

EDP FINANCE B.V.
Amsterdam

INTERIM REPORT
June 30, 2024

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EDP FINANCE Amsterdam

RESPONSIBILITY STATEMENT

The Managing Directors of the Company wish to state:

1. That the financial statements give a true and fair view of the assets, liabilities, financial position and profit or loss of EDP Finance B.V.;
2. That the interim report gives a true and fair view of the position as per the balance sheet date and the development during the financial period of EDP Finance B.V. in the semi-annual financial statements, together with a description of principal risks it faces.

Amsterdam, 30 July 2024

The Managing Directors:

EDP S.A.

Hiebendaal, D.

Leite, L.

TMF Netherlands B.V.

REPORT OF THE MANAGEMENT BOARD

The Managing Directors of EDP Finance B.V. (hereinafter “the Company”) submit the interim report and the condensed financial statements of the Company for the period ended 30 June 2024.

PRINCIPAL ACTIVITIES AND BUSINESS REVIEW

General

The Company was incorporated under the laws of The Netherlands on 1st October 1999.

Activities

The principal activity of the Company is to act as a finance company to EDP Group. The policy of the group is to centralize financing in EDP S.A., EDP Servicios Financieros España S.A.U. (hereinafter “EDP SFE S.A.U.”) and the Company.

Results

During the six-month period under review, ending on 30 June 2024, the Company recorded a gain of 20,335 thousand Euros (six-month period ending 30 June 2023 – loss of 4,789 thousand Euros). The increase is mainly due to the repayment of the GBP bond which was expensive vs the average cost of debt of the company and the decrease of USD and GBP derivatives in the Company, which decreased volatility.

Relevant events in the first half year of 2024

The Company has repaid two bonds; (i) GBP 325 million bond in January and (ii) EUR 1,000 million bond in February.

In June 2024, the Company received a loan from EDP S.A. and granted a symmetric one to EDP SFE S.A.U. in the amount of EUR 740 million.

FUTURE DEVELOPMENTS

Given the strong equity position of the Company, as well as the cash flow expected to be generated by the Group and the available liquidity, the Company expects to continue its normal course of business during the second half of the year, as in the previous years.

REPORT OF THE MANAGEMENT BOARD

KEEP WELL AGREEMENT

During the period under review, there were no changes to the keep-well agreement between EDP S.A. and the Company, signed on 14 March 2001.

AUDIT COMMITTEE

The Company makes use of the exemption to establish its own Audit Committee, based on Article 3a of the Royal Decree of 26 July 2008 implementing article 41 of the EU Directive 2006/43/EG. The Audit Committee of the parent company, EDP S.A., will act as Audit Committee for the Company. This Committee is composed as follows:

- Gonçalo Moura Martins: President
- María José García: Member
- Sofia Salgado Pinto: Member
- Victor Roza Fresno: Member

Amsterdam, 30 July 2024

The Managing Directors:

EDP S.A.

Hiebendaal, D.

Leite, L.

TMF Netherlands B.

INTERIM FINANCIAL STATEMENTS

CONDENSED COMPANY INCOME STATEMENT FOR THE SIX-MONTH PERIOD
ENDED 30 JUNE 2024 AND 2023

Thousand Euros	2024	2023
Interest income	187,407	167,747
Interest expenses	-161,577	-166,492
Net interest income / (expenses)	25,830	1,255
Net other financial income and expenses	2,393	-7,276
Net financial income / (expenses)	28,223	-6,021
Other income / (expenses)		
Services rendered	2,129	530
Supplies and services	-2,869	-917
Personnel costs	-96	-64
Profit / (Loss) before income tax	27,387	-6,472
Tax (expense) / benefit	-7,052	1,683
Net profit for the period	20,335	-4,789

INTERIM FINANCIAL STATEMENTS

**CONDENSED COMPANY STATEMENT OF OTHER COMPREHENSIVE INCOME
FOR THE SIX-MONTH PERIOD ENDED 30 JUNE 2024 AND 2023**

Thousand Euros	2024	2023
Net profit for the period	20,335	-4,789
Items that are or may be reclassified to profit or loss		
Cost of hedging reserve	910	459
Tax effect of cost of hedging reserves	-236	-119
Other comprehensive income for the period (net of income tax)	674	340
Total comprehensive income for the period	21,009	-4,449

INTERIM FINANCIAL STATEMENTS

CONDENSED COMPANY STATEMENT OF FINANCIAL POSITION AS AT 30
JUNE 2024 AND 31 DECEMBER 2023

(Before proposed appropriation of profit)

Thousand Euros	2024	2023
Assets		
Loans to and receivables from group entities	6,795,904	6,960,567
Derivative financial instruments	69,120	70,967
Deferred tax assets	4,114	4,114
Total Non-Current Assets	6,869,138	7,035,648
Loans to and receivables from group entities	2,463,929	2,444,643
Derivative financial instruments	21,459	34,319
Debtors and other assets	956	25
Tax receivable	806	1,576
Cash and cash equivalents	1,476,552	461,478
Total Current Assets	3,963,702	2,942,041
Total Assets	10,832,840	9,977,689
Equity		
Share capital	2,000	2,000
Share premium	11,980	11,980
Reserves and retained earnings	109,349	106,438
Profit / (loss) for the period	20,335	2,237
Total Equity	143,664	122,655
Liabilities		
Debt securities	5,443,512	6,133,570
Loans and credit facilities from third parties	901,560	989,808
Loans from group entities	740,000	-
Derivative financial instruments	56,817	77,758
Total Non-Current Liabilities	7,141,889	7,201,136
Debt securities	1,741,066	2,395,765
Loans and credit facilities from third parties	1,076,001	76,259
Loans from group entities	681,939	133,008
Derivative financial instruments	38,641	48,866
Trade and other payables	2,353	-
Tax payable	7,287	-
Total Current Liabilities	3,547,287	2,653,898
Total Liabilities	10,689,176	9,855,034
Total Equity and Liabilities	10,832,840	9,977,689

INTERIM FINANCIAL STATEMENTS

CONDENSED COMPANY STATEMENT OF CHANGES IN EQUITY AS AT 30 JUNE 2024 AND 31 DECEMBER 2023

Thousand Euros	Total Equity	Share capital	Share premium	Cost of hedging reserve	Retained earnings	Profit for the period
Balance as at 31 December 2022 - fully attributable to owners	121,749	2,000	11,980	657	113,543	-6,431
Prior year profit	-	-	-	-	-6,431	6,431
Comprehensive income:						
Net profit for the period	-4,789	-	-	-	-	-4,789
Changes in the cost of hedging reserve net of taxes	340	-	-	340	-	-
Total comprehensive income for the period	-4,449	-	-	340	-	-4,789
Balance as at 30 June 2023 - fully attributable to owners	117,300	2,000	11,980	997	107,112	-4,789
Balance as at 31 December 2023 - fully attributable to owners	122,655	2,000	11,980	-674	107,112	2,237
Prior year profit	-	-	-	-	2,237	-2,237
Comprehensive income:						
Net profit for the period	20,335	-	-	-	-	20,335
Changes in the cost of hedging reserve net of taxes	674	-	-	674	-	-
Total comprehensive income for the period	21,009	-	-	674	-	20,335
Balance as at 30 June 2024 - fully attributable to owners	143,664	2,000	11,980	-	109,349	20,335

INTERIM FINANCIAL STATEMENTS

CONDENSED COMPANY STATEMENT OF CASH FLOWS AS AT 30 JUNE 2024
AND 2023

Thousand Euros	Jun 2024	Jun 2023
Cash flows from operating activities		
Profit / (loss) for the period	20,335	-4,789
Adjustments for:		
Net interest income / (expense)	-25,830	-1,255
Net other financial income and expenses	-34,032	-10,133
Tax income	7,052	-1,683
	-32,475	-17,860
Changes in:		
Loans to and receivables from group entities	237,901	575,068
Debtors and other assets	-2,129	-732
Amounts owed on commercial paper	-	-600,000
Loans from group entities	1,286,313	764,247
Trade and other payables	2,353	1,211
	1,491,963	721,934
Interest received	154,388	123,737
Interest paid	-119,284	-146,912
Tax received / (paid)	770	-34
Net cash used in operating activities	1,527,837	698,725
Cash flows from financing activities		
Redemption of debt securities	-1,410,269	-600,000
Proceeds of loans and credit facilities from third parties	2,295,000	684,978
Redemption of loans and credit facilities from third parties	-1,400,000	-450,085
Net cash flow from financing activities	-515,269	-365,107
Net increase / (decrease) in cash and cash equivalents	1,012,568	333,618
Cash and cash equivalents at the beginning of the year	461,478	357,384
Effect of exchange rate fluctuations on cash and cash equivalents	2,506	2,322
Cash and cash equivalents at the end of the period	1,476,552	693,324

INTERIM FINANCIAL STATEMENTS

1. GENERAL

The principle activity of the Company is to act as a finance company.

2. ACCOUNTING POLICIES

The financial information presented in this Interim Report was prepared under the same accounting principles as in the 2023 Annual Report.

3. ISSUED SHARE CAPITAL

The authorised share capital of the Company consists of 80,000 shares of 100 Euros each, of which 20,000 shares have been issued and fully paid-up.

4. UNDISTRIBUTED RESULTS

The Company allocated the profit for the year 2023, being 2,237 thousand Euros, to accumulated results.

5. ISSUED MEDIUM TERM NOTES

No Bonds were issued by the Company in the first half of 2024, under the EDP S.A., EDP SFE S.A.U. and EDP Finance B.V.'s "Programme for the Issuance of Debt Instruments" (EMTN).

6. NET FINANCIAL INCOME

In June 2024, the Company's increased its net financial income mainly due to: (i) increase of the interests charged impacted by the increase of short-term interest rates and the Company in 2024 has mainly provided financing through short term financing and (ii) repayment of two bonds, with a positive impact of the repayment of the GBP bond.

EDP FINANCE Amsterdam

OTHER INFORMATION

SUBSEQUENT EVENTS

In July 15th, EDP Renovaveis Servicios Financieros S.A. early repaid an USD 300 million loan granted by the Company.

AUDIT

The interim report is not audited.