



**GREENERGY RENOVABLES, S.A.
and SUBSIDIARIES**

**INTERIM FINANCIAL REPORT FOR THE SIX-MONTH PERIOD
ENDED JUNE 30, 2023**

Report on Limited Review

GREENERGY RENOVABLES, S.A. and SUBSIDIARIES
Interim Condensed Consolidated Financial Statements
and Interim Consolidated Management Report
for the six-month period ended
June 30, 2023

REPORT ON LIMITED REVIEW OF INTERIM CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

Translation of a report and condensed consolidated financial statements originally issued in Spanish. In the event of discrepancy, the Spanish-language version prevails

To the shareholders of GREENERGY RENOVABLES, S.A. at the request of the Company's directors:

Report on the interim condensed consolidated financial statements

Introduction

We have carried out a limited review of the accompanying interim condensed consolidated financial statements (hereinafter the interim financial statements) of Greenergy Renovables, S.A. (the Parent Company) and subsidiaries (hereinafter the Group), which consists of the statement of financial position at June 30, 2023, the statement of profit or loss, the statement of changes in equity, the cash flow statement and the explanatory notes thereto, all of which have been condensed and consolidated, for the six-month period then ended. The parent's directors are responsible for the preparation of said interim financial statements in accordance with International Accounting Standard (IAS) 34, "Interim Financial Reporting", as adopted by the European Union, for the preparation of interim condensed financial reporting, as per article 12 of Royal Decree 1362/2007. Our responsibility is to express a conclusion on said 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, nothing came to our attention that would lead us to conclude that the accompanying interim financial statements for the six month period ended at June 30, 2023 are not prepared, in all material respects, in accordance with the requirements established in International Accounting Standard (IAS) 34, "Interim Financial Reporting", as adopted by the European Union, in conformity with article 12 of Royal Decree 1362/2007 for the preparation of interim financial statements.

Emphasis of matter

We draw attention to the matter described in accompanying explanatory note 2.1, of the attached summary explanatory notes, which indicates that the abovementioned interim financial statements do not include all the information that would be required for complete interim financial statements prepared in accordance with International Financial Reporting Standards, as adopted by the European Union and therefore, the accompanying interim financial statements should be read in conjunction with the Group's consolidated financial statements for the year ended December 31, 2022. This matter does not modify our conclusion.

Report on other legal and regulatory requirements

The accompanying interim consolidated management report for the six-month period-ended June 30, 2023 contains such explanations as the parent's directors consider necessary regarding significant events which it is not an integral part, as well as on the information required in conformity with article 15 of Royal Decree 1362/2007. We have checked that the accounting information included in the abovementioned report agrees with the interim financial statements for the six-month period ended on June 30, 2023. Our work is limited to verifying the interim consolidated management report in accordance with the scope described in this paragraph and does not include the review of information other than that obtained from the accounting records of Grenergy Renovables, S.A. and its subsidiaries.

Paragraph on other issues

This report has been prepared at the request of the Management of the Parent Company, GREENERGY RENOVABLES, S.A., in relation to the publication of the semi-annual financial report required by article 100 of Law 6/2023, of March 17, on the Markets of Securities and Investment Services.

ERNST & YOUNG, S.L.

(Signed on the original report issued in Spanish)

David Ruiz-Roso Moyano

September 27, 2023



**GREENERGY RENOVABLES, S.A.
AND SUBSIDIARIES**

**INTERIM CONDENSED CONSOLIDATED FINANCIAL STATEMENTS
AT JUNE 30, 2023**

GREENERGY RENOVABLES, S.A. AND SUBSIDIARIES

CONSOLIDATED STATEMENT OF FINANCIAL POSITION AT JUNE 30, 2023 AND DECEMBER

31, 2022

(Thousands of euros)

ASSETS	Explanatory notes	06.30.2023	12.31.2022
NON-CURRENT ASSETS		794,548	681,842
Intangible assets		5,782	248
Software		74	238
Patents, licenses, trademarks, et al.		10	10
Goodwill on consolidation	Note 4	5,698	-
Property, plant, and equipment	Note 5	671,826	582,149
Land and buildings		37	96
Plant and other PP&E		400,299	412,192
PP&E under construction and prepayments		271,490	169,861
Right-of-use assets		28,512	28,175
Investments accounted for using the equity method	Note 4	-	4,515
Financial investments		53,158	19,428
Equity instruments		40	40
Derivatives	Note 12	49,929	16,444
Other financial assets		3,189	2,944
Deferred tax assets	Note 13	35,270	47,327
CURRENT ASSETS		369,440	205,139
Inventories	Note 6	108,340	6,611
Raw materials and other consumables		22	2,157
Plant in progress		101,002	100
Prepayments to suppliers		7,316	4,354
Trade and other receivables		110,829	80,049
Trade receivables	Note 7	56,470	47,880
Other receivables		80	159
Receivable from employees		185	6
Current tax assets	Note 13	6,278	2,528
Other receivables from public administrations	Note 13	47,816	29,476
Financial investments		24,155	11,972
Loans to companies		393	727
Derivatives	Note 12	15,089	1,501
Other financial assets		8,673	9,744
Accruals		2,883	837
Cash and cash equivalents	Note 8	123,233	105,670
Cash in hand		123,233	105,670
TOTAL ASSETS		1,163,988	886,981

The accompanying Notes 1 to 17 to the interim condensed consolidated financial statements and appendices are an integral part of the consolidated statement of financial position for the six-month period ended June 30, 2023 and the year ended December 31, 2022.

GREENERGY RENOVABLES, S.A. AND SUBSIDIARIES

CONSOLIDATED STATEMENT OF FINANCIAL POSITION AT JUNE 30, 2023 AND DECEMBER

31, 2022

(Thousands of euros)

EQUITY AND LIABILITIES	Explanatory notes	06.30.2023	12.31.2022
EQUITY		310,546	244,815
Equity attributed to the Parent company		310,778	245,053
Share capital	Note 9.1	10,714	10,714
Issued capital		10,714	10,714
Share premium	Note 9.2	198,912	198,912
Reserves	Note 9.3	73,008	68,056
(Shares and participation units of the Parent company)	Note 9.4	(19,390)	(19,728)
Profit for the year attributed to the Parent company		4,012	10,303
Unrealized gains (losses) reserve		43,522	(23,204)
Hedging transactions	Note 10	46,416	(25,617)
Currency translation differences		(2,894)	2,413
Minority interests		(232)	(238)
NON-CURRENT LIABILITIES		491,647	420,896
Provisions	Note 11	13,862	16,354
Borrowings	Note 12	443,679	384,119
Bonds and other marketable securities		83,490	83,231
Bank borrowings		334,001	254,229
Finance lease liabilities		26,188	26,073
Derivatives		-	20,586
Deferred tax liabilities	Note 13	34,106	20,423
CURRENT LIABILITIES		361,795	221,270
Provisions	Note 11	1,341	8,153
Borrowings	Note 12	241,196	118,612
Bonds and other marketable securities		58,151	34,529
Bank borrowings		172,806	46,307
Finance lease liabilities		1,381	1,505
Derivatives		7,726	36,141
Other financial liabilities		1,132	130
Trade and other payables		119,258	94,505
Suppliers		96,706	85,050
Other payables		4,542	5,644
Employee benefits payable		1,316	1,745
Current income tax liabilities	Note 13	1,097	293
Other payables to public administrations	Note 13	15,586	1,484
Customer advances		11	289
TOTAL EQUITY AND LIABILITIES		1,163,988	886,981

The accompanying Notes 1 to 17 to the interim condensed consolidated financial statements and appendices are an integral part of the consolidated statement of financial position for the six-month period ended June 30, 2023 and the year ended December 31, 2022.

GREENERGY RENOVABLES, S.A. AND SUBSIDIARIES

CONSOLIDATED STATEMENT OF PROFIT OR LOSS FOR THE SIX-MONTH PERIODS ENDED JUNE 30, 2023 AND 2022 (Thousands of euros)

	Explanatory notes	06.30.2023	06.30.2022
CONTINUING OPERATIONS			
Revenue	Note 3	57,839	48,479
Sales		55,900	46,900
Rendering of services		1,939	1,579
Changes in inventory of finished products and work in progress		5,183	3,173
Work performed by the entity and capitalized	Note 3	167,951	58,879
Cost of sales	Note 14	(187,009)	(76,599)
Other operating income		308	64
Employee benefits expense	Note 14	(11,205)	(6,579)
Other operating expenses	Note 14	(12,738)	(7,307)
Depreciation and amortization	Note 5	(7,844)	(6,172)
Other gains (losses)		1,337	(29)
OPERATING PROFIT		13,822	13,909
Finance income	Note 14	199	393
Finance costs from interest accrued on debt	Note 14	(11,616)	(7,632)
Other finance costs	Note 14	2,558	3,976
Finance costs for companies consolidated using the equity method	Note 14	-	(260)
FINANCE COST		(8,859)	(3,523)
PROFIT BEFORE TAX		4,963	10,386
Income tax		(945)	(1,614)
CONSOLIDATED PROFIT FOR THE PERIOD		4,018	8,772
PROFIT (LOSS) ATTRIBUTED TO MINORITY INTERESTS		6	(133)
PROFIT FOR THE PERIOD ATTRIBUTED TO THE PARENT		4,012	8,905
Earnings (losses) per share	Note 9.6	0.13	0.30

The accompanying Notes 1 to 17 to the interim condensed consolidated financial statements and appendices are an integral part of the consolidated statement of profit or loss corresponding to the six-month periods ended June 30, 2023 and 2022.

GREENERGY RENOVABLES, S.A. AND SUBSIDIARIES

CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY FOR THE SIX-MONTH PERIODS ENDED JUNE 30, 2023 AND 2022 (Thousands of euros)

A) CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

(Thousands of euros)	06.30.2023	06.30.2022
CONSOLIDATED PROFIT FOR THE PERIOD (I)	4,018	8,772
Income and expense recognized directly in equity		
- Currency translation differences	(5,307)	1,574
- Hedging transactions	96,044	(32,732)
- Tax effect	(24,011)	8,183
TOTAL INCOME AND EXPENSE RECOGNIZED DIRECTLY IN CONSOLIDATED EQUITY (II)	66,726	(22,975)
TOTAL CONSOLIDATED COMPREHENSIVE INCOME FOR THE PERIOD (I+II+III)	70,744	(14,203)
Attributable to:		
Parent company	70,738	(14,070)
Minority interests	6	(133)

The accompanying Notes 1 to 17 to the interim condensed consolidated financial statements and appendices are an integral part of the consolidated statement of comprehensive income corresponding to the six-month periods ended June 30, 2023 and 2022.

B) CONSOLIDATED STATEMENT OF ALL CHANGES IN EQUITY

	Share capital	Share premium	Reserves	(Treasury shares)	Profit for the period attributed to the Parent company	Unrealized gains (losses) reserve	Minority interests	Total
BALANCE AT DECEMBER 31, 2021	9,774	109,851	52,310	(17,577)	16,308	(11,343)	(615)	158,708
Adjustments for changes in criteria and misstatements	-	-	-	-	-	-	-	-
ADJUSTED OPENING BALANCE 2022	9,774	109,851	52,310	(17,577)	16,308	(11,343)	(615)	158,708
Total consolidated comprehensive income	-	-	-	-	10,303	(11,861)	6	(1,552)
Capital increase	940	89,061	(1,075)	-	-	-	-	88,926
Transactions with shares of the Parent company (net)	-	-	1,410	(2,151)	-	-	-	(741)
Changes in the consolidation scope, transfers, and other minor effects	-	-	(897)	-	-	-	371	(526)
Appropriation of profit from prior year	-	-	16,308	-	(16,308)	-	-	-
BALANCE AT DECEMBER 31, 2022	10,714	198,912	68,056	(19,728)	10,303	(23,204)	(238)	244,815
Adjustments for changes in criteria and misstatements	-	-	-	-	-	-	-	-
ADJUSTED OPENING BALANCE 2023	10,714	198,912	68,056	(19,728)	10,303	(23,204)	(238)	244,815
Total consolidated comprehensive income	-	-	-	-	4,012	66,726	6	70,744
Capital increase	-	-	-	-	-	-	-	-
Transactions with shares of the Parent company (net)	-	-	(5,024)	338	-	-	-	(4,686)
Changes in the consolidation scope, transfers, and other minor effects	-	-	(327)	-	-	-	-	(327)
Appropriation of profit from prior year	-	-	10,303	-	(10,303)	-	-	-
BALANCE AT CLOSING OF PERIOD ENDED JUNE 30, 2023	10,714	198,912	73,008	(19,390)	4,012	43,522	(232)	310,546

The accompanying Notes 1 to 17 to the interim condensed consolidated financial statements and appendices are an integral part of the consolidated statement of all changes in equity at June 30, 2023 and December 31, 2022.

GREENERGY RENOVABLES, S.A. AND SUBSIDIARIES

CONDENSED CONSOLIDATED CASH FLOW STATEMENT FOR THE SIX-MONTH PERIODS ENDED JUNE 30, 2023 AND 2022

(Thousands of euros)

	06.30.2023	06.30.2022
A) CASH FLOWS FROM OPERATING ACTIVITIES		
1. Profit before tax	4,963	10,386
2. Adjustments to profit	16,708	9,764
a) Depreciation and amortization (+)	7,844	6,172
c) Changes in provisions (+/-)	5	69
g) Finance income (-)	(199)	(393)
h) Finance costs (+)	11,616	7,892
i) Exchange gains (losses) (+/-)	(2,558)	(8,376)
j) Change in fair value of financial instruments (+/-)	-	4,400
3. Changes in working capital	(23,909)	(49,293)
a) Inventories (+/-)	(6,009)	6,929
b) Trade and other receivables (+/-)	(30,780)	(8,894)
c) Other current assets (+/-)	(2,046)	2,014
d) Trade and other payables (+/-)	21,374	(47,267)
e) Other current liabilities (+/-)	(6,817)	(1,378)
f) Other non-current liabilities (+/-)	369	(697)
4. Other cash flows from operating activities	(13,908)	(8,508)
a) Interest paid (-)	(11,474)	(7,632)
c) Interest received (+)	199	393
d) Income tax receipts (payments) (+/-)	(2,633)	(1,269)
5. Cash flows from operating activities (+/-1+/-2+/-3+/-4)	(16,146)	(37,651)
B) CASH FLOWS FROM INVESTING ACTIVITIES		
6. Payments on investments (-)	(187,599)	(66,449)
a) Group companies, net of cash in consolidated companies	-	(4,468)
b) Intangible assets	-	(9)
c) Property, plant, and equipment	(187,599)	(58,572)
e) Other financial assets	-	(3,400)
7. Proceeds from disposals (+)	1,405	5,796
e) Other financial assets	1,405	5,796
8. Cash flows from (used in) investing activities (7+6)	(186,194)	(60,653)
C) CASH FLOWS FROM FINANCING ACTIVITIES		
9. Proceeds from and payments on equity instruments	488	89,589
a) Proceeds from issuance of equity instruments (+)	-	90,001
c) Acquisition of equity instruments of the Parent company (-)	(30,242)	(17,683)
d) Disposal of equity instruments of the Parent company	30,730	17,271
10. Proceeds from and payments of financial liabilities	230,010	103,410
a) <i>Issues</i> (+)	<i>305,424</i>	<i>176,201</i>
1. Bonds and other marketable securities (+)	89,854	141,291
2. Bank borrowings (+)	215,570	34,910
b) <i>Repayment and redemption of:</i>	<i>(75,414)</i>	<i>(72,791)</i>
1. Bonds and other marketable securities (-)	(65,973)	(69,000)
2. Bank borrowings (-)	(9,441)	(3,765)
4. Other borrowings (-)	-	(26)
12. Cash flows from financing activities (+/-9+/-10-11)	230,498	192,999
D) Net foreign exchange difference	(10,595)	(6,695)
E) NET INCREASE (DECREASE) IN CASH AND CASH EQUIVALENTS (+/-A+/-B+/-C+/-D)	17,563	88,000
Cash and cash equivalents at beginning of period	105,670	68,668
Cash and cash equivalents at end of period	123,233	156,668

The accompanying Notes 1 to 17 to the interim condensed consolidated financial statements and appendices are an integral part of the consolidated cash flow statement for the six-month periods ended June 30, 2023 and 2022.

NOTES TO THE INTERIM CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

1. General information

GREENERGY RENOVABLES, S.A. ("the Parent") was incorporated in Madrid on July 2, 2007 via public deed, as filed at the Mercantile Register of Madrid in Tome 24.430, Book 0, Folio 112, Section 8, Page M-439.423, 1st inscription. Its registered business and tax address, where it also performs its activities, is located at Calle Rafael Botí, nº 26, Madrid.

The corporate purpose of the Greenergy Group and the sectors in which it performs its activities are as follows: the promotion and commercialization of renewable energy installations, production of electric energy as well as any complementary activities, and management and operation of such renewable energy installations.

The Greenergy Group is present in Spain, Chile, Peru, Colombia, Argentina, Mexico, Italy, the United Kingdom, Poland, the USA, and Germany.

In each of the countries in which the Group operates, it has a parent company which conducts the outsourcing functions arranged under EPC (Engineering, Procurement, and Construction) and O&M (Operation and Management) contracts, or asset-management contracts using company personnel. The remaining subsidiaries are considered Special Purpose Vehicles (SPVs) where each of the solar parks or wind parks are located.

The shares of the Parent, Greenergy Renovables, S.A., have been listed on the Madrid, Barcelona, Bilbao, and Valencia stock exchanges since December 16, 2019.

The Parent is in turn a member of the Daruan Group, the parent of which is Daruan Group Holding, S.L., a company resident in Spain.

2. Basis of presentation and accounting policies

2.1 Basis of presentation

The annual consolidated financial statements of Greenergy corresponding to FY 2022 were approved by the general shareholder meeting held on April 24, 2023.

The accompanying interim condensed consolidated financial statements at June 30, 2023 for Greenergy were authorized by the Board of Directors on September 26, 2023 in accordance with IAS 34 "Interim financial reporting" and must be read together with the annual consolidated financial statements for the year ended December 31, 2022, prepared in accordance with EC Regulation number 1606/2002 of the European Parliament and of the Council ("IFRS-EU").

Consequently, it was not necessary to include or update some of the notes or estimates included in the aforementioned consolidated financial statements. Instead, the accompanying selected explanatory notes include an explanation of the events or circumstances which are significant for explaining any changes in the financial position, results of operations, comprehensive income, as well as changes in equity and consolidated cash flows of Grenergy from December 31, 2022, the reporting date of the aforementioned consolidated financial statements, until June 30, 2023.

The figures contained in the accompanying interim condensed consolidated financial statements are shown in thousands of euros, except when expressly indicated otherwise.

2.2 Main risks and uncertainties

The main risks and uncertainties are broken down in the consolidated financial statements for FY 2022.

2.3 Accounting policies

The accounting standards used to prepare the accompanying interim condensed consolidated financial statements are the same as those used to prepare the consolidated financial statements for the year ended December 31, 2022, as none of the standards, interpretations or amendments that are effective for the first time in the current year have had any impact on the Group's accounting policies.

The Group intends to apply the standards, interpretations, and amendments to standards issued by the IASB, not mandatory in the European Union, when they become effective and to the extent applicable. Although the Group is still in the process of analyzing their impact, based on the analysis performed to date, it estimates that their initial application will not have a significant impact on its annual consolidated financial statements or its interim condensed consolidated financial statements.

2.4 Comparison of information

For comparative purposes the interim condensed consolidated financial statements are presented together with the consolidated statement of financial position and the consolidated statement of changes in equity for the year ended December 31, 2022, as well as the consolidated statement of profit or loss and consolidated cash flow statement for the interim period ended June 30, 2022.

2.5 Seasonality

Given the activity in which the Group companies engage, the Group's transactions are not significantly cyclical or seasonal in their nature.

2.6 Consolidation scope

Six-month period ended June 30, 2023

- a) New additions to the consolidation scope:
- The Group acquired an additional 60% of Sofos Harbert Renewable Energy, LLC during the first half of 2023, thereby obtaining control over said entity (Note 4).
- b) Removal from consolidation scope:
- During the first half of 2023, the Parent sold its interests in GR Morro, SpA and GR Peumo, SpA.
- c) Other transactions:
- In the first half of 2023, 23 companies were incorporated in Romania (inactive) as well as 21 companies in Chile (inactive).

3. Segmented financial reporting

An operating segment is a component of the Group that engages in business activities from which it may earn revenues and incur expenses, whose operating results are regularly reviewed by the Chief Executive Officer when taking operational decisions for Grenergy about resources to be allocated to the segment and assessing its performance, and for which discrete financial information is available.

The Group classifies the business segments in which it performs its activities under the following operational divisions:

- Development and Construction: this division's activities involve the search for feasible projects, in both financial as well as technical terms, the necessary work for reaching all the milestones for initiating construction, and preparatory work on the land for the construction and starting up of each project. Revenue arises from the sale of developments to third parties, via sale of the companies holding title to the licenses and permits, as well as construction income relating to EPC contracts, and construction income from work carried out by the Group for its own parks.
- Energy: this division deals with revenue obtained from the sale of energy in each of the markets in which the Group has or will have its own operational projects as Independent Power Producer ("IPP").
- Commercialization: this division deals with revenue arising from the commercialization of energy. At present, this revenue is only generated in the Chilean market.

- **Services:** this division includes the services rendered for projects once the start-up date has been reached (Commercial Operation Date - "COD") and which are therefore in the operational phase. It encompasses asset management and O&M activities provided for third-party projects.

The distribution of revenue and EBITDA amongst the three business segments at the closing of the interim periods ended June 30, 2023 and 2022 is as follows:

	Thousands of euros	
	2023	2022
Income (*)		
Development and Construction	185,332	79,569
Energy	26,867	22,914
Commercialization	11,653	3,296
Services	1,938	1,579
Total income	225,790	107,358

(*) Alternative performance measure (APM) See Appendix II.

	Thousands of euros	
	2023	2022
EBITDA (*)		
Development and Construction	8,983	6,053
Energy	20,620	18,633
Commercialization	(1,706)	(947)
Services	468	380
Corporate	(6,699)	(4,038)
Total	21,666	20,081

(*) Alternative performance measure (APM) See Appendix II.

The income shown in the above table includes the following headings in the accompanying consolidated statement of profit or loss: "Revenue" and "Work performed by the entity and capitalized." Likewise, the amount of income shown in the above table reflects a balance of 167,951 thousand euros for the interim period ended June 30, 2023 and 58,879 thousand euros for the interim period ended June 30, 2022, corresponding to unrealized income from third parties and recognized under "Work performed by the entity and capitalized" in the accompanying consolidated statement of profit or loss.

The amount shown above for EBITDA includes "Operating profit" less "Depreciation and amortization" in the accompanying consolidated statement of profit or loss.

The total balance for revenue generated during the interim periods ended June 30, 2023 and June 30, 2022 broken down by geographical area, is as follows:

	06.30.2023	06.30.2022
Chile	62,686	63,292
Spain	145,735	18,464
Peru	3,861	1,537
Argentina	4,330	3,783
Mexico	1,635	1,533
Colombia	5,566	18,359
Italy	367	198
UK	242	192
USA	873	-
Germany	291	-
Poland	204	-
Total	225,790	107,358

The Group's assets and liabilities at June 30, 2023 and December 31, 2022 are shown below by geographical location:

Interim period ended June 30, 2023

ASSETS	Spain	Chile	Mexico	Peru	Colombia	Italy	United Kingdom	Poland	Argentina	Germany	USA	Total 06.30.2023
NON-CURRENT ASSETS	196,953	374,525	30,233	62,558	59,661	3,463	2,216	963	51,044	2,219	10,712	794,548
Intangible assets	84	-	-	-	-	-	-	-	-	-	-	5,782
Property, plant, and equipment	143,959	324,922	29,018	54,566	57,825	3,448	2,208	955	47,699	2,211	5,014	671,826
Right-of-use assets	7,938	17,281	603	1,553	1,137	-	-	-	-	-	-	28,512
Investments accounted for using the equity method	-	-	-	-	-	-	-	-	-	-	-	-
Financial investments	41,400	11,702	4	13	-	15	8	8	-	8	-	53,158
Deferred tax assets	3,572	20,620	608	6,426	699	-	-	-	3,345	-	-	35,270
CURRENT ASSETS	215,323	117,501	5,995	8,441	16,141	695	396	232	4,249	144	323	369,440
Inventories	101,110	2,886	66	251	3,972	9	-	-	10	36	-	108,340
Trade and other receivables	42,917	49,307	4,830	4,951	5,875	231	99	157	2,416	46	-	110,829
Financial investments	22,716	1,294	-	-	-	-	-	-	-	-	145	24,155
Accruals	2,044	572	45	127	14	(16)	3	9	49	-	36	2,883
Cash and cash equivalents	46,536	63,442	1,054	3,112	6,280	471	294	66	1,774	62	142	123,233
TOTAL ASSETS	412,276	492,026	36,228	70,999	75,802	4,158	2,612	1,195	55,293	2,363	11,035	1,163,988

EQUITY AND LIABILITIES	Spain	Chile	Mexico	Peru	Colombia	Italy	United Kingdom	Poland	Argentina	Germany	USA	Total 06.30.2023
EQUITY	320,703	10,348	(3,343)	(9,248)	(3,640)	(219)	(316)	(272)	(3,467)	-	-	310,546
Share capital	10,714	-	-	-	-	-	-	-	-	-	-	10,714
Share premium	198,912	-	-	-	-	-	-	-	-	-	-	198,912
Reserves	87,126	9,572	(4,641)	(10,295)	(5,320)	(159)	(196)	(155)	(2,924)	-	-	73,008
Treasury shares	(19,390)	-	-	-	-	-	-	-	-	-	-	(19,390)
Profit (loss)	(3,193)	2,528	2,541	1,196	2,090	(60)	(123)	(102)	(865)	-	-	4,012
Unrealized gains (losses) reserve	46,698	(1,753)	(1,190)	(133)	(410)	-	3	(15)	322	-	-	43,522
Minority interests	(164)	1	(53)	(16)	-	-	-	-	-	-	-	(232)
NON-CURRENT LIABILITIES	191,672	218,386	1,508	7,006	42,157	-	-	-	30,918	-	-	491,647
Provisions	2,579	2,515	386	2,572	548	-	-	-	5,262	-	-	13,862
Borrowings	174,613	202,143	587	1,040	41,605	-	-	-	23,691	-	-	443,679
Deferred tax liabilities	14,480	13,728	535	3,394	4	-	-	-	1,965	-	-	34,106
CURRENT LIABILITIES	290,190	42,118	18,036	1,312	5,239	266	212	(23)	3,284	(57)	1,218	361,795
Provisions	-	515	-	-	-	-	-	-	826	-	-	1,341
Borrowings	212,124	9,255	16,163	97	859	-	-	-	1,778	-	920	241,196
Trade and other payables	78,066	32,348	1,873	1,215	4,380	266	212	(23)	680	(57)	298	119,258
TOTAL EQUITY AND LIABILITIES	802,565	270,852	16,201	(930)	43,756	47	(104)	(295)	30,735	(57)	1,218	1,163,988

Year ended December 31, 2022

ASSETS	Spain	Chile	Mexico	Peru	Colombia	Italy	United Kingdom	Poland	Argentina	Total 12.31.2022
NON-CURRENT ASSETS	229,303	249,033	27,408	65,276	51,026	2,039	1,125	398	56,234	681,842
Intangible assets	248	-	-	-	-	-	-	-	-	248
Property, plant, and equipment	185,481	208,758	26,192	57,548	49,172	2,031	-	1,118	389	582,149
Right-of-use assets	8,324	16,835	555	1,470	974	-	-	-	-	28,175
Investments accounted for using the equity method	4,515	-	-	-	-	-	-	-	-	4,515
Financial investments	13,761	5,627	3	13	-	8	-	7	9	19,428
Deferred tax assets	16,974	17,813	658	6,245	880	-	-	-	4,757	47,327
CURRENT ASSETS	72,455	91,014	6,971	6,791	22,678	698	239	105	4,188	205,139
Inventories	2,349	979	59	202	2,981	31	-	-	-	6,611
Trade and other receivables	35,255	28,443	4,381	4,281	4,513	218	23	62	2,873	80,049
Financial investments	10,103	1,785	-	-	84	-	-	-	-	11,972
Accruals	696	-	6	40	66	-	8	9	12	837
Cash and cash equivalents	24,052	59,807	2,525	2,268	15,034	449	208	34	1,293	105,670
TOTAL ASSETS	301,758	340,047	34,379	72,067	73,704	2,737	1,364	503	60,422	886,981

EQUITY AND LIABILITIES	Spain	Chile	Mexico	Peru	Colombia	Italy	United Kingdom	Poland	Argentina	Total 12.31.2022
EQUITY	255,433	12,927	(4,962)	(9,936)	(5,584)	(159)	(193)	(157)	(2,554)	244,815
Share capital	10,714	-	-	-	-	-	-	-	-	10,714
Share premium	198,912	-	-	-	-	-	-	-	-	198,912
Reserves	77,711	7,091	(4,527)	(5,709)	(805)	(29)	(42)	-	(5,634)	68,056
Profit (loss)	13,606	4,578	(121)	(4,585)	(5,448)	(130)	(153)	(155)	2,711	10,303
Treasury shares	(19,728)	-	-	-	-	-	-	-	-	(19,728)
Unrealized gains (losses) reserve	(25,617)	1,257	(254)	372	669	-	2	(2)	369	(23,204)
Minority interests	(165)	1	(60)	(14)	-	-	-	-	-	(238)
NON-CURRENT LIABILITIES	221,189	131,476	1,008	9,625	25,718	-	-	-	31,880	420,896
Provisions	2,560	2,525	333	5,141	478	-	-	-	5,317	16,354
Borrowings	213,429	119,835	534	1,027	25,240	-	-	-	24,054	384,119
Deferred tax liabilities	5,200	9,116	141	3,457	-	-	-	-	2,509	20,423
CURRENT LIABILITIES	157,846	28,132	17,579	8,364	3,947	94	47	29	5,232	221,270
Provisions	-	510	-	6,054	-	-	-	-	1,589	8,153
Borrowings	87,826	10,945	16,404	98	420	-	-	-	2,919	118,612
Trade and other payables	70,020	16,677	1,175	2,212	3,527	94	47	29	724	94,505
Accruals	-	-	-	-	-	-	-	-	-	-
TOTAL EQUITY AND LIABILITIES	634,468	172,535	13,625	8,053	24,081	(65)	(146)	(128)	34,558	886,981

4. Goodwill and business combinations

On February 3, 2023, the Group acquired the additional 60% of ownership interest in the US solar project developer Sofos Harbert Renewable Energy, LLC, thereby obtaining control over said entity. The amount corresponding to this transaction (60%) totaled 5,400 thousand US dollars, which was settled in shares, while the total balance settled by the Group in the transaction (100%) amounted to 9,571 thousand euros (10,400 thousand US dollars).

The Group measured the identifiable assets acquired and liabilities assumed at their fair value as of the effective acquisition date, broken down as follows:

(Thousands of euros)	Fair values
Assets	3,921
Property, plant, and equipment	2,821
Financial investments	142
Accruals	36
Cash and cash equivalents	922
Liabilities	49
Trade and other payables	49
Total net identifiable assets at fair value	3,872

The fair value of the assets received amounted to 3,872 thousand euros, broken down as follows:

Business combination (purchase price)	9,570
Equity at fair value	3,872
Difference = Goodwill (Note 4)	5,698

Goodwill recognized at the acquisition date in connection with this business combination amounted to 5,698 thousand euros, corresponding to the total excess price paid. No assets were identified in the business combination whose fair value differed from their carrying amounts. Likewise, no gain or loss was recognized in the current year in connection with the identifiable assets acquired and liabilities assumed in the business combination.

The goodwill acquired through the business combination was attributed to the cash-generating unit for projects in the USA.

At June 30, 2023, no indications of impairment were detected with respect to goodwill assigned to cash-generating units.

Given that the 12-month period following acquisition has not yet elapsed, recognition of this business combination remains provisional though no significant additional adjustments are expected.

The costs associated with this transaction (business combination) amounted to 335 thousand euros, recognized under "Other operating expenses" in the accompanying consolidated statement of profit or loss.

5. Property, plant, and equipment

The breakdown and movements during the six-month period ended June 30, 2023 of balances recognized under this heading in the accompanying consolidated statement of financial position are as follows:

	Land and buildings	Parks in operation	Other PP&E items	PP&E under construction	TOTAL
COST					
Balance at 12.31.2022	96	428,143	5,408	173,441	607,088
Currency translation differences	-	(6,076)	-	11,161	5,085
Additions	-	2,865	676	184,058	187,599
Transfers	-	-	-	(95,720)	(95,720)
Provision for dismantling	-	(3,106)	-	-	(3,106)
Business combinations	-	-	-	3,034	3,034
Disposals, derecognitions, and reductions	(59)	-	-	-	(59)
Balance at 06.30.2023	37	421,826	6,084	275,974	703,921
DEPRECIATION					
Balance at 12.31.2022	-	(18,395)	(2,914)	-	(21,309)
Currency translation differences	-	-	-	-	-
Allowance for the year	-	(5,896)	(356)	(904)	(7,156)
Decreases	-	-	-	-	-
Balance at 06.30.2023	-	(24,291)	(3,270)	(904)	(28,465)
IMPAIRMENT					
Balance at 12.31.2022	-	-	(50)	(3,580)	(3,630)
Currency translation differences	-	-	-	-	-
Allowance for the year	-	-	-	-	-
Decreases	-	-	-	-	-
Balance at 06.30.2023	-	-	(50)	(3,580)	(3,630)
Net carrying amount at 12.31.2022	96	409,748	2,444	169,861	582,149
Net carrying amount at 06.30.2023	37	397,535	2,764	271,490	671,826

The integration of these solar and wind parks in the consolidated figures is at the construction cost for the Group.

PP&E associated with parks

A part of the balances recognized in the table above corresponds to the cost of the assets associated with the solar and wind parks. The breakdown by park at June 30, 2023 and December 31, 2022 is as follows:

Name of park	Technology	Country	Net carrying amount	
			06.30.2023	12.31.2022
Kosten	Wind	Argentina	49,613	51,524
Duna & Huambos	Wind	Peru	50,512	53,971
Quillagua	Solar	Chile	71,900	72,600
San Miguel de Allende	Solar	Mexico	28,827	26,139
Escuderos	Solar	Spain	119,842	120,197
PMGDs Chile	Solar	Chile	113,666	95,224
PMGs Colombia	Solar	Colombia	58,621	44,990
Belinchón	Solar	Spain	-	42,201
Gran Teno	Solar	Chile	112,806	26,866
Tamango	Solar	Chile	12,236	6,009
Other developments	Solar	Miscellaneous	51,002	39,888
TOTAL			669,025	579,609

Description of the main movements

The additions during the six-month period ended June 30, 2023 mainly correspond to parks constructed and held for operation in Chile, Spain, and Colombia.

No items were derecognized during the 6-month period ended June 30, 2023.

The transfers from "Property, plant, and equipment" to "Inventories" (Note 6) correspond to the net carrying amount of the Belinchón park (Spain). The Group agreed to sell 100% of the photovoltaic park to a third party, subject certain suspensive conditions, which at the closing of these interim consolidated financial statements had not yet been met. The Group expects to obtain proceeds in this transaction amounting to 83 million euros net of debt (equity value).

Impairment losses

At the end of each reporting period, the directors evaluate whether there are any indications of impairment with respect to the photovoltaic solar power plants or wind parks in an advanced stage of construction and in operation, except in the case of an event being detected which represents impairment, in which case the assessments are carried out more frequently. The Group uses, amongst other means, financial projections for each asset in order to perform these reviews. Said financial projections are structured in such a manner as to determine the costs of each project (both in the construction phase and the operational phase) and allow for the income to be projected over the entire lifetime of the power plant, given that they are either regulated by long-term sales contracts or by means of the price curve obtained from independent experts when they are market-based.

At June 30, 2023, all the solar power plants and wind parks which the Group owns are obtaining income and reasonably complying with the established business plans, so that the directors consider that there are no indications of any impairment losses on said assets.

6. Inventories

The breakdown of inventories at the closing of the interim period ended June 30, 2023 and FY 2022 is as follows:

	06.30.2023			12.31.2022		
	Cost	Impairment losses	Balance	Cost	Impairment losses	Balance
Raw materials and other consumables	22	-	22	2,157	-	2,157
Plant in progress	101,002	-	101,002	100	-	100
Prepayments to suppliers	7,316	-	7,316	4,354	-	4,354
Total	108,340	-	108,340	6,611	-	6,611

At the end of the interim period ended June 30, 2023, the balance recognized under "Plant in progress" mainly includes the 150 MW Belinchón photovoltaic park located in Cuenca (Spain), amounting to 95,720 thousand euros.

The Group reclassified this asset to working capital, given that it had agreed upon the sale of 100% of the photovoltaic park and at the closing of these condensed interim consolidated financial statements, it had not been transferred. The transfer of this asset, subject to fulfillment of certain suspensive conditions, is expected to be completed before December 31, 2023 (Note 5).

Likewise, this heading also includes the construction costs of various parks in Chile which are to be sold to third parties subsequently.

7. Trade receivables

"Trade receivables" in the accompanying consolidated statement of financial position presents receivable balances from construction and sales of photovoltaic solar plants, sales of energy, as well as income from operating and maintenance services rendered for photovoltaic solar plants. The breakdown of this heading at June 30, 2023 and December 31, 2022 was as follows:

	Thousands of euros	
	06.30.2023	12.31.2022
Receivable from sale of energy	14,562	7,976
Receivable from sales of developments and construction	40,216	38,929
Receivable from operation & maintenance services	1,692	975
Total	56,470	47,880

"Receivable from sale of energy" includes an amount of 9,105 thousand euros, corresponding to "energy produced pending invoice" (December 31, 2022: 3,481 thousand euros).

The balance recognized for "Receivable from sales of developments and construction" in the above table includes the contract assets, corresponding to invoices pending issue in connection with "production executed pending invoice" as a consequence of the positive difference between income recognized for each construction project and the amount invoiced for each such project.

At June 30, 2023 and December 31, 2022, none of the receivable balances were considered doubtful.

The Group continually monitors and analyzes the performance of all balances pending collection. Subsequent to analysis of the current situation, the directors considered that credit risk is not significant.

8. Cash and cash equivalents

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

	06.30.2023				12.31.2022			
	Corporate treasury	Project treasury		TOTAL	Corporate treasury	Project treasury		TOTAL
		Recourse	Non-recourse			Recourse	Non-recourse	
Cash in hand	71,122	2,426	49,685	123,233	61,142	3,652	40,876	105,670
Total	71,122	2,426	49,685	123,233	61,142	3,652	40,876	105,670

"Project treasury" corresponds to the treasury of the Group companies who own the parks. "Recourse project treasury" corresponds to the treasury of those parks which hold secured debt with respect to the Parent.

Of the cash balances presented in the above table, none of the balances relating to recourse corporate treasury or recourse project treasury are subject to restrictions at June 30, 2023 and December 31, 2022.

The amounts presented for non-recourse project treasury are subject to restricted availability as a guarantee for servicing bank debt.

9. Capital and reserves

9.1. Share capital

At June 30, 2023, the Parent's share capital amounted to 10,714 thousand euros, corresponding to 30,611,911 shares with a nominal value of 0.35 euros each.

At June 30, 2023, the following shareholders of the Parent held a direct stake of more than 10% of share capital:

Shareholder	Percentage of ownership interest
Daruan Group Holding, S.L.	54%

9.2. Share Premium

The share premium amounted to 198,912 thousand euros at June 30, 2023. This balance can be used for the same purposes as the voluntary reserves of the Parent, including conversion to capital.

9.3. Reserves

The consolidated statement of changes in equity which forms a part of these interim condensed consolidated financial statements provides a breakdown of the aggregate balances and movements for the interim period ended June 30, 2023. The breakdown and composition of the different line items are shown below:

	Balance at 12.31.2022	Increase	Decrease	Balance at 06.30.2023
Parent company reserves:				
<u>Restricted reserves</u>				
Legal reserve	1,955	188	-	2,143
Capitalization reserve	1,521	-	-	1,521
<u>Unrestricted reserves:</u>				
Voluntary reserves	78,748	5,858	-	84,606
Total reserves of the Parent	82,224	6,046	-	88,270
Reserves in consolidated companies	(14,168)	-	(1,094)	(15,262)
Total	68,056	6,046	(1,094)	73,008

Legal reserve

The legal reserve of the Parent was allocated in accordance with article 274 of the Spanish Corporate Enterprises Act, which states that in any event, companies must earmark an amount equal to 10% of profit for the year to a legal reserve until such reserve reaches at least 20% of share capital.

This reserve cannot be distributed, and can only be used to offset losses if no other reserves are available for this purpose. Any amount of the reserve used for this purpose must be restored with future profits.

Voluntary reserves

These reserves are freely distributable.

The gains or losses obtained on the purchase-sale of treasury shares are recognized directly under voluntary reserves.

Capitalization reserve

During 2017, the Parent set aside a capitalization reserve, with a charge to available reserves, corresponding to 10% of the increase in capital and reserves of 2016, in accordance with the stipulations of article 25 of Law 27/2014 of November 27, on Corporate Income Tax (Note 13).

This reserve will be restricted for a period of 5 years. During the interim period ended June 30, 2023, and at December 31, 2022, the Group did not recognize any movements in this reserve.

9.4. Own equity instruments

The treasury share portfolio at the closing of the interim period ended June 30, 2023 and December 31, 2022 is comprised of the following:

	Balance at 06.30.2023	Balance at 12.31.2022
Number of shares in treasury share portfolio	640,853	611,148
Total treasury share portfolio	19,387	19,728
Liquidity Accounts	513	540
Fixed Own Portfolio Account	18,874	19,188

During the interim period ended June 30, 2023, the movements in the treasury share portfolio of the Parent were as follows:

	Treasury shares		
	Number of shares	Nominal value (thousands of euros)	Average acquisition price
Balance at 12.31.2022	611,148	19,728	32.28
Acquisitions	556,074	16,149	29.04
Disposals	(526,369)	(16,490)	31.33
Balance at 06.30.2023	640,853	19,387	30.25

The purpose of holding the treasury shares is to maintain them available for sale in the market and for the incentive plan approved for directors, executives, employees, and key collaborators of the Group (Note 9.5).

At June 30, 2023, treasury shares represent 2.1% (December 31, 2022: 2.0%) of all the Parent's shares.

9.5. Incentive plans for employees

The Board of Directors of the Parent has approved different incentive plans for certain executives and key personnel based on the granting of options on the Parent's shares. Options are granted at different times for each incentive plan though with the same characteristics as the incentive plans to which they are associated:

Incentive plan	Grant date	Date of approval	Number of shares designated at 6/30/2023	Exercise price per share (euros)
Incentive Plan I	Options granted 4	3/29/2019	11,500	6.90
Incentive Plan II	Options granted 1	10/2/2019	42,990	7.73
Incentive Plan II	Options granted 2	9/28/2020	124,287	15.28
Incentive Plan II	Options granted 3	12/10/2021	94,414	30.45
Incentive Plan II	Options granted 4	11/16/2022	226,086	29.18

The beneficiary of Incentive Plan I will be able to acquire:

- A third of the shares granted for the option from the date on which two years have elapsed counting from the grant date.

- A third of the shares granted for the option from the date on which three years have elapsed counting from the grant date.
- A third of the shares granted for the option from the date on which four years have elapsed counting from the grant date.

In Incentive Plan II, each year the beneficiary will have the right to exercise up to 25% of the options granted. The right to exercise shall be approved by the Commission for Appointments and Remuneration based on the beneficiary's compliance with the objectives established in the Remuneration Policy for Senior Management. The beneficiary can exercise the share options starting two years from their grant date and for a period of three years.

Said incentive plans establish that their settlement will be carried out by delivery of equity instruments to the employees should they exercise the options granted. The exercise prices of the options on shares were established by reference to the fair value of the corresponding equity instruments at the grant date.

The fair value of the equity instruments granted was determined at the grant date utilizing a Black Scholes valuation model based on the share price at the grant date.

As a consequence of accruals with respect to the estimated fair value of the equity instruments granted during the lifetime of the plan, a balance of 207 thousand euros was recognized under "Employee benefits expense" in the consolidated statement of profit or loss for the interim period ended June 30, 2023 with a credit to "Reserves" in the consolidated statement of financial position.

9.6. Earnings (losses) per share

Basic

The basic earnings (losses) per share from continuing operations corresponding to the interim periods ended June 30, 2023 and 2022 were as follows:

	Thousands of euros	
	06.30.2023	06.30.2022
Profit attributable to the partners of the Parent	4,012	8,905
Weighted average number of ordinary shares outstanding	29,980,342	30,026,705
Earnings (losses) per share	0.13	0.30

Basic earnings per share are calculated by dividing the profit attributable to the partners of the Parent by the weighted average number of ordinary shares outstanding during the year.

Diluted

There are no agreements for diluting basic earnings per share as calculated in the previous paragraph.

10. Unrealized gains (losses) reserve

Hedging transactions

These transactions correspond to the fair value at June 30, 2023 and December 31, 2022 of hedging instruments contracted by the Group to cover changes in interest rates and energy prices (Note 12.5).

11. Provisions and contingencies

The movements during the interim period ended June 30, 2023 in the line items included under this heading in the accompanying consolidated statement of financial position were as follows:

	Provision for penalties	Provision for guarantees	Provision for dismantling costs	Total
Balance at 12.31.2022	9,850	520	14,137	24,507
Amounts provisioned	-	-	103	103
Currency translation differences	(196)	-	(11)	(207)
Amounts applied	(6,702)	(8)	(2,490)	(9,200)
Balance at 06.30.2023	2,952	512	11,739	15,203

Provision for penalties

Kosten (Argentina)

This provision corresponds to the penalties in connection with the commercial start-up of the Kosten wind park, which arose from its electricity supply contract with Compañía Administradora del Mercado Mayorista Eléctrico S.A. (CAMMESA). In accordance with the aforementioned contract, the Group was committed to ensuring that the wind park would be finished and start commercial operations on August 13, 2019. However, due to different circumstances and events, mainly the bankruptcy of its most significant subcontractor, the wind park could not be completed. The final amount payable for the penalty in accordance with the supply contract totaled 5,508 thousand euros. The Group reached an agreement with CAMMESA in 2021 to settle the penalty in 48 monthly installments of equal amounts. In 2023, a balance of 739 thousand euros was applied via payment of said amount.

Duna and Huambos (Peru)

The Group recognized penalties in 2022 in connection with the commercial start-up of the Duna and Huambos wind park, amounting to 5,963 thousand euros and applied in 2023 subsequent to payment.

Provision for delays and guarantees

At the end of each reporting period the Group evaluates the need to recognize a provision for guaranteeing and covering any inconsistencies that may arise with respect to materials, supplies, and spare parts delivered as well as penalties due to delays in connecting solar plants. At June 30, 2023, the Group recognized provisions with respect to these items, based on its historical experience in the case of the guarantees and the contractual clauses in the case of delays.

Provision for dismantling costs

The Group recognizes a provision for dismantling costs when the construction period for the solar and wind energy plants ends. This provision is calculated by estimating the present value of the obligations assumed in connection with dismantling or retirement and other associated obligations, such as restoration costs for the location on which the solar plants were constructed. At June 30, 2023, this provision corresponds to the operational parks (Note 5).

Legal proceedings and/or claim litigation underway

With the exception of the arbitration proceedings disclosed in Note 12.5, the Group was not party to any legal proceedings involving significant amounts for which the risk qualification regarding an outflow of resources was considered either probable or possible. Both the Group's legal advisers as well as the Parent's directors believe that the finalization of said proceedings and claim litigation will not have a significant effect on the consolidated financial statements and notes thereto for the interim period ended June 30, 2023. Consequently, no provision was allocated in this respect.

12. Non-current and current borrowings

The breakdown of these headings in the accompanying consolidated statement of financial position at June 30, 2023 and December 31, 2022 is as follows:

	Non-current borrowings	Current borrowings	Total at 06.30.2023	Non-current borrowings	Current borrowings	Total at 12.31.2022
Bonds and other marketable securities	83,490	58,151	141,641	83,231	34,529	117,760
Bank borrowings	334,001	172,806	506,807	254,229	46,307	300,536
Loans	334,001	114,110	448,111	254,229	44,101	298,330
Credit lines	-	4,653	4,653	-	2,206	2,206
Reverse factoring line and Comex line	-	54,043	54,043	-	-	-
Other financial liabilities	-	1,132	1,132	-	130	130
Derivatives	-	7,726	7,726	20,586	36,141	56,727
Finance lease liabilities	26,188	1,381	27,569	26,073	1,505	27,578
Total	443,679	241,196	684,875	384,119	118,612	502,731

The only liabilities recognized at fair value correspond to derivative financial instruments. The measurement of said instruments was carried out by discounting cash flows.

The fair value of the remaining financial assets and liabilities does not differ significantly from their carrying amounts.

At June 30, 2023, the breakdown of borrowings by type of guarantee is as follows:

	Corporate debt		Project debt			
			Recourse (secured)		Non-recourse (unsecured)	
	Non-current	Current	Non-current	Current	Non-current	Current
Bonds and other marketable securities	83,490	58,151	-	-	-	-
Bank borrowings	5,895	63,453	-	16,105	328,106	93,247
Loans	5,895	4,757	-	16,105	328,106	93,247
Credit lines	-	4,653	-	-	-	-
Reverse factoring line and Comex line	-	54,043	-	-	-	-
Other financial liabilities	-	1,132	-	-	-	-
Derivatives	-	-	-	-	-	7,726
Lease liabilities	26,188	1,381	-	-	-	-
Total	115,573	124,117	-	16,105	328,106	100,973

The corporate guarantee makes the Parent liable with respect to the lender (in this case, the financial entities) with all its assets and cash in the event of a hypothetical default on the loan. The Group differentiates between two types of debt: corporate debt and project debt. Corporate debt is secured debt (recourse) as the Parent is liable to the lender with all its assets and cash up to the limit of the guarantee granted. Project debt can be secured or unsecured (recourse or non-recourse). Project debt is unsecured when the Parent is not liable to the lender and it is the asset itself which acts as the guarantee.

The project guarantees are related to the properties held by the companies, corresponding to the solar and wind parks.

During 2023 and 2022, the Group complied with the payment of all its financial debt at maturity. Likewise, at the date of authorization of these interim condensed consolidated financial statements the Group had complied with all assumed obligations.

12.1. Bonds and other marketable securities

The breakdown of this heading at June 30, 2023 is as follows:

Program	Date of program	Nominal amount	Amount issued	Issue date	Interest rate	Maturity date	Balance at 06.30.2023		Balance at 12.31.2022		2023 Finance costs	2022 Finance costs
							Non-current	Current	Non-current	Current		
Green Bond program (MARF) (*)	Mar-22	100,000	52,500	April-22	4%	5 years	51,970	947	51,970	1,545	1,050	524
Green commercial paper program (MARF)	Sept-21	100,000	66,833	Sept-21	0.7%-2.5%	5 years	10,115	56,718	9,846	32,539	894	312
Green Bond program (MARF) (*)	Oct-19	50,000	22,000	Nov-19	4.75%	5 years	21,405	486	21,415	445	598	598
TOTAL							83,490	58,151	83,231	34,529	2,542	1,434

(*) Subject to fulfillment of a series of covenants, all of which are at present expected to be fulfilled at December 31, 2023.

The issue of the Green Bond programs was validated by Vigeo Eiris in terms of environmental, social, and governance (ESG) criteria, in accordance with the directives contained in the Green Bond Principles.

The commercial paper program uses a financing framework aligned with the Green Loan Principles 2021 of the Loan Market Association (LMA) and with the Green Bond Principles 2021 of the International Capital Markets Association (ICMA). It is the first such program in Spain.

The Company's green financing framework was subjected to a Second Party Opinion (SPO) issued by the rating agency ESG Sustainalytics. The report considers the positive impact on the environment of the funds used and evaluates the credibility of the green financing framework used by Grenergy, as well as its alignment with international standards.

12.2. Bank borrowings

The breakdown of loans subscribed and their main contractual conditions at June 30, 2023 is as follows:

Financial entity	Maturity date	Type of guarantee	Installments	Thousands of euros		
				Non-current liabilities	Current liabilities	Total
KFW Bank	7/31/2034	Project guarantee	Semi-annual	23,691	1,778	25,469
Banco Security, Banco del Estado de Chile, and Penta Vida Compañía de Seguros de Vida	11/8/2036	Project guarantee	Semi-annual	44,610	3,429	48,039
Sinia Renovables	11/8/2036	Project guarantee	Semi-annual	8,474	5,444	13,918
Banco Sabadell (ICO)	4/30/2025	Corporate	Monthly	645	760	1,405
Bankinter (ICO)	4/30/2025	Corporate	Monthly	1,739	1,784	3,523
BBVA (ICO)	5/13/2025	Corporate	Monthly	111	126	237
Bankia (ICO)	4/30/2025	Corporate	Monthly	519	551	1,070
Banco Santander (ICO)	4/30/2025	Corporate	Monthly	282	303	585
Caixabank (ICO)	4/30/2025	Corporate	Monthly	259	253	512
Banco Santander (ICO)	9/1/2025	Corporate	Monthly	320	251	571
Abanca	2/28/2027	Corporate	Monthly	2,020	737	2,757
CIFI Latam	12/30/2023	Project guarantee	Semi-annual	-	16,105	16,105
KFW Bank and Bankinter	8/31/2038	Project guarantee	Semi-annual	20,396	1,633	22,029
KFW Bank and Bankinter	8/31/2038	Project guarantee	Semi-annual	20,475	1,443	21,918
KFW Bank and Bankinter	8/31/2038	Project guarantee	Semi-annual	20,392	1,590	21,982
KFW Bank and Bankinter	8/31/2038	Project guarantee	Semi-annual	20,376	1,632	22,008
FOND-ICO INFRAESTRUCTURAS II, F.I.C.C. (AXIS)	10/31/2038	Project guarantee	Semi-annual	2,978	629	3,607
FOND-ICO INFRAESTRUCTURAS II, F.I.C.C. (AXIS)	10/31/2038	Project guarantee	Semi-annual	2,978	629	3,607
FOND-ICO INFRAESTRUCTURAS II, F.I.C.C. (AXIS)	10/31/2038	Project guarantee	Semi-annual	2,978	629	3,607
FOND-ICO INFRAESTRUCTURAS II, F.I.C.C. (AXIS)	10/31/2038	Project guarantee	Semi-annual	2,978	629	3,607
Natixis	12/31/2027	Project guarantee	Semi-annual	52,918	-	52,918
Bancolombia	12/31/2036	Project guarantee	Semi-annual	25,258	639	25,897
Toesca	5/1/2025	Project guarantee	Held to maturity	14,554	-	14,554
NordLB and Bankinter	12/31/2042	Project guarantee	Semi-annual	-	24,501	24,501
NordLB and Bankinter	12/31/2042	Project guarantee	Semi-annual	-	24,354	24,354
NordLB and Bankinter	12/31/2042	Project guarantee	Semi-annual	-	24,281	24,281
BNP and Socialite	6/22/2028	Project guarantee	Semi-annual	4,276	-	4,276
BNP and Socialite	6/22/2028	Project guarantee	Semi-annual	60,774	-	60,774
CESCE - Santander	6/22/2031	Corporate	Semi-annual	-	-	-
Total				334,001	114,110	448,111

As disclosed in Note 6, the commitment to sell the whole 150 MW Belinchón photovoltaic park led the Group to recognize the assets committed contractually in this transaction under "Working capital." Similarly, the Group recognized a current balance corresponding to the financing associated with said project, amounting to a total of 73,136 thousand euros.

On June 22, 2023, the Group signed a green investment mechanism agreement relating to a CESCE loan for an amount of 156,744 thousand US dollars, maturing on June 22, 2031, for purposes of funding its own future contributions to the Project companies so they may cover payments for project costs.

The borrowings from credit entities in the above table accrue interest at market rates which depend on the characteristics of each loan.

Project finance

At December 31, 2022, the Group had subscribed 14 project finance arrangements:

- (i) a project finance arrangement granted by KFW Bank to the subsidiary GR Kosten, S.A.U. for construction and operation of the Kosten wind park (24 MW) in Argentina;
- (ii) a project finance arrangement granted by Banco Security, Banco del Estado de Chile, Penta Vida Compañía de Seguros de Vida, and Sinia Renovables, S.A.U. to the subsidiary Parque Eólico Quillagua, SpA for construction and operation of the Quillagua solar park in Chile with a capacity of 103 MW;
- (iii) a project finance arrangement granted by CIFI Latam to the subsidiary Green Hub for construction and operation of the San Miguel de Allende solar park in Mexico with a capacity of 30 MW;
- (iv) 4 project finance arrangements granted by KFW Bank, Bankinter, and FOND-ICO INFRAESTRUCTURAS II, F.I.C.C. to the subsidiaries GR Aitana, S.L., GR Bañuela, S.L., GR Aspe, S.L., and GR Turbón, S.L. for construction and operation of the Escuderos solar park in Spain with a capacity of 200 MW;
- (v) a project finance arrangement granted by Natixis for the construction and operation of 14 solar parks in Chile, corresponding to PMGDs and PMGs;
- (vi) a project finance arrangement granted by Bancolombia for the construction and operation of 6 solar parks in Colombia with a capacity of 72 MW;
- (vii) 3 project finance arrangements granted by NordLB and Bankinter (Axis) to the subsidiaries GR Eugaba, S.L., GR Take, S.L., and GR Eugaba, S.L. for the construction and operation of the Belinchón solar park in Spain with a capacity of 150 MW;
- (viii) a project finance arrangement granted by BNP and Socialite to the subsidiary GR GR Liun SpA for construction and operation of the Tamango solar park (48 MW) in Chile; and
- (ix) a project finance arrangement granted by BNP and Socialite to the subsidiary GR GR ALGARROBO S.P.A. for construction and operation of the Teno solar park (240 MW) in Chile.

At June 30, 2023, the companies related to the project finance arrangements were complying with their contractual obligations. Each project finance arrangement has a series of positive/negative obligations, standard for this type of financing.

12.3. Credit facilities and discount lines

At June 30, 2023, the Group had subscribed credit facilities and credit financing for foreign operations with various financial entities. The breakdown of the credit drawn at said dates together with the corresponding contractual terms is as follows:

Financial entity	Thousands of euros		
	Credit limit granted	Amount drawn	Amount available
SANTANDER	5,000	4,650	350
BANKINTER	1,000	-	1,000
BBVA	500	-	500
CAJAMAR	5,000	-	5,000
ABANCA	2,000	3	1,997
Total credit facilities	13,500	4,653	8,847
BBVA	15,000	12,627	2,373
SANTANDER	10,000	2,760	7,240
BANKINTER	10,000	-	10,000
Total reverse factoring	35,000	15,387	19,613
BBVA	39,500	19,065	20,435
CAJAMAR	22,000	16,118	5,882
ABANCA	10,900	1,095	5,389
CAJA RURAL DEL SUR	5,500	2,378	196
SABADELL	9,000	-	8,307
SANTANDER	35,000	-	15,385
CAIXABANK	40,000	-	16,412
BANKINTER	15,500	-	10,921
NATIXIS	30,000	-	27,851
CAJAMAR	22,000	-	5,746
CAJA RURAL DEL SUR	5,500	-	196
UNICAJA	10,000	-	76
BANCO COOPERATIVO ESPAÑOL	20,000	-	1,511
SCOTIBANK	25,000	-	2,466
BNP	20,000	-	17,149
Total Comex Lines	309,900	38,656	137,922
Total	358,400	58,696	166,382

The available balance mainly includes, apart from the amounts drawn, the guarantees extended to third parties (Note 16.1).

12.4. Other financial liabilities

The balance recognized by the Group under "Other financial liabilities" mainly includes the variable price linked to the sale-purchase contract for Sofos Harbert Renewable Energy, LLC. Said amount is included in the price paid for the business combination described in Note 4.

12.5. Derivative financial instruments

The Group recognizes the fair value of the interest rate hedges and price hedges (financial PPA) contracted at June 30, 2023 under this heading:

	Non-current	Current	Total 06.30.2023
<i>Derivative financial assets</i>			
IRS Escuderos	10,903	774	11,677
IRS Quillagua	1,997	665	2,662
IRS Las Palmas de Cocalan	2,204	-	2,204
Total interest rate hedges	15,104	1,439	16,543
PPA Belinchón	-	13,650	13,650
PPA Escuderos	17,633	-	17,633
PPA Tabernas	7,097	-	7,097
PPA José Cabrera	1,588	-	1,588
PPA Ayora	3,614	-	3,614
PPA La Ceral	4,893	-	4,893
Total energy price hedges	34,825	13,650	48,475
Total	49,929	15,089	65,018
<i>Financial liabilities - derivatives</i>			
PPA Escuderos	-	7,726	7,726
Total energy price hedges	-	7,726	7,726
Total	-	7,726	7,726

As disclosed in Note 5, the Group agreed to sell 100% of the Belinchón photovoltaic park to a third party, subject to suspensive conditions. Since it is highly probable that the transaction will be closed before December 31, 2023, the derivative (financial PPA) associated with this park was transferred to current assets in the accompanying consolidated balance sheet.

Interest rate hedges (IRS)

The Grenergy Group regularly contracts interest rate derivatives which are designated as hedging instruments for accounting purposes. Said instruments are contracted to cover the potential changes in cash flows arising from interest payments associated with non-current financial liabilities at variable rates (Note 12.2).

The derivative financial instruments for hedging interest rates which the Group contracted, in force at June 30, 2023, are recognized in the accompanying consolidated statement of financial position at their market value, as per the following breakdown:

	Grant date	Maturity date	Variable rate	Financial entity	Fixed rate
Quillagua hedge	2,020	2,036	6-month Libor	Banco Security and Banco del Estado de Chile	6.45%
Escuderos hedge	2,021	2,038	6-month Euribor	KFW and Bankinter	0.32%
Hedges for 14 PMGDs Chile	2,021	2,027	6-month Libor	Natixis	1.17

Hedges for energy sales

In the transactions they carry out, the Group companies seek to arrange long-term energy sales contracts for part or all of the energy produced at their installations so that the risk of fluctuations in market sales prices are partially or completely mitigated. Said contracts, depending on the regulatory framework within which the installations are being operated, can be executed with the physical delivery of energy (the so-called Power Purchase Agreements - PPAs) or via financial derivatives in which the underlying item corresponds to the market price for energy and for which the difference between said market price and the contractually established production price is settled periodically.

Some Group companies have arranged price hedging contracts (financial PPA) with a view to covering fluctuations in energy prices.

Since the Group can demonstrate it has arranged contracts in accordance with the energy sales strategy established for the installation and since the differences that arise are settled, it designates said contracts as hedges and recognizes changes in the market values of the derivatives under "Unrealized gains (losses) reserve" in equity.

	Agreement date	Start date	Maturity date	Notional (MWh)	Price (euros/MW)
PPA Escuderos	2020	8/1/2021	7/30/2033	360,000	30-40
PPA Belinchón	2022	1/1/2025	12/31/2036	200,000	40-50
Tabernas	2023	1/1/2025	12/31/2040	343,000	40-50
José Cabrera	2023	7/1/2025	6/30/2040	66,000	40-50
Ayora	2023	11/1/2025	10/31/2040	253,000	40-50
La Cereal	2023	11/1/2025	10/31/2040	327,000	40-50

The power purchase agreements for the projects oblige the parties to settle the differences between the fixed price and the market price for a certain amount of energy starting from the start-up date. Once the parks start producing electricity, monthly settlements are carried out based on the changes in market prices with respect to the price fixed for sales. Further, an annual settlement was agreed upon for the difference between the monthly amount of energy expected in the PPA and the monthly amount produced multiplied by the difference between the average market price for the last 12 months and the fixed price.

A dispute arose with the counterparties of the contracts during 2022 regarding an estimated amount of 18,582 thousand euros in connection with the annual settlement of August 1, 2022.

On August 4, 2022, Grenergy filed an arbitration request before the International Chamber of Commerce (ICC) to resolve this dispute, alleging that the delay in starting up the wind parks was due to different exceptional circumstances that arose in 2021 and 2022.

Based on the risk assessment performed by the Group's external and internal lawyers, Grenergy Management decided to recognize an expense of 10,690 thousand euros (6,290 thousand euros were recognized in 2021 and the remaining 4,400 thousand euros were recognized in 2022). The difference (7,892 thousand euros) was paid to the counterparty of the contract and recognized as a recoverable current balance under "Financial investments - Other financial assets" in the consolidated statement of financial position given that Grenergy Management decided not to recognize any type of provision as the associated risk was qualified as not probable and consequently there would be no impact on the condensed consolidated financial statements.

12.6. Finance lease liabilities

Commencing January 1, 2019, due to the application of IFRS 16 "Leases," lease liabilities are treated as financial debt. The main liabilities recognized at June 30, 2023 under this heading in the consolidated statement of financial position are as follows:

	Land	Offices	Other	Total
Non-current lease liabilities	24,673	776	739	26,188
Current lease liabilities	530	542	309	1,381
TOTAL (thousands of euros)	25,203	1,318	1,048	27,569

"Land" includes the lease liabilities from the rental contracts for the land where the operational parks are located at June 30, 2023.

"Offices" includes the lease liabilities from the rental contracts for the office space in Spain and Chile.

"Other" includes the lease liabilities from the lease contracts for certain transportation items and installations.

The discount rate used by Grenergy arises from the homogeneous portfolio of leases, countries, and contractual durations.

13. Public administrations and tax matters

The breakdown of balances with public administrations at June 30, 2022 is as follows:

Receivable from public administrations	Non-current	Current	Balance at 06.30.2023
Deferred tax assets	35,270	-	35,270
Current income tax assets	-	6,278	6,278
Other receivables from public administrations	-	47,816	47,816
VAT receivable from the tax authorities	-	47,816	47,816
Total	35,270	54,094	89,364

Payable to public administrations	Non-current	Current	Balance at 06.30.2023
Deferred tax liabilities	34,106	-	34,106
Current income tax liabilities	-	1,097	1,097
Other payables to public administrations	-	15,586	15,586
VAT payable to the tax authorities	-	13,993	13,993
Payable to the tax authorities for withholdings	-	933	933
Social security agencies	-	660	660
Total	34,106	16,683	50,789

Tax situation

In accordance with current legislation in the countries in which Group companies are located, taxes cannot be considered definitive until they have been inspected by the tax authorities or the corresponding inspection period has elapsed.

Due to the varying interpretations of the tax regulations applicable, certain tax contingencies that are not objectively quantifiable could arise. Nevertheless, the Parent's directors considers that tax debts arising from possible future actions taken by the tax authorities corresponding to each of the Group companies would not have a significant effect on the consolidated financial statements taken as a whole.

Corporate income tax

The Parent has been filing its tax returns under a consolidated tax regime in Spain since 2021 together with the remaining Spanish companies included in the Grenergy Group, the identification number of which is 429/21. The remaining Group companies file their tax returns under an individual tax regime, in accordance with the prevailing legislation applicable in their respective jurisdictions.

Deferred tax assets and liabilities

The difference between tax expense attributed to the year and previous years as compared to taxes already paid or payable for said periods is recognized under "Deferred tax assets" or "Deferred tax liabilities," as appropriate. Said deferred taxes were calculated by applying the prevailing nominal tax rate to the corresponding amounts.

The movements under these headings in the consolidated statement of financial position at June 30, 2023 is as follows:

	12.31.2022	Additions	Retirements	06.30.2023
Deferred tax assets	47,327	1,287	(13,344)	35,270
Tax loss carryforwards	17,542	1,287	-	18,829
Tax deductions pending application	1,156	-	-	1,156
Unrealized internal margins	6,631	-	(652)	5,979
Capitalization reserve	735	-	-	735
Other temporary differences	5,535	-	-	5,535
Derivatives	12,551	-	(12,551)	-
Adjustments to fixed assets - functional currency (IAS 12)	3,177	-	(141)	3,036
Deferred tax liabilities	(20,423)	(13,959)	276	(34,106)
Temporary differences	(15,387)	(635)	-	(16,022)
Derivatives	(3,827)	(10,188)	-	(14,015)
Adjustments to fixed assets - functional currency (IAS 12)	(1,209)	(3,136)	276	(4,069)
Total	26,904	(12,672)	(13,068)	1,164

14. Income and expenses

Cost of sales

The breakdown of the consolidated balance recognized under this heading is as follows:

	06.30.2023			06.30.2022		
	Purchases	Changes in inventories	Total consumption	Purchases	Changes in inventories	Total consumption
Consumption of goods for resale	189,025	(2,135)	186,890	84,380	(7,833)	76,547
Work performed by third parties	119	-	119	52	-	52
Total	189,144	(2,135)	187,009	84,432	(7,833)	76,599

The breakdown of the purchases recorded in the accompanying consolidated statement of profit or loss is as follows:

	06.30.2023	06.30.2022
Spain	15,445	15,445
Imports	173,699	68,987
Total	189,144	84,432

Employee benefits expense

The breakdown of this heading in the consolidated statement of profit or loss is as follows:

	06.30.2023	06.30.2022
Wages and salaries	9,443	5,454
Social security payable by the company	1,532	1,025
Other social security costs	230	100
Total	11,205	6,579

The Group's average number of employees during the interim periods ended June 30, 2023 and June 30, 2022 by professional category is as follows:

Category	06.30.2023	06.30.2022
Directors and Senior Management	13	13
Managers	11	10
Department heads	47	28
Technical staff/other	203	124
Land (EPC/O&M work)	120	89
Total	393	264

The breakdown by gender of employees, directors, and senior management at June 30, 2023 and June 30, 2022 is as follows:

Category	06.30.2023			06.30.2022		
	Men	Women	Total	Men	Women	Total
Directors and Senior Management	7	5	12	7	6	13
Managers	10	1	11	10	1	11
Department heads	35	16	51	23	9	32
Technical staff/other	128	88	216	90	52	142
Work (EPC/O&M)	96	20	116	79	13	92
Total	276	130	406	209	81	290

The Group had no employees under contract with a disability equal to or greater than 33% during the six-month periods ended June 30, 2023 and 2022.

Other operating expenses

The breakdown of this heading in the consolidated statement of profit or loss at June 30, 2023 and June 30, 2022 is as follows:

Type	06.30.2023	06.30.2022
Leases	593	71
Repairs and maintenance	284	166
Maintenance of power plants	7,501	3,787
Professional services	1,401	1,432
Insurance	435	399
Bank services	551	120
Advertising and publicity	152	170
Supplies	150	148
Other	1,162	831
Other taxes	381	114
Losses on, impairment of, and changes in trade provisions	-	69
Other current management expenses	162	-
Total	12,738	7,307

The balance recognized under "Leases" corresponds to the rental expenses from low value contracts, contracts expiring within one year, or contracts which do not fulfill the stipulations provided for in IFRS 16 to be classified as leases.

"Maintenance of power plants" at June 30, 2023 presents all the operating costs for the parks which were in operation during the six-month periods ended June 30, 2023 and 2022.

Finance cost

The breakdown of finance income and expenses recognized in the accompanying consolidated statement of profit or loss is as follows:

	06.30.2023	06.30.2022
Income	199	393
Interest from other financial assets	199	393
Expenses	(11,616)	(7,632)
Interest on borrowings	(11,616)	(7,632)
Exchange gains (losses)	2,558	8,376
Change in fair value of financial instruments (Note 12.5)	-	(4,400)
Finance costs for companies consolidated using the equity method	-	(260)
Finance cost	(8,859)	(3,523)

15. Transactions with related parties

15.1. Balances and transactions with related parties

In addition to Group entities and associates, the Group's related parties also include the directors and senior management of the Parent (including close family members) as well as those entities over which they may exercise control or significant influence.

At the closing of the interim periods ended June 30, 2023 and 2022, no balances with related parties were recognized.

The breakdown of transactions carried out with related parties during the six-month periods ended June 30, 2023 and 2022 is as follows:

	06.30.2023		06.30.2022	
	Parent company	Other related parties	Parent company	Other related parties
Expenses	(321)	-	(348)	-
Purchases	-	-	-	-
Leases	(321)	-	(348)	-
Remuneration	-	-	-	-

The transactions with related parties carried out during the six-month periods ended June 30, 2023 and 2022 relate to the normal course of the Group's business and were generally carried out on an arm's length basis:

- Renting of the offices at Rafael Botí 26 by Daruan Group Holding, S.L.U. for an amount of 321 thousand euros in 2023 (2022: 348 thousand euros).

15.2. Disclosures relating to the directors and senior management

During the six-month periods ended June 30, 2023 and 2022, the directors of the Parent were not granted any advances or credit, nor did the Parent assume any obligations on their behalf by way of guarantees extended. Likewise, the Parent has no pension or life insurance commitments for any of its current or former directors.

The amounts accrued by members of the Board of Directors during the six-month periods ended June 30, 2023 and 2022 were as follows:

Type of remuneration	06.30.2023	06.30.2022
Remuneration for membership of Board and/or Board committees	180	141
Salaries	41	47
Variable remuneration in cash	84	47
Share-based remuneration schemes	45	-
Other items	8	8
TOTAL	358	243

The directors of the Parent are covered by a civil liability insurance policy for which it settled premiums amounting to 12 thousand euros in both 2023 and 2022.

The amounts accrued by senior management corresponding to fixed remuneration, variable annual remuneration, and other items, amounted to 3,338 thousand euros in the first half of 2023 (345 thousand euros in the first half of 2022).

15.3. Other disclosures relating to the directors

At the date of authorization of these interim condensed consolidated financial statements none of the members of the Parent's Board of Directors disclosed any conflicts of interest, direct or indirect, with those of the Group in connection with said members themselves or any persons to whom article 229 of the Spanish Corporate Enterprises Act refers.

The directors did not carry out any related-party transactions outside the ordinary course of activities or which were not carried out on an arm's length basis with the Company or Group companies during the interim periods ended June 30, 2023 and 2022.

16. Other disclosures

16.1. Guarantees extended to third parties

At June 30, 2023, the Group had provided guarantees to third parties in the amount of 126,216 thousand euros (December 31, 2022: 160,723 thousand euros), mainly corresponding to guarantees for presentation in public renewable energy tenders and auctions.

Given that the aforementioned guarantees were basically granted with a view to ensuring compliance with contractual obligations or investment commitments, the events which could lead to their execution, and thus a cash outflow, would be non-compliance on the part of Grenergy with regard to its obligations related to the ordinary course of its activities, which is considered unlikely. Grenergy considers that any unforeseen liabilities at June 30, 2023 that may arise in connection with the aforementioned guarantees would in any case not be significant.

16.2. Environmental disclosures

During the development phase of the renewable energy projects, either solar or wind, the Group carries out environmental impact assessments systematically. These assessments include a description of all project activities susceptible of having an impact during the life of the project, from civil engineering work up to dismantling activities, and a complete study on alternatives for the installations and their evacuation lines is also performed. It further includes an environmental inventory which discloses the characteristics relating to air, soil, hydrology, vegetation, fauna, protected items, the countryside, heritage items, and socio-economic factors. The main objective is to identify, quantify, and measure all the possible impacts on the natural and socio-economic environment as well as the activities which give rise to them throughout the life of the project, and also to define the preventive, corrective, and compensatory measures with regard to said impacts.

Once the environmental permits have been obtained from the competent authority in the form of an Environmental Impact Statement and the initial construction phase of the projects has started, the Environmental Monitoring Programs are initiated and continued until the dismantling phase of the projects. These programs constitute the system which guarantees compliance with the protective measures defined and with respect to those incidents which may arise, allowing for detection of deviations from foreseen impacts and detection of new unexpected impacts, as well as recalibrating the proposed measures or adopting new ones. These programs also permit Management to monitor compliance with the Environmental Impact Statement efficiently and systematically as well as other deviations which are difficult to foresee and may arise over the course of the construction work and functioning of the project.

The Group contracts specialized professional services for each project in order to perform the Environmental Impact Assessments and execute the Environmental Monitoring Programs together with the periodic associated reporting, adding transparency and rigor to the process. Likewise, environmental management plans are established which comprise all the possible specific plans developed in a complementary manner, such as in the case of landscape restoration and integration plans or specific plans for monitoring fauna.

The Group's projects are generally affected by the environmental impact of land occupation. Thus, the land selection phase plays a fundamental role and the Group searches for and locates land using a system for analyzing current environmental values with a view to minimizing environmental impact.

17. Events after the reporting date

No significant events took place from the closing of the interim period on June 30, 2023 to the date of authorization for issue of the accompanying interim condensed financial statements that may require disclosure.

GREENERGY RENEWABLES, S.A. and Subsidiaries

Interim consolidated management report for the interim six-month period ended June 30, 2023

1. Main activities of the Group

1.1 Nature of the Group's operations and its main activities

Greenergy is a Spanish company which produces energy based on renewable sources, specialized in the development, construction, and operation of photovoltaic and wind energy projects, the promotion and commercialization of photovoltaic projects, and the commercialization of energy.

Since its incorporation in 2007, the Group has seen rapid growth and changes in the planning, design, development, construction, and financial structuring of projects. It is present in Europe as well as in Latam since the year 2012. Currently, Greenergy has offices in Spain, Italy, the United Kingdom, Poland, Germany, Chile, Peru, Colombia, Argentina, and Mexico. Greenergy's overall pipeline, which includes photovoltaic solar energy installations and wind parks in different stages of development, exceeds 15.7 GW, while its storage pipeline boasts 10.7 GWhs.

Its business model encompasses all project phases, from development through construction and financial structuring to plant operation and maintenance. In addition, Greenergy generates income from recurring sales to third parties of non-strategic parks, combined with recurring income from its own parks in operation as well as income from O&M and AM services for plants sold to third parties.

Greenergy performs its activities in each of the phases comprising the value chain of a renewable energy project, prioritizing greenfield projects, that is, those renewable energy projects starting from nothing or those already underway which require a complete modification, as compared to brownfield projects, which require certain occasional modifications, expansions or repowering.

The source of this income is technologically diversified, encompassing project developments in wind and photovoltaic energy as well as the development of storage systems, so that it can operate at highly competitive prices as compared to conventional energy sources. This backdrop is further favored by an emerging market for PPAs (bilateral energy purchase-sale agreements) as well as the end of the fossil fuel era as determined on a political level with a view to closing down nuclear power plants and coal plants within 10 years.

The Parent has been listed on the continuous market since December 16, 2019, with capitalization at June 30, 2023 totaling 849 million euros.

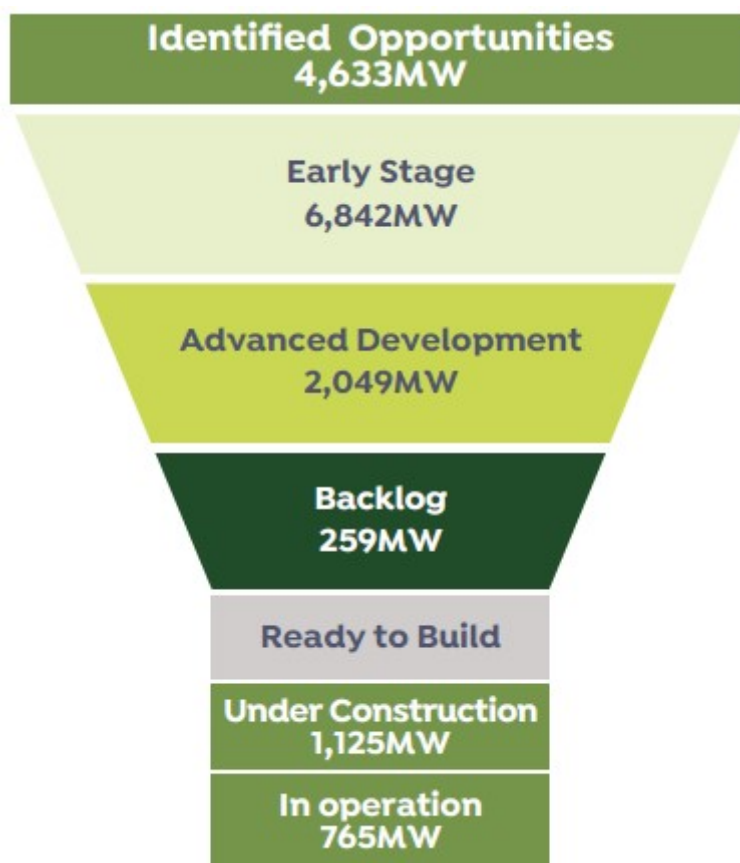
1.2 Pipeline phases

According to degree of maturity, the Group classifies its projects into the following phases:

- Identified Opportunity: projects which are technically and financially feasible based on the following circumstances: (i) there is land potential; (ii) access to the electricity grid is considered operationally viable; and/or (iii) it is potentially interesting for sale to third parties.
- Early stage: based on an identified opportunity, the project is approved internally in order to commence the investment phase, presenting the pertinent applications so as to access the electricity network and initiate negotiations for the required land.
- Advanced development: projects in advanced technical and financial stages, since: (i) the land is assured, or there is at least more than a 50% probability of it being obtained; (ii) the appropriate requests to connect to the electricity grid have been filed, with a 90% or higher likelihood of being accepted; and (iii) environmental permits have been requested.
- Backlog: projects in the final phase prior to construction, in which: (i) land and access to the electricity grid are assured; (ii) the likelihood of obtaining environmental permits is over 90%; and (iii) there are PPAs or framework agreements with energy buyers or banks which are ready to be signed, or there is a bankable price stabilization scheme.
- Under construction: EPC projects in which the engineering, construction, and procurement order has been given to commence construction under the corresponding EPC contract.
- In operation: projects for which the acceptance certificate has been signed by the entity that will be the owner of the project in question, and for which responsibility over the asset has been transferred from the entity performing the EPC construction tasks to the Group's operations team.

The corresponding administrative authorizations are obtained during the different pipeline stages.

At June 30, 2023, the Group has more than 15.7 GW in different stages of solar and wind energy development, as well as 10.7 GW in pipeline storage projects.



1.3 Operating divisions

The Greenergy Group classifies its different business activities under the following operational divisions:

- **Development and Construction:** this division's activities involve the search for feasible projects, in both financial as well as technical terms, the necessary work for reaching all the milestones for initiating construction, and preparatory work on the land for the construction and starting up of each project.
- **Energy:** this division deals with revenue obtained from the sale of energy in each of the markets in which Greenergy has or will have its own operational projects as Independent Power Producer ("IPP").
- **Commercialization:** this division deals with revenue arising from the commercialization of energy. At present, this revenue is only generated in the Chilean market.
- **Services:** this division includes the services rendered for projects once the start-up date has been reached (Commercial Operation Date - "COD") and which are therefore in the operational phase. It encompasses asset management and O&M activities provided for internal IPP projects as well as for third party projects.

2. 2023 Business Performance

According to Bloomberg New Energy Finance ("BNEF"), 268 GW of solar energy installations were installed globally during 2022. Installing this capacity during the year involves a 36% year on year increase in investments, up to 308 trillion euros.

Though global cost inflation has been putting pressure on costs in the renewable energy industry, increasing the cost of key components for its installations, the cost of other sources of energy, such as gas or petroleum, experienced even more severe inflation, which strengthened the relative competitiveness of renewable energies and evidenced the need for reducing dependency on certain non-renewable energy commodities.

BNEF expects new installed capacity of 317 GW in 2023 for solar energy at a global level, as compared to the 268 GW of installed capacity estimated for 2022.

As far as storage installations are concerned, this activity continues to grow exponentially with an estimated 48 GW installed in 2022 and 405 GW expected by 2030.

In the long term BNEF expects exponential growth in the renewable energy sector until it reaches 85% of energy supplied in 2050.

The main headings for the consolidated statement of profit or loss and the consolidated statement of financial position are explained below:

- The income reflected in the consolidated statement of profit or loss for the first half of 2023 represents the best results achieved by the Group to date in the first half of any year. EBITDA amounted to 21,666 thousand euros, with a net result of 4,018 thousand euros.
- Total revenue and EBITDA amounted to 225,790 thousand and 21,666 thousand euros, respectively. Until 2019 all the projects developed and constructed by the Group were sold to third parties. In 2020 the Group started constructing parks in order to hold them in its portfolio and operate them, starting to obtain income from the sale of energy in 2021. In coming years revenue and EBITDA from this division will progressively increase to the extent that the Group connects the projects in the different pipeline stages.

The breakdown of income and EBITDA by operational division is as follows:

	Thousands of euros	
	2023	2022
Income (*)		
Development and Construction	185,332	79,569
Energy	26,867	22,914
Commercialization	11,653	3,296
Services	1,938	1,579
Total income	225,790	107,358

(*) Alternative performance measure (APM) See Appendix II.

EBITDA (*)	Thousands of euros	
	2023	2022
Development and Construction	8,983	6,053
Energy	20,620	18,633
Commercialization	(1,706)	(947)
Services	468	380
Corporate	(6,699)	(4,038)
Total	21,666	20,081

(*) Alternative performance measure (APM) See Appendix II.

Development and Construction: the increase in income corresponds to a greater number of parks under construction in 2023 as compared to 2022, which was also reflected by the increase in EBITDA.

Energy: Income from the sale of energy increased given the greater number of months during which the new wind parks in Chile and Colombia were operational, progressively connected throughout 2022.

Commercialization: Income from energy commercialization increased due to a higher volume of operations carried out over the course of 2023.

Services: the increase in income and EBITDA corresponds to a greater number of parks in operation during 2023 as compared to 2022.

Corporate: corresponds to general expenses. The main EBITDA variations were due to an increase in the Group's activity and size.

- Amortization/depreciation expenses, amounting to 7,844 thousand euros, experienced an increase of 1,672 thousand euros with respect to the previous year, mainly as a consequence of depreciating the parks which became operational in 2023 as well as those which became operational halfway through the previous year and which in 2023 were depreciated over the entire year.
- Finance cost amounted to a negative balance of 8,859 thousand euros. This item encompasses three large figures:
 - Interest on debts: 11,616 thousand euros of expenses.
 - Other finance income: 0.2 thousand euros of expenses.
 - Exchange gains: 2,558 thousand euros, mainly corresponding to provisions as a consequence of the US dollar appreciating against the euro during 2023.
- In terms of after tax profits, the Group achieved a figure of 4,018 thousand euros.

- With regard to the consolidated statement of financial position, performance at the closing of June 30, 2023 as compared to December 31, 2022 showed changes which reflected continuity in the Group's growth, with the most important balances being strengthened. The following are especially positive aspects worth highlighting:
 - The 15% increase in PP&E, reaching 671,826 thousand euros as a consequence of parks being constructed which the Group intends to operate, with the corresponding impact on income from the sale of energy.
 - The increase in equity by 65,731 thousand euros, reaching a total of 310,546 thousand euros, as a consequence of business performance and the impact of the hedging instruments contracted by the Group to cover changes in interest rates and energy prices.
 - Positive working capital, amounting to 282 thousand euros, which permits the Group to meet its short-term payment obligations comfortably and continue performing its activities while ensuring its stability and a decrease in its long-term financial debt.
 - The debt ratio increased from 2.62 at December 31, 2022 to 2.75 at June 30, 2023.

The breakdown of net debt is as follows:

Net debt	6/30/2023	12/31/2022
Non-current financial debt (*)	90,184	117,573
Current financial debt (*)	121,913	42,863
Non-current lease liabilities (IFRS 16)	25,388	-
Current lease liabilities (IFRS 16)	1,072	-
Other non-current financial liabilities	-	-
Other current financial liabilities	1,132	130
Current financial investments - other financial assets	-	(9,744)
Cash and cash equivalents (*)	(71,122)	(61,142)
Net recourse corporate debt	168,568	89,680
Recourse project debt (*)	16,105	16,352
Recourse project treasury (*)	(2,426)	(3,652)
Net recourse project debt	13,679	12,700
Non-recourse project debt (*)	421,353	269,086
Non-recourse project treasury (*)	(49,684)	(40,876)
Net non-recourse project debt	371,669	228,210
Total net debt	553,916	330,590

(*) Alternative performance measure (APM) See Appendix I.

3. Privileged information and other relevant information for FY 2023

- On February 3, 2023, Grenergy inaugurated three solar power plants with a capacity of 37 MW in Colombia, which provided light to 40,000 homes and will save 27,000 tons of CO2 per year.
- On February 8, 2023, Grenergy signed a senior financing agreement with Norddeutsche Landesbank - Girozentrale - ("NORD/LB") and Bankinter for a total balance of 89.5 million euros and a duration covering construction of the 150 MW Belinchón solar project located in Belinchón plus an additional 19 years.

- On February 14, 2023, Grenergy announced that it had acquired an additional 60% of interest in Sofos Harbert Renewable Energy, thereby owning 100% of said entity and renaming it Grenergy US.
- On February 21, 2023, Grenergy announced the sale of three PMGD distribution projects in Chile, with a joint capacity of 32.5 MWp, for a total amount of 44.2 million US dollars.
- On March 10, 2023, Grenergy signed a PPA with LyondellBasell for a 259 MW solar project. The agreement provides for annual delivery of 330 GWh from the La Cereal solar park and was arranged for a duration of 15 years. The park is expected to become operational in the first half of 2025.
- On March 29, 2023, Grenergy signed long-term power purchase agreements (PPAs) with a U.S. company for a duration of more than 10 years and covering the sale of approximately 665 GWh/year. This agreement was signed for a package of three photovoltaic solar projects located throughout Spain.
- On June 15, 2023, Grenergy agreed to sell 100% of the 150 MW Belinchón photovoltaic park located in Cuenca (Spain) to a European IPP for proceeds amounting to 83 million euros net of debt (equity value).
- On June 29, 2023, Grenergy signed a long-term power purchase agreement (PPA) with an international energy company, boasting an investment grade credit rating and present in the Chilean market, corresponding to approximately 140 GWh/year for a duration of 12 years counting from the start-up date of the power plant.
- On July 3, 2023, Grenergy signed a senior financing agreement with BNP Paribas and Société Générale for a total balance of 148 million US dollars, to be dedicated to construction of the Gran Teno and Tamango solar projects with a capacity of close to 300 MWp in central Chile. This financing corresponds to a green loan, in line with the Green Loan Principles (GLP).
- On September 11, 2023, Grenergy signed a long-term power purchase agreement (PPA) to supply Enel Generación Perú with green energy from the Matarani solar park, which is located in the Peruvian region of Arequipa and boasts a peak capacity of 97 MW.

4. Strategy and objectives for upcoming years

From the commencement of its activities, the Group has fundamentally based its business model on the development, financing, and construction of solar and wind energy projects. Until 2019 all projects developed and constructed by the Group in Spain and Latam were sold to third parties, permitting Grenergy to use the funds obtained thereby to boost the inclusion of new projects in its pipeline and contribute the necessary capital to finance many of these projects so as to be able to construct and operate the portfolio of projects that have reached the ready-to-build phase.

Thus, the Group's strategy changed from a build-to-sell approach focused entirely on asset rotation to a mixed model in which the Group maintains ownership of a large part of the projects (build-to-own) while also maintaining some rotation of projects (build-to-sell), thereby allowing it to generate cash to be used mainly for the equity of projects it intends to keep in its portfolio.

The projects held in its portfolio generate recurring revenue from the sale of energy, sold under bilateral contracts with buyers of proven solvency, using bankable price stabilization schemes, directly to the market or a combination of these.

As a result of this activity, the Group has been able to connect and maintain 765 MW in its own portfolio up to the date of presentation of this report, thus becoming an IPP and beginning to generate income from the sale of energy.

The Group also performed O&M and asset management services in the majority of the projects transferred to third parties, which generated recurring revenue from the moment the first plants were started up in Spain.

In order to complement the activity of generating solar and wind energy, the Group has initiated the process of developing storage equipment, a business based on storing energy from the photovoltaic and wind energy business models in order to engage in market arbitration and obtain income from capacity as well as seek the most efficient way to provide energy when there are no renewable resources. Thus, the Group currently boasts 2,736 MW of pipeline projects in development, equivalent to a capacity of 10,705 MWh.

The Group's objectives for 2023 are as follows: (i) develop photovoltaic solar and wind energy activity as well as storage activity; (ii) construct and manage a portfolio as IPP which by the end of the period will approximately reach 1.1 GW of aggregate installed capacity in projects, both photovoltaic solar and wind energy, in the different regional platforms where it operates (Europe, Latam, and USA).

In addition, as will be defined below in the section on ESG objectives, the company has a clear road map until 2023, which includes actions for implementing improvements in the area of corporate governance, environment, and social impact. A series of objectives have been considered for 2023, which will be disclosed in the quarterly presentations of results, and which form a part of the company objective included in the variable remuneration for Board members and executives.

5. Corporate governance

The governance of Grenergy is conducted in accordance with the established principles of efficacy and transparency as per the main recommendations and standards prevailing at an international level.

Board of Directors

Below is a description of Grenergy's Board of Directors at the date of preparation of these consolidated financial statements, indicating the positions filled by each member:

Name/corporate name	Position	Type of director	Date of first appointment	End of appointment
Mr. David Ruiz de Andrés	Chairman / CEO	Executive	5/19/2015	11/15/2023
Mr. Antonio Jiménez Alarcón	Board member	Proprietary	11/15/2019	11/15/2023
Mr. Florentino Vivancos Gasset	Board member	Proprietary	5/19/2015	11/15/2023
Ms. Ana Peralta Moreno	Board member	Independent	6/27/2016	11/15/2023
Mr. Nicolás Bergareche Mendoza	Board member	Independent	6/27/2016	11/15/2023
Ms. María del Rocío Hortigüela Esturillo	Board member	Independent	11/15/2019	11/15/2023
Ms. María Merry del Val Mariátegui	Board member	Proprietary	6/29/2021	6/29/2025

The Board of Directors has established the following committees:

- Audit and Control Committee
- Appointments, Remuneration, and Sustainability Committee

These committees have been attributed legal functions as well as those established in the Code for Good Corporate Governance approved by the CNMV.

Senior executives

Steering Committee

At the date of authorization of the accompanying consolidated financial statements, the following persons held senior executive positions in the Group:

Name	Position
Mr. David Ruiz de Andrés	Chief Executive Officer (CEO)
Mr. Daniel Lozano Herrera	Strategy and Capital Markets Director
Ms. Mercedes Español Soriano	M&A Director
Ms. Emi Takehara	Financial Director
Mr. Álvaro Ruiz Ruiz	Director of Legal Area
Mr. Francisco Quintero Berganza	Generation and Equity Director

Internal Audit

The internal audit function is discharged by Ms. Carlota Seoane, who reports to the Audit Committee.

Average workforce

The Group's average number of employees by professional category during the interim period ended June 30, 2023 is as follows:

Category	2023
Directors and Senior Management	13
Managers	11
Department heads	47
Technical staff	203
Land	120
Total	393

Regulatory environment

See Appendix III. The 2022 consolidated financial statements include a description of the sector regulations and functioning of the electricity systems in the markets in which Grenergy operates.

6. Risk management policy

The chief financial risks which might affect the Group are indicated in Note 24.1 to the consolidated financial statements for 2022.

7. Environmental disclosures

During the development phase of the renewable energy projects, either solar or wind, the Group carries out Environmental Impact Assessments systematically. These assessments include a description of all project activities susceptible of having an impact during the life of the project, from civil engineering work up to dismantling activities, and a complete study on alternatives for the installations and its evacuation lines is also performed. It further includes an environmental inventory which discloses the characteristics relating to air, soil, hydrology, vegetation, fauna, protected items, the countryside, heritage items, and socio-economic factors. The main objective is to identify, quantify, and measure all the possible impacts on the natural and socio-economic environment as well as the activities which give rise to them throughout the life of the project, and also to define the preventive, corrective, and compensatory measures with regard to said impacts.

Once the environmental permits have been obtained from the competent authority in the form of an Environmental Impact Statement and the initial construction phase of the projects has started, the Environmental Monitoring Programs are initiated and continued until the dismantling phase of the projects. These programs constitute the system which guarantees compliance with the protective measures defined and with respect to those incidents which may arise, allowing for detection of deviations from foreseen impacts and detection of new unexpected impacts, as well as recalibrating the proposed measures or adopting new ones. These programs also permit Management to monitor compliance with the Environmental Impact Statement efficiently and systematically as well as other deviations which are difficult to foresee and may arise over the course of the construction work and functioning of the project.

The Group contracts specialized professional services for each project in order to perform the Environmental Impact Assessments and execute the Environmental Monitoring Programs together with the periodic associated reporting, adding transparency and rigor to the process. Likewise, environmental management plans are established which comprise all the possible specific plans developed in a complementary manner, such as in the case of landscape restoration and integration plans or specific plans for monitoring fauna.

The Group's projects are generally affected by the environmental impact of land occupation. Thus, the land selection phase plays a fundamental role and the Group searches for and locates land using a system for analyzing current environmental values with a view to minimizing environmental impact.

8. ESG analysis

Compliance with the ESG Action Plan 2023

In February 2023 the Group published its ESG Action Plan 2023, including the objectives for the last phase of the ESG Roadmap 2023, affirming its commitment to informing the public on its progress every quarter.

In accordance with this commitment, the Group has presented the objectives reached in each of its quarterly presentations of results. A summary of the main milestones achieved in 2023 is provided below.

During 2023, the main milestones were as follows:

The first quarter of 2023:

- The 2022 sustainability report was verified for the first time, with a limited scope, and no deviations were detected.
- An IT tool was acquired for presenting ESG reports and ESG performance management (SCIINF), with a view to improving how ESG information is gathered, while ensuring transparency, reliability and traceability of data.
- A training and communications plan was initiated for compliance matters by launching periodic activities designed to guarantee greater awareness.

The second quarter of 2023:

- The data security policy was approved and published.
- The human rights policy was approved and published.
- The Dual Materiality analysis was carried out, from the perspective of both financial impact as well as impact on the environment and people.
- ESG training was provided to Board members and the Management Committee.

- The employee performance evaluation methodology was presented.

Finally, Grenergy will publish the update for its ESG strategy at year end, covering the next 3 years ("ESG Roadmap 2024-2026").



Table: Progress of the ESG Action Plan 2023

Greater coverage of ESG ratings and sustainability indicators

Grenergy was acknowledged as TOP ESG RATED amongst more than 15,000 companies evaluated by Sustainalytics at an industrial and regional level. These two distinctions are awarded to the companies which lead in their industry and region with the best ESG performance and lowest ESG risk. In its assessment, Sustainalytics qualifies the management as "strong" in all assessed areas: Corporate governance, human capital, community relations, corporate ethics, product governance, health and safety, use of the soil and biodiversity. Likewise, Grenergy has reduced its ESG risk with respect to 2021 from 13.55 to 10.22, reaching the 5th position amongst 712 companies in the utilities sector and 4th position amongst 99 companies which represent the "Renewable Power Production" sub-sector. During the second half of 2023, Grenergy again submitted to this index for rating, expecting a revalidation of its privileged position within the sector.



Table: Distinctions awarded to Grenergy for its leadership in management of ESG risks.



Table: Comparison of Grenergy's results provided by Sustainalytics in 2022.

Furthermore, the most recognized global climate change index (CDP) acknowledged Grenergy's leadership and ambitious approach in its climate strategy, scoring A-, two levels above the previous year's B-. It is worth highlighting that the CDP methodology is aligned with the recommendations of TCFD and covers the integration of climate change in areas of governance, management of risk, opportunities, and business strategy, in addition to considering the emissions calculations, the objectives for reduction, and the engagement achieved in the value chain. In the second half of 2023, Grenergy again submitted to this index, expecting to revalidate its leadership position for another year.

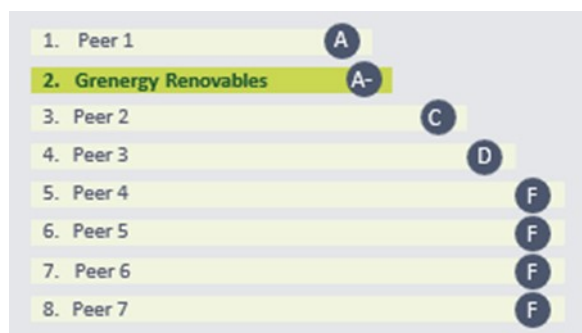


Table: CDP rating obtained by Grenergy in comparison with its peers.

Grenergy expanded its coverage in other ratings, amongst which ISS ESG and Refinitiv ESG are noteworthy. Firstly, ISS ESG ranked Grenergy in first position within the renewable electricity sector, with a score of A1 and emphasizing its "very high level of transparency." As for the Refinitiv ESG index, Grenergy obtained a score of 81/100, ranking 2nd out of a total of 79 companies in the renewable energy sector submitted to the index.

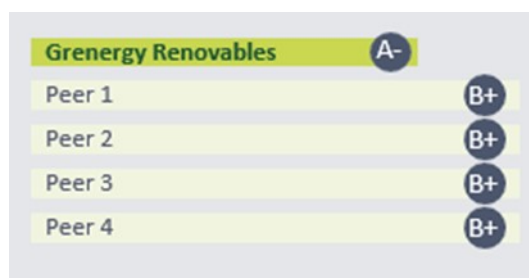


Table: ISS ESG rating obtained by Grenergy in 2022 in comparison with its peers.

Finally, it is worth highlighting that Grenergy was recognized as one of the most sustainable companies in the utilities sector for the second consecutive year in 2023 by MSCI ESG Ratings. Once again, as in 2022, MSCI ESG Ratings awarded Grenergy the highest rating (AAA). The agency's criteria for this decision was based on the great efforts Grenergy is making to address carbon-related risks, as well as its strong corporate governance.

9. Investment in research and development

The Group did not capitalize any amounts during 2023 related to research and development.

However, the Strategy Department created the New Technologies Division, which will focus on implementing the emerging energy storage technologies in the Group's value chain, taking charge of the design in terms of both engineering and economics as well as the development of such plants in the different markets where the Group operates. Further, in order to make these projects competitive as soon as possible, the Group has also organized its own team which is working with consultancy firms to analyze access to public funds aimed at transforming the energy matrix to renewable energies.

10. Events after the reporting period

No significant events took place from the closing of the interim period on June 30, 2023 to the date of authorization for issue of the accompanying interim condensed financial statements that may require disclosure.

11. Final considerations

We'd like to take this opportunity to thank our clients for their confidence in us, as well as our suppliers and strategic partners for their constant support; our investors for having believed in Grenergy since its shares were issued, and especially to our Group's collaborators and employees, since without their efforts and dedication, we would find it difficult to achieve the established targets or the results obtained.

APPENDIX I: Glossary of alternative performance measures (APM)

These interim condensed consolidated financial statements for the six-month period ended June 30, 2023 include financial figures which correspond to alternative performance measures (APMs) in accordance with the *European Securities and Markets Authority* (ESMA) directives published in October 2015.

APMs are presented to provide a better assessment of the Group's financial performance, cash flows, and financial position, to the extent that Grenergy uses them when making financial, operational, or strategic decisions for the Group. However, these APMs are not audited, nor is it necessary to disclose or present them under IFRS-EU. Therefore, they must not be considered individually but rather as complementary information to the audited financial data or the financial information subject to limited reviews prepared in accordance with IFRS-EU standards. Further, these measures may differ in both definition as well as in their calculation as compared to similar measures used by other companies, and are thus not necessarily comparable.

The following is an explanatory glossary of APMs utilized, including their calculation methods and definitions or relevance, as well as their reconciliation with items recorded in the interim condensed consolidated financial statements for the six-month periods ended June 30, 2023 and 2022, and the year ended December 31, 2022.

ALTERNATIVE PERFORMANCE MEASURE (APM)	CALCULATION METHOD	DEFINITION/RELEVANCE
Income	"Revenue" + "Work performed by the entity and capitalized."	Indicates the total volume of income obtained from the Group's operating activities, regardless of whether it was obtained from projects constructed for third parties or own projects.
EBITDA	"Operating profit" - "Impairment and losses" - "Amortization and depreciation of assets."	Indicates profitability to evaluate the operational capacity to generate cash flows from the Group's different activities.
Net debt	"Non-current borrowings" - "Non-current derivatives" + "Current borrowings" - "Current derivatives" - "Current financial investments"—"Other financial assets" - "Cash and cash equivalents."	A measure of profitability used by Management which permits assessment of the level of net debt for the assets.
Non-current bank borrowings	"Non-current: Bonds and other marketable securities" + "Non-current bank borrowings" + "Non-current lease liabilities" - Non-current project bank borrowings.	The amount of financial debt not associated with a project which the Group must settle within a period exceeding one year. The Group issued green bonds in 2019 subject to the fulfillment of certain covenants which require this disclosure of debt.
Current bank borrowings	"Current liabilities: Bonds and other marketable securities" + "Current bank borrowings" + "Current lease liabilities" - Current project bank borrowings.	The amount of financial debt not associated with a project which the Group must settle within a year. The Group issued green bonds in 2019 subject to the fulfillment of certain covenants which require this disclosure of debt.
Cash and cash equivalents	"Cash and cash equivalents" - Project cash balance	The balance corresponding to the treasury of the Parent and the remaining subsidiaries which are not SPVs. The Group issued green bonds in 2019 subject to the fulfillment of certain covenants which require this disclosure of its treasury.

ALTERNATIVE PERFORMANCE MEASURE (APM)	CALCULATION METHOD	DEFINITION/RELEVANCE
Recourse project debt	Non-current recourse project bank borrowings + Current recourse project bank borrowings.	Indicator of project debt secured by the Parent The Group issued green bonds in 2019 subject to the fulfillment of certain covenants which require this disclosure of debt.
Recourse project treasury	"Cash and cash equivalents" – Cash in hand and equivalents – Non-recourse project treasury	The amount held in the treasury of SPVs which owe the Parent secured debt. The Group issued green bonds in 2019 subject to the fulfillment of certain covenants which require this disclosure of its treasury.
Non-recourse project debt	Non-current unsecured project bank borrowings+ Current unsecured project bank borrowings	Indicator of project debt not secured by the Parent The Group issued green bonds in 2019 subject to the fulfillment of certain covenants which require this disclosure of debt.
Non-recourse project treasury	"Cash and cash equivalents" - Cash in hand and equivalents and recourse project treasury	The amount held in the treasury by SPVs who owe the Parent unsecured debt. The Group issued green bonds in 2019 subject to the fulfillment of certain covenants which require this disclosure of its treasury.
Working capital	Current assets – Current liabilities	Indicator of the Group's capacity to continue with the normal performance of its activities in the short term
Debt ratio	(Non-current liabilities + Current liabilities) / Equity	Indicator of the Group's solvency

The following is a reconciliation of the APMs used (in euros):

Income

RECONCILIATION OF INCOME	6/30/2023	6/30/2022
"Revenue"	57,839	48,479
+ "Work performed by the entity and capitalized"	167,951	58,879
Total income	225,790	107,358

EBITDA

RECONCILIATION OF EBITDA	6/30/2023	6/30/2022
"Operating profit"	13,822	13,909
- "Impairment and losses"	--	--
- "Depreciation and amortization"	7,844	6,172
Total EBITDA	21,666	20,081

Net debt

RECONCILIATION OF NET DEBT	6/30/2023	12/31/2022
"Non-current borrowings"	443,679	384,119
- "Non-current derivatives"	-	(20,586)
+ "Current borrowings"	241,196	118,612
- "Current derivatives"	(7,726)	(36,141)
- "Current financial investments"—"Other financial assets"	(8,673)	(9,744)
- "Cash and cash equivalents"	(123,233)	(105,670)
Total Net Debt	545,243	330,590

Non-current financial debt

RECONCILIATION OF NON-CURRENT FINANCIAL DEBT	6/30/2023	12/31/2022
"Non-current: Bonds and other marketable securities"	83,490	83,231
+ "Non-current bank borrowings"	334,001	254,229
+ "Non-current lease liabilities"	26,188	26,073
- "Non-current project bank borrowings"	(328,106)	(245,961)
Total non-current financial debt	115,573	117,572

Current financial debt

RECONCILIATION OF CURRENT FINANCIAL DEBT	6/30/2023	12/31/2022
"Bonds and other marketable securities"	58,151	34,529
+ "Current bank borrowings"	172,806	46,307
+ "Current lease liabilities"	1,381	1,505
- "Current project bank borrowings"	(109,353)	(39,477)
Total current financial debt	122,985	42,864

Cash and cash equivalents

RECONCILIATION OF CASH AND CASH EQUIVALENTS	6/30/2023	12/31/2022
"Cash and cash equivalents"	123,233	105,670
- "Project treasury"	(52,111)	(44,528)
Total cash and cash equivalents	71,122	61,142

Recourse project debt

RECONCILIATION OF RECOURSE PROJECT DEBT	6/30/2023	12/31/2022
Non-current recourse project debt bank borrowings	-	-
+ Current recourse project bank borrowings	16,105	16,352
Total recourse project debt	16,105	16,352

Non-recourse project debt

RECONCILIATION OF NON-RECOURSE PROJECT DEBT	6/30/2023	12/31/2022
Non-current unsecured project bank borrowings	328,106	245,961
+ Current unsecured project bank borrowings	93,247	23,125
Total non-recourse project debt	421,353	269,086

Recourse project treasury

RECONCILIATION OF RECOURSE PROJECT TREASURY	6/30/2023	12/31/2022
"Cash and cash equivalents"	123,233	105,670
- Cash in hand and equivalents	(71,122)	(61,142)
- Non-recourse project treasury	(49,685)	(40,876)
Total recourse project treasury	2,426	3,652

Non-recourse project treasury

RECONCILIATION OF NON-RECOURSE PROJECT TREASURY	6/30/2023	12/31/2022
"Cash and cash equivalents"	123,233	105,670
- Cash in hand and equivalents	(71,122)	(61,142)
- Recourse project treasury	(2,426)	(3,652)
Total non-recourse project treasury	49,685	40,876

Working capital

CONCILIATION OF WORKING CAPITAL	6/30/2023	12/31/2022
"Current assets"	369,440	205,139
- Current financial investments, Derivatives	(15,089)	(1,501)
- Current liabilities	(361,795)	(221,270)
+ Current borrowings, Derivatives	7,726	36,141
Total working capital	282	18,509

Debt ratio

CONCILIATION OF DEBT RATIO	6/30/2023	12/31/2022
Non-current liabilities	491,647	420,896
+ Current liabilities	361,795	221,270
/ Equity	310,546	244,815
Total debt ratio	2.75	2.62

AUTHORIZATION FOR ISSUE OF THE INTERIM CONDENSED CONSOLIDATED FINANCIAL STATEMENTS AND INTERIM CONSOLIDATED MANAGEMENT REPORT FOR THE PERIOD ENDED JUNE 30, 2023

The interim condensed consolidated financial statements and the interim consolidated management report for the six-month period ended June 30, 2023 were authorized by the Board of Directors of the Parent Company, Greenergy Renovables, S.A., at its meeting on September 26, 2023, for their verification by the auditors and subsequent approval by the shareholders in general meeting.

Mr. Florentino Vivancos Gasset is authorized to sign all pages comprising the interim condensed consolidated financial statements, explanatory notes thereto, and the interim consolidated management report.

Mr. David Ruiz de Andrés
(Chief Executive Officer)

Mr. Antonio Jiménez Alarcón
(Board Member)

Mr. Florentino Vivancos Gasset
(Board Member)

Ms. Ana Peralta Moreno
(Board Member)

Mr. Nicolás Bergareche Mendoza
(Board Member)

Ms. María del Rocío Hortigüela Esturillo
(Board Member)

Ms. María Merry del Val Mariátegui
(Board Member)