8,534,085</b>	<b>-</b>	<b>1,220,584</b>

The reconciliation of profit before tax with tax results is as follows:

	30.06.2023		31.12.2022	
	Tax accrued	Tax payable	Tax accrued	Tax payable
Profit/(loss) before income tax	(8,015,401)	(8,015,401)	9,661,022	9,661,022
Adjustments to profit/(loss)				
Permanent differences	(2,819,132)	(2,819,132)	2,863,769	2,863,769
Temporary differences				
Utilized tax loss carryforwards	5,417,267	5,417,267		
<b>Tax result</b>	<b>(5,417,267)</b>	<b>(5,417,267)</b>	<b>12,524,791</b>	<b>12,524,791</b>
Total tax liability (25% of tax result)	(1,354,317)	(1,354,317)	3,131,198	3,131,198
Deductions	(411,651)	(411,651)	(1,519,392)	(1,227,951)
<b>Net tax payable</b>	<b>(1,765,968)</b>	<b>(1,765,968)</b>	<b>1,611,806</b>	<b>1,903,246</b>
Withholdings and payments on account	-	(1,544)	-	(717,245)
Utilization of tax loss carryforwards	-	-	-	(782,799)
<b>Income tax expense / Income tax refund</b>	<b>(1,765,968)</b>	<b>(1,544)</b>	<b>1,611,806</b>	<b>403,202</b>

### Deferred tax assets recorded

The breakdown of the balance of this account in euros is as follows:

Item	30.06.2023		31.12.2022	
	Amount	Maturity	Amount	Maturity
Tax credits related to unused tax loss carryforwards	2,611,467	-	1,330,366	-
Arisen in 2021	1,330,366	-	1,330,366	-
Arisen in 2023	1,281,102			
<b>Unused deductions:</b>				
2014 deduction for investment profit	-	2029	-	2029
2013 deduction for IT	-	2031	-	2031
2014-15 deduction for IT	-	2032	-	2032
2015-16 deduction for IT	-	2033	-	2033
2016-17 deduction for IT	-	2034	-	2034
2017-18 deduction for IT	-	2035	-	2035
2018-19 deduction for IT	245,929	2036	11,089	2036
2019-20 deduction for IT	384,843	2034	384,843	2034
4Q 2020 deduction for IT	100,832	2038	100,832	2038
2021 deduction for IT	1,066,153	2039	1,066,153	2039
2022 deduction for IT	1,500,142	2040	1,500,142	2040
2023 deduction for IT	389,286	2041	-	2041
2014-15 deduction for donation	729	2024	-	2024
2015-16 deduction for donation	1,925	2025	-	2025
2016-17 deduction for donation	2,275	2026	-	2026
2018-19 deduction for donation	4,350	2028	-	2028
2021 deduction for donation	24,815	2031	-	2031
2022 deduction for donation	19,250	2032	-	2032
2023 deduction for donation	22,365	2033	-	2033
<b>Temporary differences</b>				
2013-19 Amortization (25%)	408	2025-33	-	2025-33
Hedging transactions	4,260,574	-	7,723,233	-
<b>Total</b>	<b>10,635,343</b>		<b>12,116,658</b>	

Technological innovation deductions derive from the technological transformation project that the Company is developing (Note 4) and independent experts have certified that they meet the R&D&I requirements set forth in article 35 of Law 27/2014, of November 27, on the Income Tax.

The Company estimated the taxable profits which it expects to obtain over the next ten fiscal years (period for which it considers the estimates to be reliable) based on budgets. It also analyzed the reversal period of taxable temporary differences, identifying those that reverse in the years in which unused tax loss carryforwards may be used. Based on this analysis, the Company has recognized deferred tax assets for unused tax loss carryforwards as well as deductible temporary differences for which it is considered probable that sufficient taxable profit will be generated in the future against which they can be utilized.

## Years open to inspection and tax inspections

Under prevailing tax regulations, tax returns may not be considered final until they have either been inspected by tax authorities or until the four-year inspection period has expired. At June 30, 2023, the Company is open to inspection for the income tax for 2018 and subsequent years and for all other applicable taxes for 2018 and subsequent years. The Company's Directors consider that all applicable taxes have been duly paid so that even in the event of discrepancies in the interpretation of prevailing tax legislation with respect to the treatment applied, the resulting potential tax liabilities, in the event that they materialize as a result of a tax inspection, would not have a material impact on the interim financial statements at June 30, 2023.

## 19) Income and expenses

### 19.1 Revenue

The distribution of revenue by activity category is as follows:

Activities	June 30, 2023	June 30, 2022
Commercialization of electricity	141,203,000	249,344,921
Commercialization of gas	1,933,438	31,986,156
Representation of electricity	151,501,086	255,455,923
Income from installations	-	4,128,809
<b>Total</b>	<b>294,637,524</b>	<b>540,915,809</b>

Revenue has been generated solely in Spain.

The sales for the commercialization of electricity and gas is recorded as income when the energy is delivered to the customer based on the amounts supplied and including an estimate of unbilled energy supplied. The company operates only in the free market.

The Company discontinued the gas business in the last quarter of 2022. The sales recorded in the first weeks of 2023 correspond to bills for the termination of contracts, issued according to the reading provided by the distributor (adjustments to prior bills that were issued based on estimated consumption).

Income from representation of renewable energy producers is recorded when this energy is generated, which is notified by Red Eléctrica de España and other official agencies in their respective calculations. These are the best estimates that the company has access to.

### 19.2 Cost of sales

The breakdown of the "cost of sales" balance by activity developed by the Company is as follows:

Activities	June 30, 2023	June 30, 2022
Purchases of electricity from the market	(109,159,980)	(215,218,334)
Purchases of gas from the market	(6,531,026)	(15,709,997)
Purchases of electricity for representation	(155,664,229)	(261,147,368)
Cost of financial derivatives	(156,215)	4,978,600
Cost for installations	-	(4,128,809)
<b>Total</b>	<b>(271,511,450)</b>	<b>(491,225,908)</b>

All purchases are made in the Spanish market.

As a result of the termination of the gas business in the last quarter of 2022, the “purchase of gas from the market” heading does not include any gas procurement. For the first half of 2023 the costs amounting to 6.5 million euros include: i) credit notes issued to customers in the first weeks of 2023 when the final meter readings at the date of termination of the contract were received (adjustments to prior bills that were issued based on estimated consumption), and ii) loss from the sale of a portion of the stock accumulated at 2022 year end as it was not consumed by gas customers (Note 10).

### 19.3 Other operating income.

At June 30, 2023 and 2022 the breakdown of “Ancillary income” is as follows:

<b>Other operating income</b>	<b>June 30, 2023</b>	<b>June 30, 2022</b>
Rendering of services to group companies	8,764,972	402,601
Income from services to personnel	99,156	61,684
<b>Total</b>	<b>8,864,128</b>	<b>464,285</b>

The increase in the “Rendering of services to group companies” heading mainly corresponds to the re-invoicing of personnel expenses to the company Clidom Solar, S.L., which amounts to 7.8 million euros at June 30, 2023.

### 19.4 Employee benefits expense

The breakdown of this heading in the interim financial statements at June 30, 2023 is as follows:

	<b>June 30, 2023</b>	<b>June 30, 2022</b>
Wages and salaries	10,527,320	4,684,018
Social Security paid by the company	3,035,713	1,201,303
Termination benefits	40,169	22
Other employee welfare expenses	146,693	18,272
<b>Total</b>	<b>13,749,895</b>	<b>5,903,615</b>

### 19.5 External services

The breakdown of this heading in the interim financial statements at June 30, 2023 is as follows:

	<b>June 30, 2023</b>	<b>June 30, 2022</b>
Leases (*)	432,568	297,167
Repairs and maintenance	2,681	492,761
Independent professional services	2,416,351	7,635,730
Transportation services	38,228	-
Insurance premiums	1,052,000	278,634
Bank services	414,201	673,622
Publicity, advertising and public relations	8,711,700	10,129,871
Utilities	89,518	971,512
Other services	4,347,628	1,263,892
<b>Total</b>	<b>17,504,876</b>	<b>21,743,189</b>

(\*) note 6.1 (leases)

At June 30, 2023, the “Publicity, advertising and public relations” heading includes 5.8 million euros corresponding to accruals of customer acquisition costs (8.9 million euros at June 30, 2022).

## 19.6 Depreciation and amortization

The breakdown of this heading in the interim financial statements at June 30, 2023 is as follows:

	June 30, 2023	June 30, 2022
Property, plant and equipment	162,953	104,531
Intangible assets	3,440,894	2,542,112
<b>Total</b>	<b>3,603,847</b>	<b>2,646,643</b>

## 19.7 Other gains and losses

The breakdown of this heading in the interim financial statements at June 30, 2023 is as follows:

	June 30, 2023	June 30, 2022
Non-recurring expenses	503,004	135,227
(Non-recurring income)	(1,697)	(5,580)
<b>Total</b>	<b>501,307</b>	<b>129,647</b>

## 19.8 Finance costs

The breakdown of this heading in the interim financial statements at June 30, 2023 is as follows:

	June 30, 2023	June 30, 2022
Interest on payables	1,375,215	375,989
Interest on discounted bills at other financial institutions	456,083	114,077
Other finance costs	82,339	168,819
<b>Total</b>	<b>1,913,637</b>	<b>658,885</b>

The increase in finance costs is mainly due to the costs from the financing obtained in the Green Commercial Paper Notes Program on MARF, started in November 2022 (therefore it had no impact at June 2022) and the effect of the rise in EURIBOR in the first half of 2023.

## 20) Information on environmental issues

The Company's activity and property, plant, and equipment do not fall within the scope of application of the European regulations on CO2 emissions. Thus, the Company has no provisions for environmental risks and expenses since it considers that no risks exist for this matter.

Consequently, there have been no environmental investments during the period comprised between January 1 and June 30, 2023.

## 21) Related-party transactions

Company transactions with related parties from December 31, 2022 to June 30, 2023, as well as the nature of the relationship, were as follows:

Related Party	Nature of the relationship
Carlota Pi Amorós	Shareholder and Director
Ferran Nogué Collgròs	Shareholder and Director
Oriol Vila Grifoll	Shareholder and Director
Carles Leg Clos	Shareholder
Fondo Axon ICT III, FCR de Rég. Simplificado	Shareholder
Axon Capital e Inversiones	Shareholder and Director
Geroa Pentsioak	Shareholder and Director
Clidomer Unipessoal	Group company
MDR Inversiones, S.L.	Shareholder
Mediavideo B.V	Shareholder
Abacon Invest GmbH	Shareholder
Pelion Green Future Alpha GMBH	Shareholder
Clidom Solar, SL	Group company
Clidom France	Group company
Clidom Italia	Group company
Holaluz Generación, SL	Group company
Clidom Generación, SL	Group company
Holaluz Rooftop Revolution, SL	Group company
Katae Energy, SL	Group company
Gestión Hidráulica Canarias, SL	Group company
Clidom Energía Ibérica, SL	Group company

### 21.1 Related entities

The breakdown of balances with related entities and group companies at June 30, 2023 and December 31, 2022 is as follows:

	June 30, 2023									
	CLIDOMER	CL. SOLAR	KATAE	CL. ITALIA	CL. FRANCE	HL GENERAC.	ROOFTOP REVOL.	GHC	CL. ENERGÍA IBÉRICA	TOTAL
Non-current loans to group companies	-	18,725,000	-	35,000	20,000	30,000	7,786,196	-	-	26,596,196
Current loans to group companies	-	425,809	123,803	-	532	436	40,628	-	-	591,208
Trade receivables from group companies and associates	6,306,775	33,143,759	-	-	-	-	-	400	-	39,450,934
Current payables to group companies and associates	-183,360	-105,991	-	-	-	-830,453	-348,072	-27	-2,763,264	-4,231,167
Suppliers, group companies	-4,824,427	-808,485	-	-	-	-	-	-	-	-5,632,912
<b>Total</b>	<b>1,298,988</b>	<b>51,380,092</b>	<b>123,803</b>	<b>35,000</b>	<b>20,532</b>	<b>-800,017</b>	<b>7,478,752</b>	<b>373</b>	<b>-2,763,264</b>	<b>56,774,259</b>

December 31, 2022									
	CLIDOMER	CL. SOLAR	CL. ITALIA	CL. FRANCE	HL GENERAC.	ROOFTOP REVOL.	GHC	CL. ENERGÍA IBÉRICA	TOTAL
Non-current loans to group companies	-	17,825,000	35,000	20,000	30,000	7,786,196	-	-	25,696,196
Trade receivables from group companies and associates	-	12,306,528	-	-	-	-	400	-	12,306,928
Current payables to group companies and associates	-	-87,424	-	-	€-503,410	€-92,772	-	-2,296,233	-2,979,839
Suppliers, group companies	-337,179	-350,471	-	-	-	-	-	-	-687,650
<b>Total</b>	<b>-337,179</b>	<b>29,693,633</b>	<b>35,000</b>	<b>20,000</b>	<b>-473,410</b>	<b>7,693,424</b>	<b>400</b>	<b>-2,296,233</b>	<b>34,335,635</b>

At June 30, 2023 and June 30, 2022 transactions with group companies are as follows and are included under “Other operating income” in the income statement:

	June 30, 2023	June 30, 2022
Clidomer	150,000	100,000
Clidom Solar	8,614,971	302,601
<b>Total</b>	<b>8,764,971</b>	<b>402,601</b>

The “Other operating expenses” heading in the income statements includes the following amounts:

	June 30, 2023	June 30, 2022
Clidomer	60,000	50,000
Clidom Solar	37,627	61,065
<b>Total</b>	<b>97,627</b>	<b>111,065</b>

Transactions correspond to income and expenses from management fees and the passing-on of personnel expenses. All transactions have been carried out on an arm's length basis.

At June 30, 2023 and 2022, transactions with group companies corresponding to interest on participation loans granted by the company to its subsidiaries, included in “Finance income from group companies” in the income statement are as follows:

	June 30, 2023	June 30, 2022
Clidomer France	532	200
Clidomer	-	2,500
Clidom Solar	425,809	44,000
<b>Total</b>	<b>426,341</b>	<b>46,700</b>

## 21.2 Directors and senior executives

The remuneration earned by the members of the Board of Directors at June 30, 2023 amount to 482 thousand euros (457 thousand euros at June 30, 2022). Senior executive duties are carried out by the members of the Board of Directors.

At June 30, 2023 and 2022 the Company had no pension plans or life insurance policies for former or current members of the Board of Directors.



At June 30, 2023 and 2022, no advances or loans had been given to the members of senior management or the Board of Directors, nor had any guarantees been given on their behalf.

At June 30, 2023 director liability insurance premiums for damages arising in the performance of director duties have been paid for an amount of 18 thousand euros (17 thousand euros at June 30, 2022).

For the purposes of article 229 of the Corporate Enterprises Act, the Directors have expressly stated that there are no situations representing a conflict of interest for the Company.

## 22) Other information

The total headcount by category, and the breakdown of headcount by gender at year end, is as follows:

<b>June 30, 2023</b>				
<b>Professional Category</b>	<b>Average number of employees</b>	<b>Headcount</b>		
		<b>Men</b>	<b>Women</b>	<b>Disabled employees &gt;33%</b>
Management team	58	37	21	-
Middle managers and qualified technicians	297	145	152	2
Operations, sales and administrative staff	142	61	81	4
<b>Total</b>	<b>497</b>	<b>243</b>	<b>254</b>	<b>6</b>

<b>December 31, 2022</b>				
<b>Professional Category</b>	<b>Average number of employees</b>	<b>Headcount</b>		
		<b>Men</b>	<b>Women</b>	<b>Disabled employees &gt;33%</b>
Management team	59	37	22	-
Middle managers and qualified technicians	324	153	171	3
Operations, sales and administrative staff	137	60	77	2
<b>Total</b>	<b>520</b>	<b>250</b>	<b>270</b>	<b>5</b>

Since May 2018, the Company has complied with the Disability Act (formerly Social Integration for Disabled People Act) whereby at least 2% of the Company's staff has to include people with a disability equal to or greater than 33%, as its average headcount is higher than 50 employees.

The fees accrued for the audit services provided by the Company's auditors for the limited review of the separate and consolidated financial statements at June 30, 2023 amount to 30 thousand euros (25 thousand euros at June 30, 2022).

## 23) Subsequent events

On October 24, 2023, the Company incorporated a Green Commercial Paper Notes Program ("Programa de Pagarés Verdes Holaluz 2023" or the "Program") on the Alternative Fixed-Income Market ("Mercado Alternativo de Renta Fija" or "MARF"), with a maximum outstanding balance of one-hundred million euros (100,000,000 €) and a validity of 12 months starting from today's date.

No other significant subsequent events have occurred.



AUTHORIZATION FOR ISSUE BY THE MANAGEMENT BODY OF THE INTERIM FINANCIAL STATEMENTS FOR THE YEAR ENDED JUNE 30, 2023

Pursuant to prevailing legislation, the Company's interim financial statements for the period comprised between December 31, 2022 and June 30, 2023 have been authorized for issue by the Directors of HOLALUZ-CLIDOM, S.A.

Additionally, the Directors hereby confirm that they have put their handwritten signature to the aforementioned documents by signing this single-sided page that accompanies the interim financial statements, which have been drawn up from page 1 to page 56.

Barcelona, October 27, 2023

\_\_\_\_\_  
Ms. Carlota Pi Amorós  
Chair

\_\_\_\_\_  
Mr. Ferran Nogué Collgròs

\_\_\_\_\_  
Mr. Oriol Vila Grifoll

\_\_\_\_\_  
Axon Capital e Inversiones  
Represented by  
Mr. Alfonso J. de León Castillejo

\_\_\_\_\_  
Ms. Elena Gómez del Pozuelo

\_\_\_\_\_  
Mr. Enrique Tellado Nogueira

\_\_\_\_\_  
Geroa Pensioak  
Represented by  
Mr. Jordan Saenz