# Akuo Energy S.A.S.

***Statutory Auditors' Report***
***on the Consolidated Financial Statements***

Year ended December 31, 2021
Akuo Energy S.A.S.
140, avenue des Champs-Elysées - 75008 Paris
*This report contains 81 pages*

**Akuo Energy S.A.S.**

Headquarters: 140, avenue des Champs-Elysées - 75008 Paris
Share capital: €1,758,406

**Statutory Auditors' Report on the Consolidated Financial Statements**

Year ended December 31, 2021

To the Shareholders,

**Opinion**

In accordance with our appointment by your General Meeting, we have audited the consolidated financial statements of Akuo Energy S.A.S. for the year ended December 31, 2021 as appended to this report.

We certify that the consolidated financial statements give a true and fair view of the assets and liabilities and the financial situation of the group formed by the persons and entities included in the consolidated scope as of December 31, 2021 and of the results of its operations for the year then ended, in accordance with International Financial Reporting Standards as adopted by the European Union.

**Basis for opinion**

***Audit standards***

We conducted our audit in accordance with professional standards applicable in France. We believe that the audit evidence we obtained is sufficient and appropriate to provide a basis for our audit opinion.

Our responsibilities under those standards are further described in the "Statutory Auditors' responsibilities for the audit of the consolidated financial statements" section of our report.

***Independence***

We conducted our audit in accordance with the rules of independence stipulated by the French Commercial Code and by the Code of Ethics of the Statutory Auditor profession, for the period from January 1, 2021 to the date of our report.

**Observation**

Without qualifying the above opinion, we draw your attention to the paragraphs "Solar feed-in tariff revision in France" of note "2.1.1 Activity related to group projects" and "Solar feed-in tariff revision (France)" of note 4.1 "Property, plant and equipment" to the consolidated financial statements which describe a situation of uncertainty as to the outcome of current discussions with the CRE and their impact on the determination of revenue and the fair value measurement of solar plants as of December 31, 2021.

**Justification of our assessments**

Due to the global crisis related to the Covid-19 pandemic, the financial statements of this period have been prepared and audited under specific conditions. This crisis and the exceptional measures taken in the context of the health state of emergency have had numerous consequences for companies, particularly on their operations and their financing, and have led to greater uncertainties on their future prospects. Some of those measures, such as travel restrictions and remote working, have also had an impact on companies' internal organization and the performance of audits.

It is in this complex and evolving context that, in accordance with the requirements of Articles L. 823-9 and R. 823-7 of the French Commercial Code relating to the justification of our assessments, we bring to your attention the following assessments which, in our professional opinion, were the most significant for the audit of the consolidated financial statements for the year ended.

These assessments were made as part of our audit of the consolidated financial statements, taken as a whole, and therefore contributed to the opinion we formed which is expressed above. We do not express an opinion on individual items of these consolidated financial statements.

- Estimates and assumptions

Note 1.2 "Preparation basis" mentions the significant assessments and estimates used by management. We have examined the data and assumptions used as a basis for these assessments and estimates, reviewed, by sample checks, the calculations made by the company and the procedures applied by management to approve these estimates and verified that the presentation of the assumptions used and choices made by the company given in the notes was appropriate.

- Impairment of property, plant and equipment

Property, plant and equipment, posted in the Balance Sheet as of December 31, 2021 in an amount of €1,527 million, were tested for impairment in the manner described in note 4.3 "Impairment of assets". We have examined the methods of conducting these impairment tests based on forecast cash flows and we have verified that the information provided in notes 4.1 "Property, plant and equipment" and 4.3 "Impairment of assets" was appropriate, particularly in respect of the solar feed-in tariff revision.

- Revaluation of certain asset classes

Note 4.1 "Property, plant and equipment" explains the methods used to value certain classes of tangible assets. We have examined the method applied, reviewed the data and assessed the assumptions used and verified that the information provided in note 4.1 "Property, plant and equipment" was appropriate.

- Deferred tax

Note 9.4 "Deferred tax" explains the measurement and recognition of deferred tax assets. We have reviewed the data and assumptions used and verified that the information provided in note 9.4 "Deferred taxes" was appropriate.

**Specific verifications**

In line with professional accounting standards applicable in France, we also performed the specific verifications on the information pertaining to the group, presented in the Chairman's management report, as required by law and regulatory provisions.

We have no matters to report as to the fair presentation and consistency of such information with the consolidated financial statements.

**Responsibilities of senior management and corporate governance officers in respect of the consolidated financial statements**

It is the responsibility of management to prepare consolidated financial statements that provide a true and fair view in accordance with International Financial Reporting Standards as adopted by the European Union and to implement the internal control it deems necessary for the preparation of consolidated statements that are free from material misstatements, whether due to fraud or errors.

In preparing the consolidated financial statements, management is required to assess the company's capacity to continue as a going concern, to disclose therein any matters relating to going concern and to apply the going concern accounting principle, unless the company is to be liquidated or is to discontinue business.

The consolidated financial statements have been approved by the Chairman.

**Statutory Auditors' responsibilities for the audit of the consolidated financial statements**

It is our duty to draft a report on the consolidated financial statements. Our objective is to obtain reasonable assurance that the consolidated statements, taken as a whole, are free of material misstatements. Reasonable assurance is a high level of assurance but does not, however, guarantee that an audit conducted in accordance with professional standards will systematically detect any material misstatement. Misstatements may result from fraud or errors and are considered material when it is reasonable to expect that they may, either taken individually or as a whole, influence the economic decisions made by users on the basis thereof.

As specified in Article L. 823-10-1 of the Commercial Code, our certification of the financial statements does not include any guarantee of the viability or quality of management of your company.

As part of an audit conducted in accordance with professional standards applicable in France, the statutory auditor exercises professional judgment throughout the audit and furthermore:

- identifies and assesses the risks of material misstatement in the consolidated financial statements, whether due to fraud or error, designs and performs audit procedures responsive to those risks, and obtains audit evidence considered to be sufficient and appropriate to provide a basis for the audit opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control;

- obtains an understanding of internal control relevant to the audit in order to define audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the internal control;

- evaluates the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management in the consolidated financial statements;

- assesses the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or circumstances that may cast significant doubt on the company's ability to continue as a going concern. This assessment is based on the audit evidence obtained up to the date of the audit report. However, future events or circumstances may cause the company to cease to continue as a going concern. If the statutory auditor concludes that a material uncertainty exists, there is a requirement to draw attention in the audit report to the related disclosures in the consolidated financial statements or, if such disclosures are not provided or are inadequate, to modify the opinion expressed therein;

- evaluates the overall presentation of the consolidated financial statements and assesses whether these statements represent the underlying transactions and events in a manner that achieves fair presentation;

- obtains sufficient appropriate audit evidence regarding the financial information of the persons or entities within the consolidated scope to express an opinion on the consolidated financial statements. The statutory auditor is responsible for the direction, supervision and performance of the audit of the consolidated financial statements and for the opinion expressed on these consolidated financial statements.

The Statutory Auditors

Paris La Défense, June 22, 2022

KPMG Audit
*Department of KPMG S.A.*

[Signed with oodrive_sign]
Marc Baldassari
*Partner*

06/22/2022

Paris, June 22, 2022

APLITEC

[Signature]

Maud Bodin-Veraldi
*Partner*

Year ended December 31, 2021

# Consolidated Financial Statements 2021

AKUO ENERGY SAS | 140, AVENUE DES CHAMPS ELYSEES – 75008 PARIS

# TABLE OF CONTENTS

# CONSOLIDATED STATEMENT OF FINANCIAL POSITION

| Assets (in EUR thousands) | Note N° | 12/31/2021 | 12/31/2020 |
|---|---|---|---|
| **Non-current assets** | | **1 707 631** | **1 638 614** |
| Goodwill | **4.2** | 14 123 | 11 296 |
| Intangible assets | **4.2** | 432 | 962 |
| Property, plant and equipment | **4.1** | 1 526 505 | 1 475 441 |
| Investments in associates | **5** | 43 236 | 35 329 |
| Non-current financial assets | **4.4** | 101 326 | 92 362 |
| Deferred tax assets | **9.4** | 22 009 | 23 225 |
| Other non-current assets | | | |
| **Current assets** | | **260 690** | **206 766** |
| Inventories | **3.6** | 10 324 | 6 617 |
| Trade and other receivables | **3.6** | 97 374 | 70 028 |
| Tax receivable | | 4 300 | 5 405 |
| Current financial assets | **4.4** | 4 203 | 7 392 |
| Other receivables and accruals | **3.6** | 15 244 | 13 211 |
| Cash & cash equivalents | **6.2** | 129 245 | 104 113 |
| **Disposal groups held for sale** | | **36 798** | **294 984** |
| **TOTAL ASSETS** | | **2 005 119** | **2 140 364** |

| Liabilities (in EUR thousands) | Note N° | 12/31/2021 | 12/31/2020 |
|---|---|---|---|
| **Shareholders' equity attributable to the parent** | **7** | **202 190** | **169 750** |
| Share capital | | 1 758 | 1 744 |
| Additional paid-in capital | | 56 104 | 54 838 |
| General reserves | | -111 361 | -89 722 |
| Other comprehensive income reserves | | 253 875 | 228 978 |
| Translation reserves | | -1 541 | -2 844 |
| Profit/Loss for the period | | 3 355 | -23 245 |
| **Non-controlling interests** | **7.4** | **80 713** | **79 359** |
| **Total equity** | | **282 904** | **249 109** |
| **Non-current liabilities** | | **1 449 284** | **1 459 071** |
| Bank borrowings | **6.1** | 786 338 | 774 170 |
| Loans from related parties and equity instruments having the substance of a financial liability | **6.1** | 225 712 | 215 647 |
| Other non-current financial debt | **6.1** | 309 572 | 358 635 |
| Non-current provisions | **8** | 18 885 | 12 875 |
| Deferred tax liabilities | **9.4** | 107 090 | 97 743 |
| Other non-current liabilities | | 1 687 | |
| **Current liabilities** | | **233 357** | **183 622** |
| Trade and other payables | **3.6** | 64 075 | 65 191 |
| Short-term borrowings | **6.1** | 158 411 | 89 257 |
| Other current financial debt | **6.1** | 4 671 | 26 468 |
| Current tax liabilities | **3.6** | 3 279 | 2 037 |
| Other current liabilities | **3.6** | 2 922 | 669 |
| **Liabilities associated with assets held for sale** | | **39 574** | **248 563** |
| **TOTAL EQUITY AND LIABILITIES** | | **2 005 119** | **2 140 364** |

# CONSOLIDATED INCOME STATEMENT

| (in EUR thousands) | Note N° | 2021 | 2020 |
|---|---|---|---|
| Revenues | **3.1** | 232 764 | 213 694 |
| Other operating revenues | | 2 156 | 3 436 |
| Raw materials & consumables used | | -10 077 | -13 738 |
| Change in inventory: work-in-progress & finished gds | | -215 | 53 |
| Payroll expenses | **3.3** | -31 120 | -28 967 |
| Other external expenses | **3.2** | -49 236 | -41 679 |
| Taxes | | -9 481 | -6 132 |
| Other operating income | **3.4** | 2 432 | 2 028 |
| Other operating expenses | **3.4** | -1 011 | -702 |
| **EBITDA** | | **136 212** | **127 994** |
| Depreciation of facilities | **4.1** | -68 891 | -63 073 |
| Other non-recurring operating income | **3.5** | 3 264 | 2 086 |
| Other non-recurring operating expenses | **3.5** | -13 785 | -1 669 |
| **OPERATING INCOME (LOSS)** | | **56 800** | **65 338** |
| Income (loss) from investments in associates | **5** | 6 536 | -687 |
| **OPERATING INCOME (LOSS) including Income from investments in associates** | | **63 336** | **64 651** |
| Income from cash & cash equivalents | **6.3** | 5 057 | 5 613 |
| Cost of gross financial debt | **6.3** | -68 613 | -71 396 |
| **Cost of net financial debt** | | **-63 556** | **-65 784** |
| Other financial income | **6.3** | 11 272 | 4 455 |
| Other financial expenses | **6.3** | -8 658 | -13 768 |
| **Financial income (loss)** | | **-60 943** | **-75 097** |
| **PRE-TAX INCOME (LOSS)** | | **2 393** | **-10 446** |
| Income tax | **9.3** | -9 749 | -9 359 |
| **INCOME FROM CONTINUING OPERATIONS** | | **-7 356** | **-19 805** |
| Income from discontinued operations | | 11 839 | -4 398 |
| **INCOME (LOSS) FOR THE PERIOD** | | **4 483** | **-24 203** |
| Non-controlling interests | **7.4** | -1 128 | 958 |
| **INCOME (LOSS) attributable to equity holders of the parent** | | **3 355** | **-23 245** |

# STATEMENT OF OTHER COMPREHENSIVE INCOME

| (in EUR thousands) | 2021 | 2020 |
|---|---|---|
| **INCOME (LOSS) FOR THE PERIOD** | **4 483** | **-24 203** |
| **Other comprehensive income not to be reclassified to profit & loss in subsequent periods** | | |
| Revaluation of tangible assets (1) | 20 308 | 103 920 |
| Deferred tax related to revaluation of tangible assets (1) | -3 110 | -18 972 |
| Change in actuarial gains and losses related to defined benefit plans | 370 | 292 |
| Deferred tax related to change in actuarial gains and losses related to defined benefit plans | | |
| **Other comprehensive income likely to be reclassified to profit & loss in subsequent periods** | | |
| Changes in fair value of hedging instruments (1) | 28 769 | -6 660 |
| Deferred tax related to changes in fair value of hedging instruments (1) | -4 363 | -901 |
| Exchange differences on translating foreign operations | 2 207 | -3 602 |
| **OTHER COMPREHENSIVE INCOME** | **48 666** | **49 875** |
| Attributable to equity holders of the parent | 41 318 | 18 325 |
| Attributable to non-controlling interests | 7 348 | 31 550 |

(1) Including effect of interests in associates over 2021:
   a. Changes in fair value of hedging instruments: €0.8M
   b. Deferred tax: -€0.2M

   Including effect of interests in associates over 2020:
   a. Changes in fair value of hedging instruments: €0.2M
   b. Deferred tax: -€0.0M

# STATEMENT OF CHANGES IN CONSOLIDATED SHAREHOLDERS' EQUITY

| (in EUR thousands) | Share capital | Additional paid-in capital | General reserves | Other comprehensive income reserves | Translation reserves | Profit/Loss for the period | Equity holders of the parent | Non-controlling interests | Total Equity |
|---|---|---|---|---|---|---|---|---|---|
| **Balance as of January 1, 2020** | **1 739** | **53 496** | **-44 976** | **176 102** | **-302** | **-33 983** | **152 077** | **62 595** | **214 672** |
| Profit/Loss for the period | | | | | | -23 245 | -23 245 | -958 | -24 203 |
| Change in translation reserves | | | | -0 | -2 568 | | -2 568 | -1 034 | -3 602 |
| Change in fair value of financial instruments | | | | -3 254 | | | -3 254 | -4 306 | -7 560 |
| Revaluation of tangible assets | | | | 47 103 | | | 47 103 | 37 845 | 84 948 |
| Change in actuarial gains and losses related to defined benefit plans | | | | 289 | | | 289 | 3 | 292 |
| Other comprehensive income | | | | 44 138 | -2 568 | -23 245 | 18 325 | 31 550 | 49 875 |
| Appropriation of profit/loss | | | -33 983 | | | 33 983 | | -0 | -0 |
| Change in consolidation scope | 0 | | 0 | -0 | -0 | 0 | -0 | 0 | -0 |
| Dividends paid by the parent company | | | 0 | | | | 0 | -3 723 | -3 722 |
| Capital increase | 7 | 1 342 | -0 | | | | 1 349 | | 1 349 |
| Convertible bond issuance net of tax effect | | | | | | | | | |
| Share-based compensation | | | 750 | | | | 750 | | 750 |
| Changes in interest percentages | | | -12 128 | 8 536 | | | -3 592 | -11 587 | -15 179 |
| Reclassification of depreciation from tangible asset revaluation | | | | | | | | | |
| Other changes | | | 614 | 202 | 26 | | 842 | 523 | 1 365 |
| **Balance as of December 31, 2020** | **1 746** | **54 838** | **-89 722** | **228 978** | **-2 844** | **-23 245** | **169 751** | **79 358** | **249 109** |
| Profit/Loss for the period | | | | | | 3 355 | 3 355 | 1 128 | 4 483 |
| Change in translation reserves | | | | -0 | 1 307 | | 1 307 | 899 | 2 207 |
| Change in fair value of financial instruments | | | | 17 348 | | | 17 348 | 7 059 | 24 407 |
| Revaluation of tangible assets | | | | 18 940 | | | 18 940 | -1 741 | 17 199 |
| Change in actuarial gains and losses related to defined benefit plans | | | | 368 | | | 368 | 2 | 370 |
| Other comprehensive income | | | | 36 656 | 1 307 | 3 355 | 41 318 | 7 348 | 48 666 |
| Appropriation of profit/loss | | | -23 245 | | | 23 245 | 0 | 0 | 0 |
| Change in consolidation scope | -0 | -0 | 12 671 | -11 068 | -5 | -0 | 1 599 | -4 562 | -2 963 |
| Dividends paid by the parent company | | | 0 | | | | 0 | -824 | -824 |
| Capital increase | 13 | 1 266 | 824 | | | | 2 102 | 2 529 | 4 631 |
| Convertible bond issuance net of tax effect | | | | | | | | | |
| Share-based compensation | | | 1 784 | | | | 1 784 | | 1 784 |
| Changes in interest percentages | | | -3 918 | 150 | | | -3 768 | 587 | -3 181 |
| Reclassification of depreciation from tangible asset revaluation | | | | | | | | | |
| Other changes | | | -9 755 | -841 | | | -10 596 | -3 722 | -14 318 |
| **Balance as of December 31, 2021** | **1 758** | **56 104** | **-111 361** | **253 875** | **-1 541** | **3 355** | **202 190** | **80 713** | **282 903** |

# CONSOLIDATED STATEMENT OF CASH FLOWS

| (in EUR thousands) | 2021 | 2020 |
|---|---|---|
| **CONSOLIDATED NET INCOME (LOSS)** | **-7 356** | **-19 805** |
| Elim. of income from associates | -6 420 | 687 |
| Elim. of depreciation and provisions | 77 857 | 65 258 |
| Elim. of profit / loss on disposals | -12 864 | -3 085 |
| Elim. of dividend income | -20 | -5 |
| Other non-cash expenses and income | -1 260 | 3 280 |
| **CASH FLOWS FROM OPERATIONS** | **49 936** | **46 330** |
| Elim. of income taxes | 9 749 | 9 360 |
| Elim. of finance costs | 60 923 | 65 784 |
| **CASH FLOWS FROM OPERATIONS BEFORE COST OF DEBT** | **120 609** | **121 474** |
| Effect of changes in working capital requirement | -37 818 | 8 323 |
| Tax paid | -5 392 | -8 466 |
| **Change in working capital requirement** | **-43 210** | **-142** |
| Cash flow from discontinued operations | 11 218 | 16 375 |
| **NET CASH FLOWS FROM OPERATIONS** | **88 616** | **137 706** |
| Purchase of tangible and intangible assets | -44 079 | -56 121 |
| Purchase of financial assets | -4 023 | -13 199 |
| Increase in loans and advances granted | -32 795 | -17 546 |
| Increase in non-available cash (DSRA) | -1 750 | -1 275 |
| Acquisition of control of subsidiaries net of cash | -23 384 | 0 |
| ***Investments*** | **-106 031** | **-88 142** |
| Decrease in loans and advances granted | 34 995 | 11 044 |
| Proceeds from disposals of tangible and intangible assets | 631 | 1 449 |
| Proceeds from disposals of financial assets | 60 588 | 26 |
| Decrease in non-available cash (DSRA) | 13 083 | 8 859 |
| Loss of control over subsidiaries net of cash | -701 | -82 |
| ***Disinvestments*** | **108 617** | **22 126** |
| Cash flow from investment activities of discontinued operations | 3 599 | -1 833 |
| **NET CASH FLOWS FROM INVESTMENT ACTIVITIES** | **6 185** | **-67 850** |
| Capital increase | 2 978 | 2 218 |
| Disposal (purchase) of treasury shares (net) | 0 | -13 |
| Proceeds from borrowings | 233 230 | 321 545 |
| Repayments of borrowings | -242 187 | -264 722 |
| Net financial interest paid | -61 836 | -68 402 |
| Dividends paid to minority interests | -854 | -3 668 |
| Other flows from (used in) financing activities | 816 | 1 235 |
| Transactions with non-controlling interests | -908 | -17 786 |
| Cash flow from financing of discontinued operations | -10 545 | -18 597 |
| **NET CASH FLOWS FROM FINANCING ACTIVITIES** | **-79 307** | **-48 191** |
| **CHANGE IN CASH AND CASH EQUIVALENTS** | **15 494** | **21 666** |
| Opening cash position | 98 877 | 83 034 |
| Closing cash position | 115 168 | 98 877 |
| Closing cash flow from discontinued operations | 1 074 | 4 145 |
| Effects of exchange rate fluctuations | 1 869 | -1 678 |

## CONTENTS OF NOTES

# NOTES

## 1 Accounting Policies

### 1.1 General context

Akuo Energy is a French simplified joint-stock corporation (*société par actions simplifiée*) headquartered in Paris, France. The Akuo Energy Group (hereinafter also referred to as "the Group") specializes in the implementation of power generating units using renewable resources: wind, solar, and hydroelectric. The Group also develops energy storage solutions in connection with its operations.

Akuo Energy develops its activity based on a business model combining respect for the environment and energy performance.

Akuo Energy is an integrated industrial operator active across the lifecycle of electric power plants, from studies and design, through to financing, construction, operation and maintenance.

The Group includes holding companies, service companies, and development, financing, construction and operating companies.

Akuo Energy is a Group with an international dimension, as reflected by its diverse locations around the world.

These consolidated financial statements concern the period from January 1, 2021 to December 31, 2021 and cover the parent company and its subsidiaries. The individual accounts of the parent company and all the subsidiaries in the consolidation scope are closed on December 31, 2021. No subsidiary in the scope closes its company accounts on a different date.

The Group's consolidated financial statements were approved by the Chairman of Akuo Energy on June 21, 2022. They will be submitted to the General Meeting of Shareholders for approval in June 2022.

### 1.2 Preparation basis

The consolidated financial statements are presented in thousands of Euros. The Euro is the Akuo Energy Group's functional currency.

In accordance with IFRS guidelines, the Group's consolidated financial statements are prepared on the basis of historical costs except for:

- derivatives, measured at fair value;
- some types of tangible assets recognized using the revaluation model.

In accordance with international accounting standards, preparation of the consolidated financial statements requires Akuo Energy Group to make estimates and use certain assumptions which can impact the value of the Group's assets, liabilities, contingent liabilities, equity and profit/loss.

Akuo Energy Group's Senior Management regularly reviews these estimates and assumptions based on experience and other factors considered reasonable to estimate the book value of assets, liabilities and contingent liabilities. Actual results may differ significantly from such estimates when different circumstances or assumptions apply. These estimates and assumptions particularly concern the fair value of property, plant and equipment recognized using the revaluation model, impairment of other fixed assets and recoverability of deferred tax assets.

The assessments made to apply the accounting policies that have the most significant impact on amounts posted in the consolidated financial statements particularly concern customer contracts. Based on an analysis of the contracts, Senior Management considers that production assets are excluded from the scope of IFRIC 12 "Service Concession Arrangements". The addition of references to IFRS 15 in the provisions of IFRIC 12 did not prompt the Group to change its assessment.

## 1.3 Accounting standard applied

The consolidated financial statements are prepared in accordance with international accounting standards issued by the IASB (International Accounting Standards Board) as adopted in the European Union as of December 31, 2021. These standards consist of IFRS (International Financial Reporting Standards), IAS (International Accounting Standards), and their interpretations.

It is also noted here that the Group does not apply IFRS 8 "Operating Segments" and IAS 33 "Earnings per share" which are not mandatory for companies that do not issue shares or bonds listed on a regulated market.

The Group has not anticipated the application of any standards or interpretations that are not mandatory in 2021.

### New standards applicable in 2021

The following standards and amendments did not have any significant impact on the Group's consolidated accounts:

- Amendments to IFRS 4, IFRS 7, IFRS 9, IFRS 16 and IAS 39: Interest rate benchmark reform – Phase 2.

These amendments supplement those published in 2019 and focus on the impacts on financial statements when a company replaces the former interest rate benchmark with another benchmark as a result of the reform.

### Standards and interpretations not yet adopted by the European Union and not applied by the Group as of December 31, 2021

The Group has not applied the following standards and interpretations:

- Amendments to IAS 1 on classification of liabilities as current and non-current;
- Amendments to IAS 8 "Definition of Accounting Estimates";
- Amendments to IFRS 10 and IAS 28 "Sale or Contribution of Assets between an Investor and its Associate or Joint Venture" and deferral of the effective date of amendments to IFRS 10 and IAS 28;
- Amendments to IFRS 3 "Reference to the Conceptual Framework";
- Amendments to IFRS 16 titled "Covid-19-Related Rent Concessions Beyond 30 June 2021";
- Amendments to IAS 16 "Property, Plant and Equipment - Proceeds before Intended Use";

- Amendments to IAS 37 "Onerous Contracts - Cost of Fulfilling a Contract";
- Annual improvements of IFRS Cycle 2018-2020.

As these standards have not been adopted by the European Union, Akuo Energy has not initiated an analysis of the possible impacts for the Group.

## 1.4 General accounting policies

The general accounting policies are described below. Some details are also provided in each note.

### Consolidation scope and methods

#### Controlled entities

The notion of control of an entity is defined on the basis of three criteria:

- Power over the entity, i.e., the ability to direct activities which have the most impact on its profitability;
- Exposure to the entity's variable returns, which may be positive, in the form of dividends or any other economic benefit, or negative;
- And the link between the power and these returns, i.e., the ability to use power over the entity to influence the returns obtained.

In the Akuo Energy Group, control of entities less than 50% owned can be justified by one of the following situations:

- The Group holds more than 50% of the voting rights;
- The Group is the project operator (and therefore has irrevocable power) and the other investors' rights are mostly considered to be protective.

A subsidiary is an entity controlled by the Group. The company financial statements of subsidiaries are included in the consolidated financial statements by means of full consolidation from the date on which effective control is transferred to the date on which the control ceases.

All transactions between consolidated subsidiaries are eliminated, as are results internal to the Group.

#### Associates

Associates are companies in which the Akuo Energy Group is able to exercise significant influence over financial and operating policies, but in which it does not have exclusive or joint control. It is generally deemed to have significant influence if Akuo Energy holds at least 20% of the voting rights in the associate.

Associates are accounted for in the consolidated balance sheet using the equity method according to which, the interest held by Akuo Energy in the associate is posted in the balance sheet in an amount equal to the Group's share in the associate’s net assets.

The financial statements of associates are included in the consolidated financial statements from the date on which the significant influence is confirmed until the date on which it ceases.

Gains generated by transactions with associates are eliminated under equity-consolidated securities to the extent of the Group's interest in the company. Losses are eliminated in the same way as gains, but only to the extent that they do not represent an impairment. In the event of a negative value of equity investments, a provision is posted in the accounts for the negative amount.

## 1.5 Business combinations

### Acquisition of controlling interests

#### Entities constituting a business

When control of an entity is acquired, the identifiable assets acquired and liabilities assumed are measured at fair value save the specific exceptions provided for by IFRS 3.

The goodwill posted in the consolidated balance sheet represents the difference between:

- the sum of the following items:
  - the consideration transferred,
  - the amount of the non-controlling interest in the acquired business, determined either on a fair-value basis (full goodwill method) or based on the proportionate share of the fair value of identifiable net assets and liabilities acquired (partial goodwill method). The choice of the partial goodwill method, which has been used to date but is available on a transaction-by-transaction basis, may lead to different measurements for future acquisitions (possible option for the full goodwill method),
  - and, if the business combination is achieved in stages, the acquisition-date fair value of the equity interest previously held by the Group;
- and the net of the acquisition-date amounts of the identifiable assets acquired and the liabilities assumed (save exceptions).

When the difference is negative, it is posted directly in the income statement.

Any additional price is measured at acquisition date fair value. If the obligation to pay any consideration meeting the definition of financial instrument has been classified in equity, it is not revalued and its payment is posted in equity. Otherwise, subsequent changes in the fair value of the consideration are posted to the income statement. The Group has twelve months from the acquisition date to finalize the acquisition accounting. Costs relating to the business combination are maintained in expenses.

After initial recognition, the goodwill is impairment tested at least once a year. These tests are carried out more frequently when indicators of impairment appear.

Any goodwill arising on the acquisition of a foreign entity and any fair value adjustment of the carrying value of the assets and liabilities arising from the acquisition of such foreign entity are treated as assets and liabilities of the entity in question and translated at the closing rate.

#### Entities not constituting a business

In the Group's practices, acquisitions of entities holding power plant projects under development are identified as acquisitions of an asset or group of assets which do not constitute a business. They are not therefore included in the scope of IFRS 3.

In this case, the acquisition cost of this asset or group of assets is fully allocated to the individual identifiable assets and liabilities pro rata to their relative acquisition date fair values. These acquisitions do not therefore give rise to recognition of goodwill.

#### Interest percentage changes without loss of control

Changes to the Group's interest in a subsidiary that do not result in a loss of control are recognized as equity transactions.

#### Interest percentage changes with loss of control

When the Group loses control of a subsidiary, it derecognizes the assets and liabilities as well as any non-controlling interest and other elements of equity relating to this subsidiary.

Therefore, disposals of interests leading to loss of exclusive control generally give rise to recognition of a disposal gain or loss in the income statement, calculated on the entire interest on the transaction date. Any residual interest retained is therefore valued at fair value through the income statement at the time of losing exclusive control.

### 1.6 Translation methods

#### Transactions denominated in foreign currencies

Transactions in foreign currencies are translated into Euros by applying the exchange rate applicable on the transaction date.

Monetary assets and liabilities denominated in foreign currencies are translated at the exchange rate applicable on the reporting date.

Translation differences resulting from these transactions are recognized in income or expenses.

Non-monetary assets and liabilities valued at cost and denominated in foreign currencies are posted and retained at the historical cost applicable on the transaction date.

Non-monetary assets and liabilities valued at fair value and denominated in foreign currencies are translated using the exchange rate on the fair value determination date.

The table below shows the exchange rates for the Group's main currencies:

| | 2021 | | 2020 | |
|---|---|---|---|---|
| **Rate (currency)** | **Closing rate** | **Average rate** | **Closing rate** | **Average rate** |
| UAE Dirham | 0,23935 | 0,23015 | 0,22250 | 0,23846 |
| Argentine Peso | 0,00856 | 0,00889 | 0,00972 | 0,01235 |
| Australian Dollar | 0,64041 | 0,63494 | 0,62909 | 0,60445 |
| Bulgarian Lev | 0,51130 | 0,51130 | 0,51130 | 0,51130 |
| Swiss Franc | 0,96796 | 0,92494 | 0,92575 | 0,93406 |
| Colombian Peso (thousands) | 0,21579 | 0,22555 | 0,23894 | 0,23586 |
| Euro | 1,00000 | 1,00000 | 1,00000 | 1,00000 |
| Hong Kong Dollar | 0,11321 | 0,10878 | 0,10511 | 0,11291 |
| Croatian Kuna | 0,13306 | 0,13283 | 0,13242 | 0,13265 |
| Indonesian Rupiah (thousands) | 0,06211 | 0,05910 | 0,05800 | 0,06041 |
| Mongolian Tugrik (thousands) | 0,30425 | 0,29365 | 0,28632 | 0,31245 |
| Mauritian Rupee | 0,01958 | 0,01976 | 0,02062 | 0,02231 |
| Polish Zloty | 0,21754 | 0,21905 | 0,21931 | 0,22507 |
| Turkish Lira | 0,06564 | 0,09513 | 0,10973 | 0,12420 |
| Ukrainian Karbovanet | 0,03219 | 0,03097 | 0,02884 | 0,03240 |
| US Dollar | 0,88292 | 0,84549 | 0,81493 | 0,87581 |
| Uruguyan Peso | 0,01967 | 0,01939 | 0,01924 | 0,02083 |
| West African CFA Franc (thousands) | 1,52422 | 1,52415 | 1,52449 | 1,52449 |
| CFP Francs (thousands) | 8,37853 | 8,37812 | 8,38000 | 8,38005 |

### Financial statements denominated in foreign currencies

Assets and liabilities of consolidated companies expressed in foreign currencies are translated into Euros at the foreign exchange rate in force on the reporting date. This translation applies to all balance sheet items, including goodwill.

Income and expenses of these companies are translated into Euros at the average exchange rate of the year (rate considered to be a reasonable approximation of exchange rates on transaction dates).

Resulting translation gains or losses are recognized in other comprehensive income items with a contra in equity reserves.

A loan to a subsidiary abroad of which repayment is neither scheduled nor likely in the foreseeable future is, in essence, a net share of the Group's net investment in this activity abroad. Translation gains or losses on a monetary item that is part of a net investment are posted directly in other comprehensive income under translation reserves and in profit and loss on the disposal of the net investment.

## 1.7 Classification of the biomass activity in discontinued operations

In accordance with IFRS 5 "Non-current assets and liabilities held for sale and discontinued operations", non-current assets and asset groups intended to be sold and classified as held for sale, are measured at the lower of their carrying amount and fair value less costs to sell. They are classified as assets held for sale if their carrying amount is recovered mainly through a sale transaction rather than their continued use. This condition is considered met only when the sale is highly probable and the asset or group held for sale is available for immediate sale in its current condition. Management must be committed to a plan to sell which, in the accounts, should give rise to a sale within 12 months of the date of this classification.

Assets and liabilities of controlled entities held for sale are presented on separate lines in the balance sheet. Once classified as held for sale, property, plant and equipment, intangible fixed assets and assets relating to rights of use are no longer depreciated.

During 2020, Akuo Energy initiated an active search for a potential buyer with a view to selling its entire biomass activity, in mainland France and Croatia.

In this context, the Company signed a Share Purchase Agreement on March 31, 2021 with the private equity fund specialized in the Energy and Environmental Transition, Pearl Infrastructure Capital, to sell all the shares and voting rights comprising the share capital of Akuo Biomass, holding all the biomass activities in mainland France. The Group sold the entire stake that it held in Akuo Biomass to Pearl Infrastructure Capital on July 2, 2021.

As the Group is still actively seeking to sell its biomass activities in Croatia and their holding company Energo Holdco, and as the sale is deemed highly likely in the months to come, the following entities have been kept in assets and liabilities associated with a disposal group held for sale as of December 31, 2021:

- Energo Holdco
- Elektrana Grubisno Polje (ex-Energostatik)
- Sirocco

## Presentation in the Balance Sheet

All assets and liabilities of the biomass business in Croatia and their holding company Energo Holdco have been restated after elimination of inter-company transactions in the Biomass scope and elimination of inter-company transactions with Group entities whose business is continued.

The balance sheet impact of applying IFRS 5 as of December 31, 2021 is shown below:

| Assets (in EUR thousands) | IFRS 5 - 2021 | IFRS 5 - 2020 |
|---|---|---|
| **Non-current assets** | **-34 470** | **-273 289** |
| Goodwill | | -529 |
| Intangible assets | -30 | -74 |
| Property, plant and equipment | -32 974 | -254 950 |
| Investments in associates | | -3 148 |
| Non-current financial assets | -1 204 | -13 431 |
| Deferred tax assets | -263 | -1 157 |
| **Current assets** | **-2 328** | **-21 695** |
| Inventories | -127 | -615 |
| Trade and other receivables | -921 | -17 413 |
| Tax receivable | | 823 |
| Other receivables and accruals | -205 | -367 |
| Cash & cash equivalents | -1 074 | -4 123 |
| **Disposal groups held for sale** | **36 798** | **294 984** |
| **TOTAL ASSETS** | | |

| Liabilities (in EUR thousands) | IFRS 5 - 2021 | IFRS 5 - 2020 |
|---|---|---|
| **Non-current liabilities** | **-38 097** | **-228 946** |
| Bank borrowings | -21 153 | -149 380 |
| Loans from related parties and equity instruments having the substance of a financial liability | -350 | -34 821 |
| Other non-current financial debt | -16 218 | -36 986 |
| Non-current provisions | | -442 |
| Deferred tax liabilities | -376 | -7 317 |
| Other non-current liabilities | | |
| **Current liabilities** | **-1 476** | **-19 617** |
| Trade and other payables | -1 222 | -19 263 |
| Short-term borrowings | | -10 |
| Other current financial debt | | |
| Current tax liabilities | | -240 |
| Other current liabilities | -255 | -104 |
| **Liabilities associated with assets held for sale** | **39 574** | **248 563** |
| **TOTAL EQUITY AND LIABILITIES** | | |

### Presentation in the income statement and in the statement of cash flows

Cash flows recognized in the income statement and statement of cash flows from the biomass assets sold on July 2, 2021 and from those maintained as of December 31, 2021 in assets and liabilities associated with a disposal group held for sale are presented on separate lines in the financial statements for 2020 and 2021.

The income statement impact of applying IFRS 5 is presented below:

| (in EUR thousands) | 2021 Proforma | Income/Loss of the Biomass business | IG transactions with the Biomass business | IFRS 5 Restatement | 2021 |
|---|---|---|---|---|---|
| Revenues | 274 090 | 41 326 | | -41 326 | 232 764 |
| Other operating revenues | 3 823 | 897 | -770 | -1 667 | 2 156 |
| Raw materials & consumables used | -34 060 | -23 983 | | 23 983 | -10 077 |
| Change in inventory: work-in-progress & finished gds | -215 | | | | -215 |
| Payroll expenses | -32 181 | -1 061 | | 1 061 | -31 120 |
| Other external expenses | -53 915 | -4 679 | | 4 679 | -49 236 |
| Taxes | -9 827 | -346 | | 346 | -9 481 |
| Other operating income | 2 452 | 20 | | -20 | 2 432 |
| Other operating expenses | -2 079 | -297 | 770 | 1 067 | -1 011 |
| **EBITDA** | **148 088** | **11 876** | | **-11 876** | **136 212** |
| Depreciation of facilities | -74 390 | -5 499 | | 5 499 | -68 891 |
| Other non-recurring operating income | 3 460 | 196 | | -196 | 3 264 |
| Other non-recurring operating expenses | -15 018 | -1 233 | | 1 233 | -13 785 |
| **OPERATING INCOME (LOSS)** | **62 140** | **5 340** | | **-5 340** | **56 800** |
| Income (loss) from investments in associates | 6 651 | 116 | | -116 | 6 536 |
| **OPERATING INCOME (LOSS) including Income from investments in associates** | **68 791** | **5 455** | | **-5 455** | **63 336** |
| Income from cash & cash equivalents | 4 379 | 663 | 1 342 | 678 | 5 057 |
| Cost of gross financial debt | -75 947 | -7 333 | | 7 333 | -68 613 |
| **Cost of net financial debt** | **-71 568** | **-6 670** | **1 342** | **8 012** | **-63 556** |
| Other financial income | 73 420 | 62 148 | | -62 148 | 11 272 |
| Other financial expenses | -56 355 | -49 039 | -1 342 | 47 697 | -8 658 |
| **Financial income (loss)** | **-54 504** | **6 439** | | **-6 439** | **-60 943** |
| **PRE-TAX INCOME (LOSS)** | **14 287** | **11 895** | | **-11 895** | **2 393** |
| Income tax | -9 804 | -56 | | 56 | -9 749 |
| **INCOME FROM CONTINUING OPERATIONS** | **4 483** | **11 839** | | **-11 839** | **-7 356** |
| Income from discontinued operations | | -11 839 | | 11 839 | 11 839 |
| **INCOME (LOSS) FOR THE PERIOD** | **4 483** | | | | **4 483** |
| Non-controlling interests | -1 128 | | | | -1 128 |
| **INCOME (LOSS) attributable to equity holders of the parent** | **3 355** | | | | **3 355** |

Income generated by entities whose activity is continued with entities in the biomass business will not continue after the sale. However, to the extent permitted in the framework of IFRS 5, the Group has decided to keep a presentation of this income in continued operations.

The deconsolidation of the biomass business in mainland France on July 2, 2021 generated a gain on disposal of €15.0M.

In the statement of cash flows, the Group has presented cash flows relating to the biomass business in separate lines for each main aggregate (operations, investment, financing). Intra-group cash flows between continued operations and discontinued operations have been reclassified in "Cash flows from discontinued operations" whatever their nature (investment, financing, change in working capital requirements). Investment and financing flows presented in the statement of cash flows do not include investments in the biomass business.

The impact of applying IFRS 5 on the statement of cash flows is presented below:

| (in EUR thousands) | 2021 Proforma | Cash flows of the Biomass business | IG transactions with the Biomass business | IFRS 5 Restatement | 2021 |
|---|---|---|---|---|---|
| **CONSOLIDATED NET INCOME (LOSS)** | **4 483** | **11 839** | **0** | **-11 839** | **-7 356** |
| Elim. of income from associates | -6 536 | -116 | | 116 | -6 420 |
| Elim. of depreciation and provisions | 83 356 | 5 499 | | -5 499 | 77 857 |
| Elim. of profit / loss on disposals | -28 674 | -15 809 | | 15 809 | -12 864 |
| Elim. of dividend income | -20 | 0 | | 0 | -20 |
| Other non-cash expenses and income | -1 260 | 0 | | 0 | -1 260 |
| **CASH FLOWS FROM OPERATIONS** | **51 349** | **1 413** | **0** | **-1 413** | **49 936** |
| Elim. of income taxes | 9 804 | 56 | | -56 | 9 749 |
| Elim. of finance costs | 68 943 | 6 677 | 1 342 | -8 019 | 60 923 |
| **CASH FLOWS FROM OPERATIONS BEFORE COST OF DEBT** | **130 097** | **8 146** | **1 342** | **-9 488** | **120 609** |
| Effect of changes in working capital requirement | -36 232 | 2 843 | -1 192 | -1 652 | -37 818 |
| Tax paid | -5 314 | 78 | | -78 | -5 392 |
| **Change in working capital requirement** | **-41 546** | **2 921** | **-1 192** | **-1 730** | **-43 210** |
| Cash flow from discontinued operations | | -11 067 | -150 | 11 218 | 11 218 |
| **NET CASH FLOWS FROM OPERATIONS** | **88 551** | **0** | **0** | **0** | **88 616** |
| Purchase of tangible and intangible assets | -43 728 | 351 | | -351 | -44 079 |
| Purchase of financial assets | -4 023 | 0 | | 0 | -4 023 |
| Increase in loans and advances granted | -34 617 | -1 822 | | 1 822 | -32 795 |
| Increase in non-available cash (DSRA) | -1 750 | 0 | | 0 | -1 750 |
| Acquisition of control of subsidiaries net of cash | -23 384 | | | 0 | -23 384 |
| ***Investments*** | **-107 502** | **-1 471** | | **1 471** | **-106 031** |
| Decrease in loans and advances granted | 40 053 | 5 058 | | -5 058 | 34 995 |
| Proceeds from disposals of tangible and intangible assets | 631 | 0 | | 0 | 631 |
| Proceeds from disposals of financial assets | 60 597 | 9 | | -9 | 60 588 |
| Decrease in non-available cash (DSRA) | 13 086 | 3 | | -3 | 13 083 |
| Loss of control over subsidiaries net of cash | -701 | | | 0 | -701 |
| ***Disinvestments*** | **113 725** | **5 070** | | **-5 070** | **108 617** |
| Cash flow from investment activities of discontinued operations | | -3 599 | | 3 599 | 3 599 |
| **NET CASH FLOWS FROM INVESTMENT ACTIVITIES** | **6 223** | **0** | | **0** | **6 185** |
| Capital increase | 2 207 | 0 | | 0 | 2 978 |
| Disposal (purchase) of treasury shares (net) | 0 | 0 | | 0 | 0 |
| Proceeds from borrowings | 234 171 | 941 | | -941 | 233 230 |
| Repayments of borrowings | -251 044 | -8 857 | | 8 857 | -242 187 |
| Net financial interest paid | -64 465 | -2 629 | | 2 629 | -61 836 |
| Dividends paid to minority interests | -517 | 0 | | 0 | -854 |
| Other flows from (used in) financing activities | 816 | 0 | | 0 | 816 |
| Transactions with non-controlling interests | -475 | | | 0 | -908 |
| Cash flow from financing of discontinued operations | | 10 545 | | -10 545 | -10 545 |
| **NET CASH FLOWS FROM FINANCING ACTIVITIES** | **-79 284** | **0** | **0** | **0** | **-79 307** |
| **CHANGE IN CASH AND CASH EQUIVALENTS** | **15 490** | **0** | **0** | **0** | **15 494** |
| Opening cash position | 98 877 | 0 | | 0 | 98 877 |
| Closing cash position | 116 242 | 1 074 | | -1 074 | 115 168 |
| Closing cash flow from discontinued operations | | -1 074 | | 1 074 | 1 074 |
| Effects of exchange rate fluctuations | 1 869 | 0 | | 0 | 1 869 |

# 2 Significant events during the year

## 2.1 Operating events

### 2.1.1 Activity related to Group projects

**Solar**

Projects financed and under construction in mainland France

In mainland France, two construction projects were started: the extension of the O'Mega 1 floating power plant to take the capacity to 22 MW (Vaucluse), and the Tarabise power plant in Alpes-Maritimes (11.5 MW).

Projects financed and under construction in non-interconnected zones

Construction began on several solar with storage projects: Lesport (1.35 MW / 2.9 MWh in Mayotte), Hamaha (1.2 MW / 2.4 MWh in Mayotte), Janar (4.9 MW / 10.6 MWh in Reunion Island) and Agrimarguerite (1.5 MW / 4.4 MWh in Guadeloupe).

Construction of the Kwita Wije project in New Caledonia

Construction began on the Kwita Wije project (6 MW solar and 3 MWh of storage in Boulouparis) and commissioning of the plant is scheduled in Q4 2022.

Solar feed-in tariff revision in France

The French government has published the decree specifying the conditions for revising the power purchase agreements provided for in Article 225 of the 2021 Finance Law for agreements made pursuant to the decrees of July 10, 2006, January 12, 2010, and August 31, 2010, concerning solar farms of more than 250kWp. This revision concerned 21 Akuo PV power plants representing approximately €52M. Safeguard clauses were activated for these projects as provided by Article 225; the application was examined by the Energy Regulation Commission (CRE). The activation of these clauses suspends application of tariff revisions notified until the final decision of the CRE. Invoicing for production therefore continues based on the pre-revision tariff. The tariff resulting from the final decision will apply retroactively from December 1, 2021. The Group is working on the business plans put in place by the CRE to define a price-revision scheme that will guarantee the economic viability of the companies in question. A complete file must be submitted to the CRE within eight months of activating the safeguard clause. The CRE then has a period of 12 months to review the file. The impact of this measure on the asset valuation is explained in note 0 – "Property, plant and equipment.
Revenues for December 2021 were accounted for based on the tariff before revision; the estimated impact of the revision on revenues is not consistent across the power plants. The estimated impact on December revenues is a €0.8M decrease.

Solar projects outside of France

The Group continued structuring the solar projects won by Akuo in 2019 in Portugal (370 MW, equivalent to 462.5 MWp installed capacity). These projects should be financed in Q2 2022.
Construction of the Matrisol solar plant in the Dominican Republic (53 MW) began in 2021.
Construction also began on the Planeta Rica solar project in Colombia (26 MW) and Thessaly project in Greece (4 MW).

Development in Spain

At the beginning of 2021, the AWEO region secured its first success in Spain with the

Almansa (100 MWp solar) and Très Puntas (60 MW solar tracker) projects, the winners of the first Spanish call for tenders for renewable energies since 2017.

### Wind

#### Commissioning in France

The Group completed construction of the Gâtinais 2 project (21 MW) and the power plant was commissioned in early 2022.

#### Commissioning in Poland

The Group commissioned three wind power plants in 2021: Wielowies (66 MW), EP44 (44 MW), and Gniew (22 MW).

#### Commissioning in the United States

The Bennington Wind farm (93 MW) located approximately 160 kilometers south-west of Chicago, in Bennington, Illinois was commissioned.

### Biomass and cogeneration

The Group sold the biomass business in France to Pearl Infrastructure Capital on July 2, 2021. At year-end 2021, Akuo had only one biomass plant and one biomass service company in Croatia carried as assets held for sale (see note 1.7 - Classification of the biomass activity in discontinued operations).

### Hydroelectric power

#### Acquisition and disposal in Bulgaria

In 2021 the Group finalized the acquisition of PVP Power, a group of five hydroelectric plants in operation in Bulgaria (15.5 MW). Akuo also disposed of the Germanea hydroelectric plant (3 MW).

### Storage

#### Madinina project commissioning

In Martinique, the Group commissioned a 19 MWh storage project helping to optimize management of the local grid.

### Refinancing of a set of Solar and Wind projects

In 2020 the Group bought out the historical minority shareholders in the following solar and wind projects:

- Energie du Gatinais (Wind, 24 MW)
- Eoliennes d'Yvignac (Wind, 8 MW)
- FPV Bardzour (Solar, 9 MW)
- SECP Mortella (Solar, 7 MW)
- FPV Les Cèdres (Solar, 9 MW)
- SECP Olmo 1 (Solar, 4 MW)

The buybacks of securities of minority shareholders and their loans in the projects were financed by the issue of convertible bonds to TRIG and Etic.

These bonded debts are carried by Phoenix SAS.

In 2021 the entity Phoenix bought back all the securities in the above projects and those of the Eoliennes du Ham (Wind, 6 MW), Seine et Aube Energie (Wind, 28 MW) and Eoliennes de Fontaine Macon 2 (Wind, 8 MW) projects by means of a bank loan carried by Phoenix. This loan also allowed the bank debts of all the projects mentioned above to be repaid.

## 2.1.2 Products, Solutions and other service activities

#### Products and Solutions

- Akuo and Banque de Territoires launched the joint venture Atriohm, a roof-top solar solution allowing local authorities and companies to generate power with their roof structures and parking facilities.

#### Turnkey construction

The Group completed work on turnkey contracts for the construction of two battery-based energy storage projects with a capacity of 5 MWh / 10 MW and 23.4 MWh / 6 MW in Tonga.

## 2.2 Transactions on the consolidated scope

The scope was impacted by the following events:

### Acquisition of PV Power in Bulgaria

Following this acquisition, the entities below were integrated into the scope of consolidation:

- Akuo Bulgarie Svoghe
- PVB Power Bulgaria
- Vez Svoghe

### Disposal of the biomass business in France

The effective sale of the biomass business leads to the deconsolidation of the entities listed below (previously in discontinued operations):

- Akuo Biomass
- Akuo Biomass France
- Opéos
- Biovae
- Picardie Biomasse Energie
- Société d'Approvisionnement en Biomasse Energie du Doubs
- Kogeban
- Cogénération Biomasse D'Estrées-Mons
- Cogénération Biomasse De Novillars

This disposal also led to a relution in the entities below which remain classified in discontinued operations (see note 1.7 - Classification of the biomass activity in discontinued operations):

- Energo Holdco
- Elektrana Grubisno Polje (ex-Energostatik)
- Sirocco

### Acquisition without change of control

The Group bought back the minority shares of Akuo Energy Antilles (5%), Akuo Energy Caraïbes Innovation (5%), and Austral Energy Maintenance (15%) and now holds 100% of the capital of each of these entities.

In the context of refinancing the Phoenix project portfolio, the Group bought back the minority shares of SECP Mortella and SECP Olmo 1 and now holds 100% of each of these entities' capital.

The Group also bought back the minority shares of Pt Akuo Energy Indonesia (13% to hold 99% as of the end of 2021) and Akuo Energy Polska (2% to hold 97% as of the end of 2021).

### Dilution in projects

The capital increase reserved for GAM Capital led to a dilution in the Group's shareholding in Matrisol.

The Group sold 5% of its interest in ECT Energie les Gabots to the Communauté de Communes des Plaines et Monts de France and now holds 36% of the company's capital.

The financing of the Lesport project led to the sale of 42% of the shares in Fpv Lesport to the fund MAIF T. Following this partial disposal, the Group holds 44% of the entity.

The capital increase in Energie du Gatinais 2 generated a dilution and the Group held 48.47% at the end of 2021 (95% at the end of 2020).

### Liquidation and disposal

With a view to streamlining its structure, the Group transferred all the assets and liabilities of the following entities:

- Akuo Energy Middle East
- Akuo Operations
- Akuo Participations
- Moulin Green
- Solar Green

The Group has disposed of its entire minority stake (23%) in Germanea, as well as its biomass business in France.

Creations and threshold crossings

The entities below joined the consolidated scope by means of creation or threshold crossing:

- Atriohm
- Energie MAIF T
- O'Mega 1 Bis
- Parque Solar Planeta Rica SAS
- Thessaly Energy Solar

# 3 Items related to operating activities

**Revenues**

Revenues include:

- sales of energy

- sales of goods and services: products related to development and financing contracts, assistance to owner contracts, turnkey construction contracts, sales of GEM®, and photovoltaic panels and supervision and maintenance contracts.

Sales of energy

Revenues from sales of energy and steam correspond to earnings from power plants in operation owned and controlled by the Group. Income from electricity sales is supported by contracts guaranteeing the sale price per KWh for a defined term of between 14 and 28 years.

These contracts are mostly signed with leading energy market stakeholders and to a lesser extent with private companies.

Revenues are recognized at the time of delivery to the customer.

Sales of goods and services

Sales of services include revenues from project development and financing contracts, assistance to owner contracts, turnkey construction contracts, sales of GEM® and photovoltaic panels and supervision and maintenance of projects that are not controlled by the Group.

Revenues are recognized at the time the service is provided, corresponding to the transfer of control to the customer.

**Other activity-related income**

Other activity-related income corresponds to operating revenue unrelated to contracts with customers.

**Grants**

Capital grants

Capital grants are recognized at fair value where there is reasonable assurance that they will effectively be received, the Akuo Energy Group planning, in return, to comply with the conditions inherent to such grants. Grants covering all or part of an asset's cost are deducted from the subsidized asset and systematically posted in operating income in the income statement over the useful life of the asset.

Capital grants received in the form of tax credits are recognized in grants related to assets.

Operating grants

The research tax credit related to research and possibly development expenses, which does not meet the capitalization criteria, is gradually deducted from payroll expenses and external expenses as expenses are incurred.

### EBITDA

Given the specific features of Akuo Energy's activity, the Group reports EBITDA in the income statement.

EBITDA consists of the difference between the revenues generated by the Group, on the one hand, and the operating expenses, including raw materials, payroll expenses, other external expenses and tax payable by the company (except income tax) on the other.

Other non-recurring operating income and expenses (Note 3.5 - Other non-recurring operating income and expenses) are not included in EBITDA.

### Other operating income and expenses

Other operating income and expenses particularly include operating provisions (Note 3.4 - Other operating income and expenses).

## 3.1 Revenues

| (in EUR thousands) | 2021 | 2020 |
|---|---|---|
| Energy sales | 197 623 | 186 939 |
| Sales of goods and services | 35 141 | 26 755 |
| **Revenues** | **232 764** | **213 694** |

The increase in revenues from sales of energy is mainly due to Centrales Hydroélectriques de Bulgarie, and the inclusion of Vez Svoghe in the consolidation scope.

Sales of goods and services consist of development and supervision services on projects consolidated by the equity method by the Group and deployment of Storage GEM® solutions in Tonga.

The increase in sales of goods and services is mainly due to the development of 16 solar projects in Greece for third parties.

## 3.2 Other external expenses

| (in EUR thousands) | 2021 | 2020 |
|---|---|---|
| Maintenance and repairs | -16 509 | -13 935 |
| Agent remuneration and fees | -9 325 | -9 221 |
| Other expenses | -5 385 | -6 925 |
| General subcontracting | -6 909 | -3 974 |
| Leases and rental expense | -2 590 | -1 867 |
| Insurance premiums | -5 128 | -3 545 |
| Banking services | -1 798 | -1 329 |
| Business travel | -1 591 | -884 |
| **Total** | **-49 236** | **-41 679** |

Other external expenses mainly correspond to:

- expenses incurred under maintenance contracts for wind farms and biomass plants in operation, which all have maintenance contracts to cover their preventive or corrective maintenance, the maintenance of solar plants generally being done by Group entities. The variation in this item is mainly explained by Centrales Hydroélectriques de Bulgarie;
- expenses incurred for project development, for example pre-construction studies for a farm, such as energy capability and environmental impact studies (noise, wildlife, etc.);
- expenses incurred for finance structuring, particularly for the arrangement of complex structures with different financial partners;
- fees for legal, accounting and auditing services;
- insurance premiums.

## 3.3 Payroll expenses and employee benefits

### Accounting Policies

Short-term employee benefits are measured on a non-discounted basis and recognized when the corresponding service is provided.

### Defined-contribution plans

Defined-contribution plans are post-employment benefit plans for which the Akuo Energy Group pays fixed contributions to an independent insurance company or pension fund and for which the Group does not incur any other obligation. The contributions are paid in return for services provided by employees. They are recognized in expenses when the corresponding services are provided. In this case, the Group is not bound by any legal or implicit obligation to pay a matching employer contribution if the assets are insufficient to pay out the benefits due to all the employees for services provided during the current year and previous years. Therefore, no provision is booked.

### Defined-benefit plans

Defined-benefit plans are post-employment benefit plans guaranteeing additional income for certain categories of employees which are binding on Akuo Energy Group. A provision is calculated for this commitment by estimating the amount of benefits that employees will have accumulated in return for the services provided.

Within the Group, defined-benefit plans correspond exclusively to retirement benefits paid in France. They are directly linked to the application of the collective labor agreement or the French Labor Code, and concern benefits payable in the event of retirement. The benefits calculated are discounted and recognized in the balance sheet (Note 3.3.2 - Provision for retirement benefits).

### Provision for retirement benefits

The commitment is computed yearly using the projected unit credit method which determines the present value of the obligation and the cost of services provided during the year. This computation requires use of actuarial assumptions on demographic variables (mortality, staff turnover) and financial variables (future salary increases, discount rate). The discounting rate used on the reporting date corresponds to the yields on 10-year bonds issued by the highest rated companies (AA and higher).

Actuarial gains or losses result from changes in actuarial assumptions applied from one period to another to measure commitments, and experience-related effects (effect of differences between prior actuarial assumptions and what has actually occurred). These differences are recognized in other comprehensive income.

The Group determines the interest expense by applying the discount rate to the liability determined at the start of the year. Where necessary, this liability is adjusted to account for any variation due to payment of benefits during the period.

Net interest expenses and cost of services for the period (and past services) are posted in the income statement, respectively in financial income (loss) and payroll expenses.

Severance pay may be measured and a provision is booked for the resulting entry. If this pay is due more than twelve months after the reporting date, it is discounted.

### 3.3.1 Group workforce and payroll expenses

The Group employed an average workforce of 433 employees in 2021 (374 in 2020) which breaks down as follows:

- Managers: 341 individuals (338 in 2020),
- Non-managers: 92 individuals (36 in 2020).

| (in EUR thousands) | 2021 | 2020 |
|---|---|---|
| Wages and salaries | -21 053 | -20 060 |
| Payroll taxes and other employee expense | -10 067 | -8 907 |
| **TOTAL** | **-31 120** | **-28 967** |

Salaries posted as expenses in the Group's consolidated financial statements primarily relate to development work not yet finalized and project operation as well as the management of the Group (administrative services, Group structuring and harmonization, capitalizing on know-how).

Proceeds from research tax credit are also deducted from payroll expenses when they are considered equivalent to operating grants.

Salaries of employees who contributed to the creation of assets within the Akuo Energy Group and which are subsequently charged to project companies are restated to be incorporated into the balance sheet value of the fixed assets.

The increase in payroll expenses is due to the higher number of employees.

The increase in social security contributions and other payroll expenses is mainly due to IFRS 2 – Share-based payment (-€1.8M).

### 3.3.2 Provision for retirement benefits

The provision for retirement benefits in France is computed on an actuarial basis taking into account the length of service and compensation of employees before they reach retirement age (age 65).

The actuarial assumptions taking length of service into account to measure the plan for 2021 are as follows:

- Employee turnover: 10% (10% in 2020),
- Discount rate (inflation included): 0.98% (0.35% in 2020),
- Average rate of salary inflation: 3.87% (3.87% in 2020).

In 2021, the Group posted -€0.4M in respect of changes in actuarial assumptions through other comprehensive income (€0.3M in 2020).

As of December 31, 2021 the Group's provision for retirement benefits was €1.5M (Note 8 – Provisions and contingent liabilities).

The Group carried out free share issues in December 2018, October 2020, and December 2021. These issues have a -€1.8M impact on social security contributions and other payroll expenses over the year.

In light of legislation and regulations applicable to foreign subsidiaries, no provision for pensions and retirement is computed for these companies.

## 3.4 Other operating income and expenses

Other operating income and expenses correspond for the most part to operating allowances posted and write-backs.

## 3.5 Other non-recurring operating income and expenses

The consolidated income statement applies a classification of expenses by nature.

Other non-recurring income and expenses particularly relate to significant, infrequent or unusual transactions. They include:

- significant and/or unusual impairment of tangible or intangible non-current assets,
- other non-recurring income and expenses such as certain litigation provisions or negative goodwill.
- grants transferred to tax investors in return for a reduction in their claim on the Group.

They may also relate to costs that could affect the understanding of the result of operating activities, due to their material or unusual nature.

| (in EUR thousands) | 2021 | 2020 |
|---|---|---|
| **Other non-recurring operating income** | **3 264** | **2 086** |
| Other income | 2 822 | 1 804 |
| Gains on disposals of property, plant and equipment | 0 | 49 |
| Reversal of depreciation of property, plant and equipment | 37 | 1 627 |
| Reversal of regulated provisions | 0 | -2 371 |
| Other non-recurring reversals | 406 | 974 |
| Reduction in book value of lease liabilities (IFRS 16) | 0 | 3 |
| **Other non-recurring operating expenses** | **-13 785** | **-1 669** |
| Other expenses | -513 | -2 418 |
| Book value of tangible fixed asset disposals | -3 826 | -957 |
| Expenses on mergers | -11 | -58 |
| Adjust exceptionnal intercompany income and expense | -16 | 0 |
| Regulated provisions | 0 | 2 782 |
| Exceptional provisions | -3 309 | -60 |
| Reduction in book value of lease assets (IFRS 16) | 0 | -10 |
| Impairment of intangible assets | 38 | 0 |
| Impairment of property, plant and equipment | -6 147 | -948 |
| **TOTAL** | **-10 521** | **417** |

Impairment of tangible assets is due to negative value differences between the net book value of the plants and their recoverable value according to IAS 36 (see note 4.3.1 Determination of recoverable value). In 2021 impairments concerned Sh De Chavort: €4.8M, Polesine: €0.7M and Ect Energie Les Gabots: €0.6M. Impairment booked in 2020 only concerned the Rully wind Farm: €0.9M.

Disposals of property, plant and equipment correspond mainly to projects initially recognized as assets under construction that will not be developed.

As a result of defects and lower than expected production, insurance income of €2M and an impairment expense of €3.3M were posted for Laudun Energy in 2021 (see Note 8 - Provisions and contingent liabilities).

In 2020 impairment write-backs related to the Bousquet d'Orb Solar Farm. This farm was impaired in 2018 following the incidents that occurred when it was commissioned. In 2019 and 2020 production on the project was consistent with the original business plan, and compensation was received for the losses incurred. Therefore, this impairment is now inapplicable.

## 3.6 Items related to the Balance Sheet

### 3.6.1 Change in working capital requirement related to the activity

Cash flows in currencies other than the Euro are translated into Euros on the transaction date or at the average rate of the year. Differences due to the translation of monetary assets and liabilities denominated in foreign currencies at the rate applicable on the reporting date are recorded in "impact of exchange rate fluctuations" in the statement of cash flows. Consequently, the flows in the statement cannot be reconstructed based on amounts recorded in the balance sheet.

| (in EUR thousands) | 2021 | 2020 |
|---|---|---|
| Change in trade and other payables | -8 163 | 10 060 |
| Change in trade and other receivables | -26 168 | 30 |
| Change in inventories and work in progress | -3 487 | -1 766 |
| **Total** | **-37 818** | **8 323** |

Components of working capital are analyzed in the sections below.

### 3.6.2 Inventories

Inventories of raw materials, work in progress and finished products are valued either at cost, or market value, whichever is lower.

Inventories of merchandise and finished products mainly concern Storage Gem® products.

Inventories of work in progress mainly correspond to internal development costs capitalized in each project secured.

| (in EUR thousands) | 01/01/2021 | Change | Change in scope | Other changes | 12/31/2021 |
|---|---|---|---|---|---|
| **Gross amounts** | | | | | |
| Raw materials | 601 | 437 | 126 | 1 | 1 166 |
| Merchandise | 4 542 | -6 | 6 | -3 917 | 625 |
| Work in progress | 2 122 | 3 376 | | 212 | 5 710 |
| Intermediate and finished goods | 0 | -374 | -0 | 3 859 | 3 486 |
| **Total** | **7 266** | **3 433** | **132** | **156** | **10 987** |
| **Depreciation** | | | | | |
| Raw materials | | -5 | | | -5 |
| Merchandise | -141 | | | | -141 |
| Work in progress | -508 | | | -9 | -517 |
| Intermediate and finished goods | | | | | |
| **Total** | **-649** | **-5** | | **-9** | **-663** |
| **Net book values** | | | | | |
| Raw materials | 601 | 432 | 126 | 1 | 1 161 |
| Merchandise | 4 401 | -6 | 6 | -3 917 | 484 |
| Work in progress | 1 614 | 3 376 | | 203 | 5 193 |
| Intermediate and finished goods | 0 | -374 | -0 | 3 859 | 3 486 |
| **Total** | **6 617** | **3 428** | **132** | **147** | **10 324** |

The increase in work in progress is mainly related to the development of projects in Greece.

### 3.6.3 Trade and other receivables

Trade receivables mainly arise from energy sales. Trade and other receivables are measured at fair value when initially recognized (plus any transaction costs), which generally corresponds to the nominal value. They are subsequently carried at amortized cost less any impairment.

The Group books write-downs of its trade receivables and contract assets (unbilled revenue) in respect of credit losses expected over the lifetime of these assets. Akuo generates most of its revenues with leading energy market players, so the related credit risk is therefore considered minimal. Moreover, no significant impairment was posted in previous years.

| (in EUR thousands) | 12/31/2021 | 12/31/2020 |
|---|---|---|
| Trade receivables | 71 745 | 42 520 |
| Employee advances and prepaid payroll taxes | 172 | 136 |
| Tax-related receivables - other than income tax | 22 002 | 23 544 |
| Receivables on disposals of assets | 212 | 876 |
| Other receivables | 3 242 | 2 952 |
| **TOTAL** | **97 374** | **70 028** |

The increase in trade receivables particularly includes +€6.3M related to the development of 16 solar projects in Greece for third parties.

### 3.6.4 Other receivables and accruals

Other receivables and accruals mostly consist of assets on contracts. These assets correspond to development and turnkey construction services provided by the Group and transferred to customers on December 31, 2021 but for which the unconditional rights to payment are not complete by that date for purely formal reasons.

Assets on contracts are mainly linked to the Polish projects (€2.0M), and to the projects in Portugal (€5.0M).

### 3.6.5 Trade payables and other current liabilities

Trade payables and other current liabilities are booked at fair value plus transaction costs, which corresponds in practice to their nominal value. After their initial recognition, they are valued at amortized cost.

| (in EUR thousands) | 12/31/2021 | 12/31/2020 |
|---|---|---|
| Trade and other payables | 64 075 | 65 191 |
| Tax liabilities | 3 279 | 2 037 |
| Other current liabilities | 2 922 | 669 |
| **Current liabilities** | **70 276** | **67 897** |

# 4 Items related to investments

## 4.1 Property, plant and equipment

When they are first measured, all items of property, plant and equipment meeting the criteria for recognition as an asset are valued at cost.

For subsequent valuations, in accordance with IAS 16, Groups must choose between:

- the cost model, according to which the asset is carried at cost less accumulated depreciation and impairment, and

- the revaluation model, according to which the asset is carried at a revalued amount, being its fair value at the date of revaluation less subsequent accumulated depreciation and impairment, provided that fair value can be measured reliably. According to this method, revaluations should be carried out regularly, so that the carrying amount of an asset does not differ materially from its fair value.

The choice between the two models must be made by class of assets.

As permitted by IAS 16 (§31), Akuo Energy Group has chosen to recognize certain classes of tangible fixed assets according to the revaluation model rather than at cost: these are all types of power plants (wind, solar, biomass and hydroelectric) which have been in operation for over a year. Their measurement at fair value gives a better economic view. The other classes of fixed assets continue to be measured using the cost model.

Akuo Energy Group complies with IFRS 13 "Fair value measurement" for the measurement of these assets. The valuation techniques and method of determining these fair values are explained below.

### Valuation method

Akuo Energy Group has opted to apply the revaluation model for all classes of assets whose fair value can be measured reliably, i.e., plants in operation for more than a year. For plants still to be or only just commissioned, their fair value is very close to their net book value. Other administrative assets are valued using the cost model.

Regarding accumulated depreciation, the revaluation impact has been recognized by restating the gross value and accumulated depreciation to reflect the change in the gross value of the plants concerned.

When the carrying value of an asset increases following a revaluation, the increase is posted in other comprehensive income items and accumulated in equity under the heading "revaluation of property, plant and equipment". However, the increase must be recognized in profit or loss to the extent that it reverses a revaluation decrease of the same asset, previously recognized in profit or loss.

When the carrying value of an asset decreases following a revaluation, the decrease is recognized in profit or loss. However, the revaluation decrease must be recognized in other comprehensive income items to the extent that it exceeds any amount previously credited to the revaluation surplus relating to the same asset. The revaluation decrease recognized in other comprehensive income reduces the accumulated amount in equity under the revaluation surplus heading.

### Useful life and depreciation method

Depreciation is assessed on a straight-line basis according to the estimated useful life of the fixed asset or the part concerned. These provisions apply to all items of property, plant and equipment, whether they are measured at amortized cost or revalued.
The main useful lifetimes now taken into account are:

- Photovoltaic facilities: 30 years

- Storage facilities: 15 years
- Wind facilities: 30 years
- Biomass facilities: 30 years
- Hydroelectric facilities: 20 to 40 years depending on the components

Certain shorter periods are applied in cases of local regulatory or contractual requirements such as "BOT"-type concessions (Build Operate and Transfer).
The useful lives, depreciation methods and residual value of assets are reviewed and, where necessary, adjusted, on each reporting date.

### Other recognition methods

Capital grants received by the Akuo Energy Group to purchase property, plant and equipment are deducted from the carrying value of the corresponding asset and depreciated on a straight-line basis over the asset's expected useful life.
If Akuo Energy is under a legal or contractual obligation to decommission its facilities and/or rehabilitate the sites on which plants are built, these costs are integrated into the cost of the constructed assets.
The cost of self-constructed assets includes the cost of raw materials, direct labor and other directly attributable costs. Borrowing costs related to loans contracted to finance the construction of property, plant and equipment (qualified assets) are capitalized, as a component of cost, over the period required to prepare the asset for its intended use. In the statement of cash flows, these costs are included in acquisitions of property, plant and equipment.
Plant maintenance costs incurred to maintain the facility in good working order are recognized in expenses for the year in which they are incurred.

### Solar feed-in tariff revision (France)

In the context of the solar feed-in tariff revision (see note 2.1.1 Activity relative to Group projects) and based on the publication by the French government of the decree stipulating the conditions for revising power purchase agreements, the Group has taken into account the impact of these changes on the recoverable amounts of the 21 power plants concerned, generating a decrease in the fair value of the assets of €15.0M as of December 31, 2021. This analysis does not predict the outcome of the safeguard clauses activated for these projects. No sensitivity analysis can be disclosed at this stage given their confidential nature in the context of the safeguard clause activation and the discussions underway with the CRE.

Changes in property, plant and equipment from 01/01/2021 to 12/31/2021 are detailed below:

| (in EUR thousands) | 01/01/2021 | Increase | Decrease | Other changes | Translation gain/loss | Revaluation | Change from scope | 12/31/2021 |
|---|---|---|---|---|---|---|---|---|
| **Gross amounts** | | | | | | | | |
| Biomass plants | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| Wind farms | 1 106 905 | 16 349 | 0 | -6 848 | 37 208 | -33 832 | 0 | 1 119 782 |
| Solar farms | 855 492 | 16 983 | -26 | -36 | 489 | -17 383 | -1 453 | 854 067 |
| Hydraulic plants | 38 987 | 504 | -70 | -62 | 0 | 72 722 | 43 197 | 155 278 |
| Other fixed assets | 40 230 | 9 103 | 99 | 753 | 341 | 0 | -777 | 49 749 |
| **Total** | **2 041 614** | **42 939** | **3** | **-6 193** | **38 038** | **21 507** | **40 967** | **2 178 876** |
| **Depreciation** | | | | | | | | |
| Biomass plants | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| Wind farms | -276 394 | -36 423 | 0 | -12 | -7 213 | -20 | 0 | -320 061 |
| Solar farms | -268 584 | -28 647 | 11 | 263 | -3 | -1 179 | 2 | -298 137 |
| Hydraulic plants | -4 780 | -4 140 | 38 | -1 | 0 | 0 | 0 | -8 884 |
| Other fixed assets | -8 724 | -6 215 | 134 | -70 | -79 | 0 | 3 532 | -11 422 |
| **Total** | **-558 482** | **-75 425** | **183** | **180** | **-7 294** | **-1 199** | **3 534** | **-638 504** |
| **Impairment** | | | | | | | | |
| Biomass plants | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| Wind farms | -2 458 | -722 | 0 | 0 | -32 | 0 | 0 | -3 212 |
| Solar farms | 0 | -588 | 0 | 0 | 0 | 0 | 0 | -588 |
| Hydraulic plants | -5 233 | -4 910 | 76 | 0 | 0 | 0 | 0 | -10 066 |
| Other fixed assets | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| | **-7 691** | **-6 220** | **76** | **0** | **-32** | **0** | **0** | **-13 867** |
| **Net book values** | | | | | | | | |
| Biomass plants | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| Wind farms | 828 053 | -20 796 | 0 | -6 860 | 29 963 | -33 852 | 0 | 796 508 |
| Solar farms | 586 908 | -12 252 | -15 | 227 | 487 | -18 562 | -1 451 | 555 342 |
| Hydraulic plants | 28 974 | -8 547 | 44 | -63 | 0 | 72 722 | 43 197 | 136 328 |
| Other fixed assets | 31 505 | 2 888 | 233 | 683 | 262 | 0 | 2 755 | 38 327 |
| **Total** | **1 475 441** | **-38 707** | **263** | **-6 013** | **30 712** | **20 308** | **44 501** | **1 526 505** |

Property, plant and equipment integrate rights of use (IFRS 16) in a net amount of €52.3M compared with €53.9M.

In 2021, variations in property, plant and equipment correspond mainly to the following projects:

- The change in the scope of consolidation concerns the fixed assets of Vez Svoghe in an amount of +€43.2M (see note 2 "Significant events" and note 13 "Scope of consolidation" respectively),
- Increases in property, plant and equipment correspond mainly to investments in the following projects:
    - Fpv Janar for +€5.8M
    - Fpv Janar for +€5.8M
    - Energie Du Gatinais 2 for +€17.6M
    - Kwita Wije for €5.4M

As of 12/31/2021, reconciliation between the revalued amounts of property, plant and equipment and the book values (that would have been recognized if the assets had been valued using the cost model) is as follows:

| (in EUR thousands) | 12/31/2021 at historic cost | Revaluation | 12/31/2021 |
|---|---|---|---|
| **Gross amounts** | | | |
| Wind farms | 860 541 | 259 240 | 1 119 782 |
| Solar farms | 564 373 | 289 694 | 854 067 |
| Hydraulic plants | 82 556 | 72 722 | 155 278 |
| Other fixed assets | 49 749 | 0 | 49 749 |
| **Total** | **1 557 220** | **621 656** | **2 178 876** |
| **Depreciation & Impairment** | | | |
| Wind farms | -255 704 | -67 570 | -323 274 |
| Solar farms | -186 772 | -111 953 | -298 725 |
| Hydraulic plants | -14 595 | -4 355 | -18 950 |
| Other fixed assets | -11 422 | 0 | -11 422 |
| **Total** | **-468 493** | **-183 878** | **-652 371** |
| **Net book values** | | | |
| Wind farms | 604 837 | 191 671 | 796 508 |
| Solar farms | 377 601 | 177 741 | 555 342 |
| Hydraulic plants | 67 961 | 68 367 | 136 328 |
| Other fixed assets | 38 327 | 0 | 38 327 |
| **Total** | **1 088 726** | **437 778** | **1 526 505** |

Changes in property, plant and equipment from 01/01/2020 to 12/31/2020 are detailed below:

| (in EUR thousands) | 01/01/2020 | Increase | Decrease | Other changes | IFRS 5 | Translation gain/loss | Revaluation | Exclusions from scope | 12/31/2020 |
|---|---|---|---|---|---|---|---|---|---|
| **Gross amounts** | | | | | | | | | |
| Biomass plants | 304 675 | 7 480 | 0 | 382 | -311 988 | -548 | 0 | 0 | 0 |
| Wind farms | 1 048 116 | 6 924 | 0 | 1 164 | 0 | -42 527 | 101 417 | -8 187 | 1 106 907 |
| Solar farms | 787 654 | 58 428 | -716 | -2 421 | 0 | -402 | 12 949 | 0 | 855 492 |
| Hydraulic plants | 37 626 | 1 743 | -25 | -355 | 0 | 0 | 0 | 0 | 38 987 |
| Other fixed assets | 33 051 | 8 519 | -709 | -392 | -120 | -127 | 0 | 0 | 40 228 |
| **Total** | **2 211 122** | **83 094** | **-1 451** | **-1 624** | **-312 108** | **-43 604** | **114 367** | **-8 187** | **2 041 614** |
| **Depreciation** | | | | | | | | | |
| Biomass plants | -48 039 | -9 648 | 0 | 556 | 57 116 | 16 | 0 | 0 | 0 |
| Wind farms | -243 442 | -33 472 | 2 | 668 | 0 | 7 209 | -7 430 | 69 | -276 396 |
| Solar farms | -239 731 | -24 139 | 1 689 | -3 376 | 0 | 2 | -3 016 | 0 | -268 584 |
| Hydraulic plants | -3 935 | -2 040 | 1 196 | 0 | 0 | 0 | 0 | 0 | -4 780 |
| Other fixed assets | -6 250 | -2 860 | 416 | -145 | 42 | 74 | 0 | 0 | -8 723 |
| **Total** | **-541 397** | **-72 159** | **3 304** | **-2 298** | **57 158** | **7 301** | **-10 446** | **69** | **-558 483** |
| **Impairment** | | | | | | | | | |
| Biomass plants | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| Wind farms | -1 513 | -945 | 0 | 0 | 0 | 0 | 0 | 0 | -2 458 |
| Solar farms | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| Hydraulic plants | -4 182 | 124 | -1 175 | 0 | 0 | 0 | 0 | 0 | -5 233 |
| Other fixed assets | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| | **-5 694** | **-821** | **-1 175** | **0** | **0** | **0** | **0** | **0** | **-7 691** |
| **Net book values** | | | | | | | | | |
| Biomass plants | 256 636 | -2 168 | 0 | 938 | -254 872 | -532 | 0 | 0 | 0 |
| Wind farms | 803 161 | -27 493 | 2 | 1 831 | 0 | -35 317 | 93 988 | -8 118 | 828 053 |
| Solar farms | 547 923 | 34 289 | 973 | -5 797 | 0 | -400 | 9 933 | 0 | 586 908 |
| Hydraulic plants | 29 509 | -173 | -5 | -357 | 0 | 0 | 0 | 0 | 28 974 |
| Other fixed assets | 26 802 | 5 659 | -293 | -537 | -78 | -53 | 0 | 0 | 31 505 |
| **Total** | **1 664 031** | **10 113** | **677** | **-3 790** | **-254 950** | **-36 303** | **103 920** | **-8 118** | **1 475 441** |

Increases in property, plant and equipment correspond, firstly, to investments in the following projects:

- Agrinergie de Ouaco (€7M)
- ECT Energie les Gabots (€11.5M)
- Energie du Gatinais 2 (€6.7M)

- FPV la Broue (€6.3M)
- FPV Bouerne (€4M)

Increases also consist of new lease assets (€18.3M) relating to IFRS 16. They are mainly assets relating to the land of the solar projects being structured in Portugal (€15.2M)

The exclusions from the scope relate to the loss of control of Minonk in an amount of €2M and to the deconsolidation of the Dogtown (€0.8M) and Sugar Creek Wind (€3.8M) projects following discontinuation.

As of 12/31/2020, reconciliation between the revalued amounts of property, plant and equipment and the book values (that would have been recognized if the assets had been valued using the cost model) is as follows:

| (in EUR thousands) | 12/31/2020 at historic cost | Revaluation | 12/31/2020 |
|---|---|---|---|
| **Gross amounts** | | | |
| Wind farms | 822 623 | 284 283 | 1 106 907 |
| Solar farms | 548 462 | 307 030 | 855 492 |
| Hydraulic plants | 38 987 | 0 | 38 987 |
| Other fixed assets | 40 228 | 0 | 40 228 |
| **Total** | **1 450 301** | **591 313** | **2 041 614** |
| **Depreciation & Impairment** | | | |
| Wind farms | -222 847 | -56 007 | -278 854 |
| Solar farms | -168 086 | -100 498 | -268 584 |
| Hydraulic plants | -7 942 | -2 071 | -10 013 |
| Other fixed assets | -8 723 | 0 | -8 723 |
| **Total** | **-407 598** | **-158 576** | **-566 174** |
| **Net book values** | | | |
| Wind farms | 599 776 | 228 277 | 828 053 |
| Solar farms | 380 376 | 206 532 | 586 908 |
| Hydraulic plants | 31 046 | -2 071 | 28 974 |
| Other fixed assets | 31 505 | 0 | 31 505 |
| **Total** | **1 042 703** | **432 738** | **1 475 441** |

## 4.2 Goodwill and intangible fixed assets

### 4.2.1 Goodwill

Goodwill represents the future economic benefits arising from a business combination. The valuation methods are detailed in note 1.2 - Preparation basis. The Akuo Energy Group submits goodwill and fixed assets to impairment tests, using the method described in note 4.3 - Impairment of assets. Goodwill relating to associates is included in the heading "investments in associates".

The balance of goodwill posted in the balance sheet amounts to €14.1M and €11.3M at year-end 2021 and year-end 2020 respectively.

The main variations over the period are primarily due to accounting for +€1.6M in goodwill in the context of the acquisition of Eoliki Dytikis Elladas and changes in the Dollar-Euro exchange rate in an amount of +€0.6M.

As of December 31, 2021 goodwill consists mainly of:

- Generation Eolica Minas SA: €7.4M,
- Eoliki Dytikis Elladas: €1.6M,
- Seine et Aube: €1.3M

### 4.2.2 Intangible fixed assets

#### Valuation

Intangible fixed assets are recognized at amortized cost less accumulated depreciation and any impairment.

They mainly include the acquisition cost of licenses purchased from third parties.

#### Depreciation

When depreciation is booked, it is computed on a straight-line basis over the estimated useful life of the asset in question.

#### Research and development expenses

The expenses incurred by the Group in connection with research activities undertaken to gain scientific knowledge and new technologies are recognized in expenses as soon as they are incurred.

Development expenses are also posted directly in expenses when they are incurred to the extent that the criteria for capitalizing these expenses according to IAS 38 are not met.

The change in other intangible fixed assets from 01/01/2021 to 12/31/2021 is detailed below:

| (in EUR thousands) | 01/01/2021 | Increase | Decrease | Change from scope | IFRS 5 | Translation gain/loss | Other changes | 12/31/2021 |
|---|---|---|---|---|---|---|---|---|
| **Gross amounts** | | | | | | | | |
| Concessions, patents, licenses | 2 071 | 66 | 0 | -2 | 0 | 0 | 0 | 2 135 |
| Intangible assets under development | 208 | 12 | 0 | -143 | 0 | 5 | -3 | 78 |
| Other intangible fixed assets | 907 | 27 | -1 | 51 | 0 | 66 | -153 | 898 |
| **Total** | **3 186** | **105** | **-1** | **-94** | **0** | **70** | **-156** | **3 111** |
| **Depreciation / Impairment** | | | | | | | | |
| Concessions, patents, licenses | -1 509 | -224 | 0 | 7 | 0 | 0 | 0 | -1 727 |
| Intangible assets under development | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| Other intangible fixed assets | -716 | -170 | 1 | -1 | 0 | -67 | -1 | -953 |
| **Total** | **-2 225** | **-394** | **1** | **6** | **0** | **-66** | **-1** | **-2 680** |
| **Net book values** | | | | | | | | |
| Concessions, patents, licenses | 562 | -158 | 0 | 5 | 0 | 0 | 0 | 408 |
| Intangible assets under development | 208 | 12 | 0 | -143 | 0 | 5 | -3 | 78 |
| Other intangible fixed assets | 192 | -143 | 0 | 50 | 0 | -1 | -153 | -55 |
| **Total** | **962** | **-289** | **0** | **-88** | **0** | **4** | **-156** | **432** |

Changes in the scope correspond mainly to the loss of exclusive control of FPV Saint Auban and others to the reclassification of Akuo Renovaveis Portugal II research and development costs in Inventory - Work in progress.

The change in other intangible fixed assets from 01/01/2020 to 12/31/2020 is detailed below:

| (in EUR thousands) | 01/01/2020 | Increase | Decrease | Exclusions from scope | IFRS 5 | Translation gain/loss | Other changes | 12/31/2020 |
|---|---|---|---|---|---|---|---|---|
| **Gross amounts** | | | | | | | | |
| Concessions, patents, licenses | 1 849 | 311 | 0 | 0 | -88 | 0 | -89 | 2 071 |
| Intangible assets under development | 70 | 140 | 0 | 0 | 0 | -6 | 3 | 208 |
| Other intangible fixed assets | 498 | 871 | 0 | 0 | -33 | -60 | -401 | 907 |
| **Total** | **2 417** | **1 322** | **0** | **0** | **-121** | **-67** | **-487** | **3 186** |
| **Depreciation / Impairment** | | | | | | | | |
| Concessions, patents, licenses | -915 | -611 | 0 | 0 | 44 | 0 | 17 | -1 509 |
| Intangible assets under development | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| Other intangible fixed assets | -597 | -135 | 0 | 0 | 3 | 63 | -47 | -716 |
| **Total** | **-1 512** | **-746** | **0** | **0** | **47** | **63** | **-30** | **-2 225** |
| **Net book values** | | | | | | | | |
| Concessions, patents, licenses | 934 | -300 | 0 | 0 | -44 | 0 | -71 | 562 |
| Intangible assets under development | 70 | 140 | 0 | 0 | 0 | -6 | 3 | 208 |
| Other intangible fixed assets | -99 | 737 | 0 | 0 | -30 | 2 | -448 | 192 |
| **Total** | **905** | **576** | **0** | **0** | **-74** | **-4** | **-517** | **962** |

## 4.3 Impairment of assets

The carrying values of goodwill and intangible and tangible assets (with a definite or indefinite useful life) are reviewed at the end of each year to identify any impairment. If there is an indication of impairment, i.e., where there is a risk that the recoverable value may be less than the carrying value, the carrying value of the asset is tested for impairment in the manner described below. In addition, goodwill, fixed assets with an indefinite useful life or intangible assets that are not yet ready to be commissioned, are systematically tested for impairment at the end of each reporting period.

Most of the Group's tangible assets consist of power generation assets, mainly wind and solar farms and hydroelectric plants. Fixed assets in progress also relate to this type of facilities. Intangible assets are mostly goodwill and patents and licenses.

To be tested, the assets are grouped in the smallest identifiable group of assets that generates cash inflows from their use which are largely independent of the cash inflows from other assets, called a Cash-Generating Unit (CGU). The Akuo Energy Group has selected as CGU, each of the legal entities holding the assets or groups of assets mentioned above. Consequently, there is no individual CGU representing a significant portion of total assets. Goodwill has also been allocated to each CGU.

An impairment loss is recognized when the carrying value of a CGU exceeds its recoverable value. Any impairment losses are recognized as an expense, unless they concern tangible assets measured according to the revaluation model and there is a revaluation reserve.

IAS 36 also applies to assets accounted for according to the revaluation model. In this case, the assets are initially measured according to the revaluation model in accordance with IAS 16. The revaluation model involves calculations requiring use of estimates, particularly to model future cash flows from operations. Any revaluation is therefore recognized in accordance with this standard: the methods of recognizing revalued assets in profit or loss or in other comprehensive income are presented in note 4.1 Intangible Assets. Then, as the recoverable value is the higher of either the value in use and the fair value less costs of disposal, the only difference that can result in posting impairment according to IAS 36 corresponds to the difference between the asset's fair value and its fair value less costs of disposal, i.e., the direct marginal costs attributable to the asset's disposal.

(a) If costs of disposal are insignificant, the recoverable value of the revalued asset is necessarily close to or higher than its revalued amount. In this case, after applying the provisions relative to the revaluation, it is unlikely that the revalued asset is impaired and it is not necessary to calculate its recoverable value.

(b) If costs of disposal are not insignificant, the fair value less costs of disposal of the revalued asset is necessarily below its fair value. Consequently, the revalued asset will generally be impaired in the amount of the costs of disposal, if its value in use is less than its revalued amount.

### 4.3.1 Determination of recoverable value

Recoverable value is the highest value between the fair value less costs of disposal of the CGU and its value in use.

The value in use of a CGU is based on the present value of future cash flows expected to be derived from the assets by applying a discount rate reflecting current market assessments of the time value of money and risks specific to the asset. The variable factors liable to significantly impact the calculations are mainly:

- long-term variations in the level of electricity generation;
- variations in interest rates and market risk premiums;
- changes in tariff regulations and/or the regime of direct or indirect grants (via taxation);
- market prices of electricity at the end of long-term power purchase agreements.

The following key assumptions are used to determine the value in use of projects:

#### Key operating assumptions

Future cash flows used in impairment tests are based on forecasts that are updated at the required frequency. For power generation activities, which account for most assets to be tested, revenues are derived from long-term sale agreements which generally cover a considerable portion of the economic life of the facilities.

Cash flow forecasts are therefore based on financial budgets approved by management over a maximum period of 40 years by distinguishing between flows during the long-term sales period and those after that period. A terminal value corresponding to the right to connection is also integrated.

These periods are justified given the economic characteristics of the projects. These projects are lodged in separate legal entities, have a specific economic model and generate cash flows independently. A project's economic model is characterized by the signing of long-term power purchase agreements which secure revenues generally for a period of 14 to 28 years depending on the technologies and countries, and purchase price indexing, as well as the project expenses under plant maintenance or supervision contracts.

Generation forecasts are based on energy yield assessments carried out by independent bodies and approved in the context of project financing by banks or equity investors.

The fair values of the four classes of revalued assets are determined based on limited available market data and internal company data. The fair value measurement of these assets is therefore classified in level 3 in the fair value hierarchy.

Indexing assumptions for purchase prices and the main operating contracts are based on macroeconomic forecasts.

### Key financial assumptions

The discount rate applied is determined by management after analyzing each project according to the weighted average cost of capital (WACC). It takes account of the risks relating to the activities in question and to the geographic location of the assets or CGU.

Due to the change of estimate, the rates used are between 1.5% and 11.2% after income tax.

The assumptions used to calculate the fair values of the Group's tangible assets are detailed below:

| | | 12/31/2021 | 12/31/2020 |
|---|---|---|---|
| Basis used for recoverable value | | Value in use | Value in use |
| Source | | Business plan updated according to the asset | Business plan updated according to the asset |
| Method | | DCF method | DCFmethod |
| Wind | Period | 30 years | 30 years |
| | After tax discount rate | 1.77% to 10.16% | 1.61% to 9.67% |
| Solar | Period | 30 years | 30 years |
| | After tax discount rate | 1.14% to 11.15% | 1.75% to 11.19% |
| Biomass | Period | 30 years | 30 years |
| | After tax discount rate | 3.60% to 9.90% | 3.55% to 9.77% |
| Hydroelectric | Period | 20 to 40 years | 20 to 40 years |
| | After tax discount rate | 1.53% to 6.63% | 2.5% to 6.47% |

## 4.3.2 Sensitivity of recoverable values

Akuo Energy Group has analyzed the discount rate sensitivity of the recoverable value. The impairment indicators used by the Group on assets commissioned for all the activities are based on economic and legislative factors (tariff changes, introduction of new taxes, etc.) and technological and operational factors (recurring, long-term incidents, asset under-performance, etc.).

During 2021, with the exception of the feed-in tariff revision in France (see note 2.1.1 - Activity related to Group projects and note 0 – "Property, plant and equipment) no other new regulation significantly impacting the profitability of farms in operation was voted in the countries in which the Group is established.

The sensitivity analyses carried out on WACC variations did not result in recognizing any additional impairment in the financial statements as of December 31, 2021 (as in 2020).

## 4.3.3 Impairments and reversals

An impairment recognized for a cash-generating unit is allocated first to reduce the carrying amount of any goodwill allocated to the CGU, then to reduce the carrying value of the unit's other assets pro rata to the carrying value of each asset in the unit. Impairments losses recognized for goodwill may not be reversed.

Regarding assets recognized at cost, other impairment losses previously recognized may only be reversed in the event of an indication of reversal of a previous impairment. In this case, the carrying value of an asset increased by a reversal of impairment must not exceed the carrying value that would have been determined (less depreciation) if no impairment loss had been recognized for that asset in previous years.

Impairment losses or reversals thereof are analyzed in note 4.1 - Property, plant and equipment and in note 4.2 - Goodwill and Other intangible fixed assets.

## 4.4 Financial assets

### Classification of financial assets

#### Equity investments

All of the Group's equity investments are financial assets at fair value through profit and loss according to IFRS 9.

Financial assets carried at fair value through profit and loss are subsequently measured at fair value. Net gains and losses, including interest or dividends received, are posted in profit and loss.

Equity securities mainly include securities in companies holding plant projects under development.

#### Receivables from equity investments

Receivables from equity investments consist of Group advances to development projects. These are financial assets carried at amortized cost as per IFRS 9.

These assets are measured at amortized cost using the effective interest rate method. The amortized cost is decreased by impairments. Interest income, foreign exchange gains and losses and impairments are posted in profit and loss. Gains and losses arising on derecognition are posted in profit and loss.

#### Loans, guarantees and other receivables

Loans, guarantees and other receivables mainly consist of unavailable cash for the Group. Debt-Service Reserve Accounts (DSRA) that are contractually restricted for liquidity transfer due to bank ratios in a subsidiary fall into this category.

Loans and guarantees are classified in financial assets at amortized cost.

The change in financial assets from 01/01/2021 to 12/31/2021 is shown below:

| (in EUR thousands) | 01/01/2021 | Increase | Decrease | Translation gain/loss | Other changes | IFRS 5 | 12/31/2021 |
|---|---|---|---|---|---|---|---|
| **Gross amounts** | | | | | | | |
| Non-consolidated equity investments | 5 877 | 732 | -204 | 282 | 1 999 | | 8 687 |
| Other receivables from equity investments | 38 593 | 9 711 | 0 | 2 750 | -280 | | 50 774 |
| Loans, guarantees and other receivables (incl. DSRA) | 57 838 | 4 186 | -15 551 | 1 138 | 1 237 | | 48 848 |
| Financial instruments | 379 | 0 | 0 | 0 | 1 351 | | 1 730 |
| **Total** | **102 687** | **14 630** | **-15 755** | **4 170** | **4 307** | **0** | **110 039** |
| **Impairments** | | | | | | | |
| Non-consolidated equity investments | -27 | 0 | 7 | 0 | 14 | | -7 |
| Other receivables from equity investments | -2 724 | -2 326 | 596 | -3 | 136 | | -4 321 |
| Loans, guarantees and other receivables (incl. DSRA) | -182 | 0 | 0 | 0 | 0 | | -182 |
| **Total** | **-2 934** | **-2 326** | **603** | **-3** | **150** | **0** | **-4 510** |
| **Net book values** | | | | | | | |
| Non-consolidated equity investments | 5 849 | 732 | -197 | 282 | 2 013 | | 8 680 |
| Other receivables from equity investments | 35 869 | 7 385 | 596 | 2 747 | -144 | | 46 453 |
| Loans, guarantees and other receivables (incl. DSRA) | 57 656 | 4 186 | -15 551 | 1 138 | 1 237 | | 48 666 |
| Financial instruments | 379 | 0 | 0 | 0 | 1 351 | | 1 730 |
| **Total** | **99 754** | **12 304** | **-15 152** | **4 167** | **4 457** | **0** | **105 529** |

Increases in equity investments and other receivables from investments relate to investments in development projects.

Other variations are mainly related to capital increases of €3.3M in non-consolidated Indian entities. They also relate to the acquisition of Vez Svoghe (€2M DSRA).

DSRA decreases are mainly linked to the bank refinancing of the Phoenix project portfolio (Energie de Gatinais, FPV Bardzour, FPV les Cèdres, Parc Eolien de Fontaine Macon 2, SECP Mortella SECP Olmo 1 and Seine et Aube Energie).

The change in financial assets from 01/01/2020 to 12/31/2020 is shown below:

| (in EUR thousands) | 01/01/2020 | Increase | Decrease | Translation gain/loss | Other changes | IFRS 5 | 12/31/2020 |
|---|---|---|---|---|---|---|---|
| **Gross amounts** | | | | | | | |
| Non-consolidated equity investments | 3 359 | 1 871 | -158 | -685 | 1 528 | -38 | 5 877 |
| Other receivables from equity investments | 48 184 | 10 575 | 0 | -2 648 | -12 378 | -5 140 | 38 593 |
| Loans, guarantees and other receivables (incl. DSRA) | 76 954 | 2 595 | -12 260 | -1 389 | 56 | -8 118 | 57 838 |
| Financial instruments | 0 | 0 | 0 | 0 | 379 | 0 | 379 |
| **Total** | **128 498** | **15 041** | **-12 418** | **-4 722** | **-10 415** | **-13 296** | **102 687** |
| **Impairments** | | | | | | | |
| Non-consolidated equity investments | -20 | -27 | 46 | 0 | -27 | 0 | -27 |
| Other receivables from equity investments | -1 889 | -4 216 | 263 | -11 | 3 264 | -135 | -2 724 |
| Loans, guarantees and other receivables (incl. DSRA) | -182 | 0 | 0 | 0 | 0 | 0 | -182 |
| **Total** | **-2 091** | **-4 243** | **309** | **-11** | **3 237** | **-135** | **-2 934** |
| **Net book values** | | | | | | | |
| Non-consolidated equity investments | 3 339 | 1 844 | -112 | -685 | 1 501 | -38 | 5 849 |
| Other receivables from equity investments | 46 295 | 6 358 | 263 | -2 659 | -9 113 | -5 275 | 35 869 |
| Loans, guarantees and other receivables (incl. DSRA) | 76 772 | 2 595 | -12 260 | -1 389 | 56 | -8 118 | 57 656 |
| Financial instruments | 0 | 0 | 0 | 0 | 379 | 0 | 379 |
| **Total** | **126 407** | **10 798** | **-12 109** | **-4 733** | **-7 178** | **-13 431** | **99 754** |

Other changes mainly relate to the capitalization of a €6.4M loan to Perfect Wind Polska. As Perfect Wind Polska is accounted for by the equity method, this value of €6.4M has been reclassified in the value of investments in associates. They also relate to the waiver of loans to project companies fully impaired in an amount of €3M (Akuo Energy Marine, Lebork Energia and Strelzce Energia) and the capitalization of loans to development projects in the USA in an amount of €1.5M.

Increases in equity investments and other receivables from investments relate to investments in development projects.

Decreases in reserve accounts (DSRA) mainly relate to the bank refinancing of projects in the Fujin portfolio.

# 5 Investments in associates

The Investments in associates item amounts to €43.2M as of 12/31/2021 compared with €35.3M as of 12/31/2020.

| In EUR thousands | Yahinovo | | Kita Holdco | | Perfect Wind Polska | | AEM Wind LLC | | Bennington | |
|---|---|---|---|---|---|---|---|---|---|---|
| | 2021 | 2020 | 2021 | 2020 | 2021 | 2020 | 2021 | 2020 | 2021 | 2020 |
| Main business | Hydraulic power generation | | Photovoltaic power generation | | Wind power generation | | Wind power generation | | Wind power generation | |
| Place of business (and registration if different) | Sofia / Bulgaria | | Kita / Mali | | Szczecin / Poland | | Lea County/ New Mexico (USA) | | Illinois / USA | |
| Interest percentage | 37% | 37% | 45% | 45% | 49% | 48% | 3% | 3% | 8% | 8% |
| Percentage of voting rights held | 80% | 80% | 50% | 50% | 51% | 50% | 3% | 3% | 8% | 8% |
| **Summary Information - Balance Sheet** | | | | | | | | | | |
| Current assets | 589 | 419 | 12 792 | 8 869 | 41 541 | 16 841 | 1 678 | 5 546 | 2 837 | 594 |
| Non-current assets | 1 435 | 1 435 | 94 211 | 76 852 | 163 077 | 160 524 | 41 156 | 41 555 | 126 471 | 72 445 |
| Current liabilities | 21 | 7 | 4 762 | 4 591 | 5 443 | 18 566 | 518 | 561 | 725 | - 7 223 |
| Non-current liabilities | | 1 | 90 929 | 81 874 | 189 188 | 164 056 | 338 | 4 556 | 3 539 | 1 292 |
| **Summary Information - Income Statement** | | | | | | | | | | |
| Dividends received during the year | - | - | - | - | - | - | - | - | - | - |
| Revenues | 610 | 371 | 13 619 | 9 489 | 12 676 | - | 3 136 | 3 563 | 2 974 | - |
| Net income from continuing operations | 152 | 114 | 1 937 | 30 | 8 609 - | 1 105 | -709 - | 2 310 | 604 | 7 |
| Other comprehensive income (OCI) | - | - | - | - | - | - | - | - | - | - |
| Net income | 152 | 114 | 1 937 | 30 | 8 609 - | 1 105 | -709 - | 2 310 | 604 | 7 |
| **Risks associated with interests held** | | | | | | | | | | |
| Type and extent of significant restrictions on fund transfers (in dividend or other form) to the entity presenting the consolidated financial statements (contractual or regulatory restrictions) | None | None | None | None | None | None | None | None | None | None |
| Any liabilities contracted in relation to associates | 1 156 | 793 | None | None | None | None | None | None | None | None |
| **Reconciliation between the summary information and the associates line** | | | | | | | | | | |
| Net assets of the associate | 2 003 | 1 846 | 11 312 - | 744 | 9 988 - | 5 258 | 41 978 | 41 984 | 125 043 | 64 524 |
| Share held by the Group | 1 602 | 1 477 | 5 667 - | 373 | 5 094 - | 2 634 | 1 259 | 1 260 | 10 208 | 5 267 |
| Goodwill | | | - | - | | | | | | |
| Other adjustments | - | 374 | -4 440 | 5 966 | 15 195 | 2 650 | 86 | -54 | -156 | 4 010 |
| Net book value of investments in associates | 1 602 | 1 851 | 1 228 | 5 593 | 20 289 | 16 212 | 1 345 | 1 206 | 10 051 | 9 277 |

Items presented in the "Other adjustments" line of the reconciliation between the summary information and the Associates line particularly include the impacts of revaluation linked to transactions affecting the scope.

# 6 Items related to financing

## 6.1 Non-derivative financial liabilities

#### Loans and financial liabilities

Loans and financial liabilities, except for compound financial instruments, are initially recognized at the fair value of the consideration received less costs directly allocated to these loans. They are subsequently measured at amortized cost based on the effective interest rate. This rate corresponds to the internal rate of return which is used to discount the cash flows expected over the term of the loan. When loans are contracted at a variable rate, the Group uses derivative instruments, as mentioned below, to reduce its exposure to the interest rate risk.

#### Compound financial instruments

The Akuo Energy Group's compound financial instruments correspond to convertible bonds.

#### Convertible bonds

Convertible bonds, with no variation in the number of shares to be issued, are recognized as compound financial instruments, with a liability component and an equity component.

The liability component of the compound financial instrument is initially recognized at the fair value a similar liability would have (not associated with an option to convert concerning convertible bonds). The equity component initially recognized corresponds to the difference between the fair value of the compound financial instrument as a whole and the fair value of the liability component. Transaction costs directly attributable are allocated to the liability and equity components pro rata to their initial book value.

After the initial recognition, the liability component of the compound financial instrument is measured at amortized cost using the effective interest rate method. The equity component of the compound financial instrument is not revalued after initial recognition. Interest, losses and gains relating to financial liabilities are posted in profit and loss. When converted, the financial liability is reclassified in equity and no profit or loss is reported.

### 6.1.1 Cash flows from financing activities

This note provides information on the contractual terms of interest-bearing loans measured at amortized cost, signed by the Akuo Energy Group. For more information on the Group's exposure to the interest rate risk, foreign exchange risk and liquidity risk (see note 6.5 - Financial risk management).

The Group's projects have been exclusively financed by arranging structured financing specific to each project. Each project is lodged in a specific company called a Special Purpose Vehicle (SPV). The main feature of this project financing is that it is based on the economic model of the projects, and the guarantees given by Akuo Energy in this framework are limited to the assets of each project.

The Group's holding companies, which bear the Group's development effort and capitalization of the teams' expertise, do not assume any risk associated with this financing. This project financing is arranged thanks to support received by the Akuo Energy Group from leading European and international banks.

The change in financial liabilities from 01/01/2021 to 12/31/2021 is detailed below:

| (in EUR thousands) | 01/01/2021 | Increase | Repayment | Change in accrued interest | Business combination + exit from the scope |
|---|---|---|---|---|---|
| Bond loans and crowdlending | 267 531 | 1 442 | -33 062 | -363 | 0 |
| Bank borrowings (including finance leases) | 863 427 | 223 641 | -195 358 | -263 | 16 863 |
| Shareholder current accounts | 215 647 | 8 146 | -12 052 | 567 | 4 272 |
| Derivative financial instruments | 54 909 | 0 | 0 | 0 | 0 |
| Bank overdrafts | 5 207 | 0 | 0 | 8 843 | 0 |
| Short-term VAT loans | 2 452 | 0 | 0 | 806 | 0 |
| Lease liabilities | 55 004 | 1 737 | -4 340 | 0 | -2 |
| **TOTAL** | **1 464 177** | **234 967** | **-244 812** | **9 591** | **21 133** |

| (in EUR thousands) | Other changes Biomass | Change in fair value | Translation gain/loss | Reclassification | 12/31/2021 |
|---|---|---|---|---|---|
| Bond loans and crowdlending | 0 | 0 | 0 | 702 | 236 249 |
| Bank borrowings (including finance leases) | 0 | 0 | 16 732 | 2 389 | 927 432 |
| Shareholder current accounts | 39 | 0 | 8 076 | 1 016 | 225 712 |
| Derivative financial instruments | 0 | -29 996 | 1 439 | -1 043 | 25 309 |
| Bank overdrafts | 0 | 0 | 0 | 0 | 14 049 |
| Short-term VAT loans | 9 | 0 | 0 | 0 | 3 268 |
| Lease liabilities | 0 | 0 | 282 | 3 | 52 685 |
| **TOTAL** | **49** | **-29 996** | **26 528** | **3 067** | **1 484 704** |

- Bank borrowings
  - The Group secured a €180M bank loan in the context of refinancing Pheonix and its portfolio of nine projects.
  - The Group secured a €30M bank loan for the acquisition of a portfolio of five hydroelectric power plants in Bulgaria.
  - Business combinations correspond to the acquisition of Svez Svoghe (€16.9M).
  - Other new bank loans finance projects under construction.
- Bank ratios:

Almost all project financing includes provisions for accelerated maturity in the event that coverage ratios are not met (Debt Service Coverage Ratio - "DSCR", Historical Debt Service Cover Ratio - "HDSCR" or Forecast Debt Service Cover Ratio - "FDSCR" depending on the project credit agreement).

In accordance with the credit agreements, the company must provide the bank with the ratios every year. The company will endeavor to maintain a certain ratio level between at least 1 and 1.5 each year depending on the project credit agreement. In any event, failure to comply with a ratio would make it impossible to transfer current accounts and/or dividends until the defined ratio is again met. If a ratio is less than or equal to a certain level defined in the credit agreement, the long-term liability may become payable.

On December 31, 2020 and 2021 all bank ratios that could lead to accelerated debt maturity were met or were being resolved and no loans granted to project companies were payable with the exception of Sh De Chavort for which the bank has reserved its rights.

- Shareholder current accounts

- Increases in current accounts are mainly related to contributions from minority shareholders in Matrisol (€2.3M), Krnovo Green Energy (€2.0M) and Polesine (€1.5M).

The change in financial liabilities from 01/01/2020 to 12/31/2020 is detailed below:

| (in EUR thousands) | 01/01/2020 | Increase | Repayment | Change in accrued interest | Business combination + exit from the scope | Other changes Biomass |
|---|---|---|---|---|---|---|
| Bond loans and crowdlending | 262 747 | 116 130 | -82 159 | -923 | 0 | 2 638 |
| Bank borrowings (including finance leases) | 1 021 083 | 181 910 | -159 345 | 4 | 0 | -11 310 |
| Shareholder current accounts | 258 271 | 23 506 | -20 442 | 430 | 179 | 1 768 |
| Derivative financial instruments | 48 662 | 0 | 0 | 0 | 0 | 47 |
| Bank overdrafts | 7 944 | 0 | 0 | -2 737 | 0 | -1 |
| Short-term VAT loans | 1 371 | 0 | 0 | 1 102 | 0 | -10 |
| Lease liabilities | 44 345 | 19 116 | -2 777 | 0 | -908 | -75 |
| **TOTAL** | **1 644 424** | **340 662** | **-264 722** | **-2 125** | **-729** | **-6 943** |

| (in EUR thousands) | IFRS 5 | Change in fair value | Translation gain/loss | Reclassification | 12/31/2020 |
|---|---|---|---|---|---|
| Bond loans and crowdlending | -30 902 | 0 | 0 | 0 | 267 531 |
| Bank borrowings (including finance leases) | -149 380 | 0 | -19 533 | -1 | 863 427 |
| Shareholder current accounts | -34 821 | 0 | -12 053 | -1 191 | 215 647 |
| Derivative financial instruments | -1 586 | 10 096 | -1 961 | -349 | 54 909 |
| Bank overdrafts | 0 | 0 | 0 | 0 | 5 207 |
| Short-term VAT loans | -10 | 0 | 0 | 0 | 2 452 |
| Lease liabilities | -4 498 | 0 | -304 | 105 | 55 004 |
| **TOTAL** | **-221 197** | **10 096** | **-33 851** | **-1 436** | **1 464 177** |

- Bonded debts
  - Akuo Energy carried out a new Euro PP Green Bond issue in an amount of €60 million with a six-year maturity. These Bonds are listed on the Euronext Access market managed by Euronext in Paris. This borrowing served partly to extend the maturity of the Group's debts via the partial repayment of the Akuo Energy Green Bond (€41.3M) the balance of which (€8.2M) fell due in June 2021. The remainder is used to finance the Group's development.
  - Issue of a €53M convertible bond loan by Phoenix to TRIG. This loan will be converted on 12/31/2032 if it is not repaid. Given the business plan of the Phoenix business and the advantage for the Group of not converting this loan into shares, it has been fully classified as a debt instrument.
- Bank borrowings
  - Akuo Energy has taken out a State-Guaranteed Loan (PGE) of €27.6M. This loan will fall due in August 2026.
  - The Group secured a €42.5M bank loan in the context of refinancing the Aiolos project in Croatia. This loan replaces the former €35M bank loan and the Group's investments in shareholder current accounts.
  - The Group secured a €59M bank loan in the context of refinancing the Fujin business. This new loan has been used to repay the project debts.
  - Other new bank loans finance projects under construction.
- Bank ratios:

Almost all project financing includes provisions for accelerated maturity in the event that coverage ratios are not met (Debt Service Coverage Ratio - "DSCR", Historical Debt Service

Cover Ratio - "HDSCR" or Forecast Debt Service Cover Ratio - "FDSCR" depending on the project credit agreement).

In accordance with the credit agreements, the company must provide the bank with the ratios every year. The company will endeavor to maintain a certain ratio level between at least 1 and 1.5 each year depending on the project credit agreement. In any event, failure to comply with a ratio would make it impossible to transfer current accounts and/or dividends until the defined ratio is again met. If a ratio is less than or equal to a certain level defined in the credit agreement, the long-term liability may become payable.

On December 31, 2019 and 2020, all bank ratios that could lead to accelerated debt maturity were met or were being resolved and no loans granted to project companies were payable with the exception SH De Chavort for which the bank has reserved its rights.

- Shareholder current accounts
  - Increases in current accounts mainly relate to contributions by minority shareholders in projects under construction or development and to the refinancing of the Fujin business in an amount of €6.6M
  - Decreases mainly relate to repayments to minority shareholders in Phoenix projects (€13M)

### 6.1.2 Schedule of maturity of financial liabilities

| (in EUR thousands) | 12/31/2021 | Within one year | 1 to 5 years | More than 5 years |
|---|---|---|---|---|
| Bond loans and crowdlending | 236 249 | 1 083 | 192 332 | 42 835 |
| Bank borrowings (including finance leases) | 927 432 | 141 094 | 436 639 | 349 699 |
| Shareholder current accounts | 225 712 | 0 | 0 | 225 712 |
| Derivative financial instruments | 25 309 | 141 | 0 | 25 168 |
| Bank overdrafts | 14 049 | 14 049 | 0 | 0 |
| Short-term VAT loans | 3 268 | 3 268 | 0 | 0 |
| Lease liabilities | 52 685 | 3 448 | 9 103 | 40 134 |
| **TOTAL** | **1 484 704** | **163 082** | **638 074** | **683 548** |

| (in EUR thousands) | 12/31/2020 | Within one year | 1 to 5 years | More than 5 years |
|---|---|---|---|---|
| Bond loans and crowdlending | 267 531 | 15 759 | 141 135 | 110 636 |
| Bank borrowings (including finance leases) | 863 427 | 89 257 | 321 236 | 452 935 |
| Shareholder current accounts | 215 647 | 0 | 0 | 215 647 |
| Derivative financial instruments | 54 909 | 187 | 737 | 53 984 |
| Bank overdrafts | 5 207 | 5 207 | 0 | 0 |
| Short-term VAT loans | 2 452 | 2 452 | 0 | 0 |
| Lease liabilities | 55 004 | 2 863 | 7 751 | 44 391 |
| **TOTAL** | **1 464 177** | **115 725** | **470 859** | **877 593** |

### 6.1.3 Liabilities by currency and types of rate

#### Breakdown by currency

| (in EUR thousands) | 12/31/2021 | Euro | US Dollar | Other currencies |
|---|---|---|---|---|
| Bond loans and crowdlending | 236 249 | 236 249 | 0 | 0 |
| Bank borrowings (including finance leases) | 927 432 | 712 045 | 163 726 | 51 661 |
| Shareholder current accounts | 225 712 | 81 346 | 144 365 | 0 |
| Derivative financial instruments | 25 309 | 11 229 | 13 938 | 142 |
| Bank overdrafts | 14 049 | 14 049 | 0 | 0 |
| Short-term VAT loans | 3 268 | 3 268 | 0 | 0 |
| Lease liabilities | 52 685 | 48 340 | 3 939 | 405 |
| **TOTAL** | **1 484 704** | **1 106 527** | **325 969** | **52 208** |

| (in EUR thousands) | 12/31/2020 | Euro | US Dollar | Other currencies |
|---|---|---|---|---|
| Bond loans and crowdlending | 267 531 | 267 531 | 0 | 0 |
| Bank borrowings (including finance leases) | 863 427 | 658 931 | 160 081 | 44 414 |
| Shareholder current accounts | 215 647 | 84 345 | 131 302 | 0 |
| Derivative financial instruments | 54 909 | 32 466 | 22 443 | 0 |
| Bank overdrafts | 5 207 | 5 207 | 0 | 0 |
| Short-term VAT loans | 2 452 | 2 197 | 0 | 255 |
| Lease liabilities | 55 004 | 51 477 | 3 229 | 298 |
| **TOTAL** | **1 464 177** | **1 102 154** | **317 055** | **44 968** |

#### Breakdown by type of rate

| (in EUR thousands) | 12/31/2021 | Fixed rate | | Variable rate | |
|---|---|---|---|---|---|
| | | Before hedging | After hedging | Before hedging | After hedging |
| Bond loans | 235 567 | 233 422 | 233 422 | 2 145 | 2 145 |
| Accrued interest on bond loans | 682 | 682 | 682 | - | - |
| Bank borrowings | 921 161 | 279 723 | 798 665 | 641 438 | 122 496 |
| Accrued interest on bank borrowings | 6 271 | 4 011 | 4 011 | 2 260 | 2 260 |
| Bank overdrafts and short-term loans | 17 317 | 17 317 | 17 317 | - | - |
| Shareholder current accounts | 220 389 | 218 506 | 218 506 | 1 883 | 1 883 |
| Accrued interest on current accounts | 5 322 | 5 317 | 5 317 | 5 | 5 |
| Derivative financial instruments relating to financial liabilities | 25 309 | 25 309 | 25 309 | - | - |
| Lease liability | 52 685 | 52 685 | 52 685 | - | - |
| **TOTAL** | **1 484 704** | **836 972** | **1 355 914** | **647 732** | **128 790** |

| (in EUR thousands) | 12/31/2020 | Fixed rate | | Variable rate | |
|---|---|---|---|---|---|
| | | Before hedging | After hedging | Before hedging | After hedging |
| Bond loans | 265 102 | 261 962 | 261 962 | 3 140 | 3 140 |
| Accrued interest on bond loans | 2 429 | 2 103 | 2 103 | 326 | 326 |
| Bank borrowings | 857 080 | 344 689 | 798 240 | 512 391 | 58 840 |
| Accrued interest on bank borrowings | 6 347 | 4 280 | 4 280 | 2 067 | 2 067 |
| Bank overdrafts and short-term loans | 7 659 | 8 649 | 8 649 | (990) | (990) |
| Shareholder current accounts | 211 099 | 211 099 | 211 099 | - | - |
| Accrued interest on current accounts | 4 548 | 4 548 | 4 548 | - | - |
| Derivative financial instruments relating to financial liabilities | 54 909 | 54 909 | 54 909 | - | - |
| Lease liability | 55 004 | 54 080 | 54 080 | 925 | 925 |
| **TOTAL** | **1 464 177** | **946 319** | **1 399 870** | **517 859** | **64 307** |

## 6.2 Cash and cash equivalents

Marketable securities are considered to be Cash equivalents provided they do not present significant risks of value fluctuations by their nature and can be converted to cash due to the existence of a market or a potential buyer (open-ended investment funds (SICAV) particularly.

Cash and cash equivalents include liquidities and short-term investments maturing within three months of the acquisition date and having an insignificant risk of fluctuating in value. They are therefore mainly cash in hand, demand deposits and certain UCITSs.

Short-term investments classified as held-for-trading assets are valued at fair value corresponding to the market value, on each reporting date. Gains or losses resulting from this measurement are directly posted in income from cash and cash equivalents in profit and loss.

Bank overdrafts repayable on demand which are an integral part of the Group's cash management represent a component of cash and cash equivalents for the purpose of the statement of cash flows.

The change in the net cash position in 2021 is shown below:

| (in EUR thousands) | 01/01/2021 | Change | Business combinations | Exclusions from scope | Translation gains or losses | Other changes | 12/31/2021 |
|---|---|---|---|---|---|---|---|
| Financial receivables and short-term investments | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| *Cash in hand* | 104 109 | 22 416 | 2 614 | -1 766 | 1 869 | 4 | 129 245 |
| *Accrued interest not yet due on cash assets* | 4 | -4 | 0 | 0 | 0 | 0 | 0 |
| Cash in hand | 104 113 | 22 412 | 2 614 | -1 766 | 1 869 | 4 | 129 245 |
| **Cash and cash equivalents** | **104 113** | **22 412** | **2 614** | **-1 766** | **1 869** | **4** | **129 245** |
| *Bank overdrafts (cash liabilities)* | 5 207 | 8 843 | 0 | 0 | 0 | 0 | 14 049 |
| *Accrued interest not yet due - liabilities* | 30 | -10 | 0 | 9 | 0 | 0 | 28 |
| Bank overdrafts | 5 236 | 8 833 | 0 | 9 | 0 | 0 | 14 078 |
| **Cash for the purpose of cash flow statement** | **5 236** | **8 833** | **0** | **9** | **0** | **0** | **14 078** |
| **TOTAL NET CASH** | **98 877** | **13 579** | **2 614** | **-1 775** | **1 869** | **4** | **115 168** |

The change in the net cash position in 2020 is shown below:

| (in EUR thousands) | 01/01/2020 | Change | Business combinations | Exclusions from scope | Translation gains or losses | Other changes | 12/31/2020 |
|---|---|---|---|---|---|---|---|
| Financial receivables and short-term investments | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| *Cash in hand* | 91 157 | 18 833 | 1 | -82 | -1 678 | -4 123 | 104 109 |
| *Accrued interest not yet due on cash assets* | 4 | 0 | 0 | 0 | 0 | 0 | 4 |
| Cash in hand | 91 162 | 18 833 | 1 | -82 | -1 678 | -4 123 | 104 113 |
| **Cash and cash equivalents** | **91 162** | **18 833** | **1** | **-82** | **-1 678** | **-4 123** | **104 113** |
| *Bank overdrafts (cash liabilities)* | 7 944 | -2 738 | 0 | 0 | 0 | 0 | 5 207 |
| *Accrued interest not yet due - liabilities* | 183 | -143 | 0 | 0 | 0 | -10 | 30 |
| Bank overdrafts | 8 127 | -2 881 | 0 | 0 | 0 | -10 | 5 236 |
| **Cash for the purpose of cash flow statement** | **8 127** | **-2 881** | **0** | **0** | **0** | **-10** | **5 236** |
| **Cash from activities held for sale** | | | | | | | |
| **TOTAL NET CASH** | **83 034** | **21 714** | **1** | **-82** | **-1 678** | **-4 113** | **98 877** |

## 6.3 Financial profit/loss

### Cost of debt

Net financial cost includes interest payable on loans calculated using the effective interest rate method, dividends on puttable preference shares, interest receivable on investments, income from other dividends, foreign exchange gains and losses and gains and losses on hedging instruments recognized in the income statement.

### Other financial income and expenses

Interest income is posted in the income statement when it is obtained using the effective interest rate method.

Income from dividends is posted in the income statement as soon as Akuo Energy acquires the right to receive payments, i.e., in the case of listed securities, on the ex-dividend date.

| (in EUR thousands) | 2021 | 2020 |
|---|---|---|
| Income from cash and cash equivalents | 5 057 | 5 613 |
| Gross cost of debt | -68 613 | -71 396 |
| **Cost of debt, net** | **-63 556** | **-65 784** |
| Foreign exchange gains | 5 780 | 3 072 |
| Income from disposals of securities | 412 | 26 |
| Other financial income | 812 | 1 053 |
| Reversals of financial asset impairment | 1 103 | 304 |
| Gains on changes of control | 3 164 | 6 884 |
| **Other financial income** | **11 272** | **11 338** |
| Foreign exchange losses | -3 795 | -4 582 |
| Net book value of securities sold | | |
| Impairment related to discontinued projects | -3 729 | -5 837 |
| Debt write-offs | -436 | -50 |
| Other financial expenses | -699 | -10 182 |
| Losses on changes of control | | |
| **Other financial expenses** | **-8 658** | **-20 652** |
| **TOTAL** | **-60 943** | **-75 097** |

In 2021 gains from changes in control are mainly related to the change in consolidation method of Saint-Auban in an amount of €2.9M.

In 2020 gains from changes of control related to the loss of control of Bennington in an amount of €3.7M and to the adjustment of the result of the deconsolidation of Perfect Wind Polska in 2019 in an amount of €3.1M.

Other financial expenses consist of costs of early repayment of loans financed during the year and changes in fair value of ineffective portions of derivatives.

Impairments relate to discontinued development projects or projects presenting significant risks of not being financed.

## 6.4 Financial derivatives

### Derivative instruments

Akuo Energy uses derivative financial instruments to hedge its exposure to the interest rate risk arising on its operating, financial and investment activities. In line with the Group's cash management policy, Akuo Energy does not hold or issue derivative financial instruments for trading.

Akuo Energy Group uses derivatives such as swaps, to cover the interest rate risk. Derivative financial instruments are measured at fair value. Any gain or loss arising on revaluation to fair value is, according to the general principle, immediately posted in profit and loss unless the derivative is a designated and effective hedging instrument. In this case, the time at which it is recognized through profit and loss depends on the type of hedging relationship. The fair value of interest rate swaps is the estimated amount that the Group would receive or pay to terminate the swap on the reporting date, taking into account interest rate levels and the credit risk of the swap counterparties. Use of these swaps is designed to limit the volatility of Akuo Energy's profit. The interest rate used in each project business plan integrates the effect of these swaps.

### Hedge accounting

The Akuo Energy Group uses derivative instruments (swaps) to hedge interest rate risks and has opted for cash flow hedge accounting.

The Group uses derivatives (forward purchases/sales) to hedge its foreign exchange risk and has also opted for hedge accounting.

The accumulated amount posted to the cash flow hedge reserve must be dealt with as follows:

- when a forecast transaction results in subsequently recognizing a non-financial asset or liability or when a forecast hedged transaction relating to a non-financial asset or liability becomes a firm commitment to which fair value hedge accounting is applied, the entity must withdraw the amount from the cash flow hedge reserve and integrate it into the initial cost or carrying value of the hedged asset or liability. This is not recycling that could impact profit or loss;
- in the case of other cash flow hedges, the amount must with removed from the cash flow hedge reserve and recognized through profit and loss in the same period(s) during which the hedged expected cash flows impact profit and loss;
- however, if the amount is a loss and the entity expects that it will not be fully or partially recovered during future periods, the amount corresponding to the part it does not expect to recover must be recycled immediately through profit and loss.

The criteria applied by Akuo Energy to qualify a derivate instrument as a cash flow hedge are those defined in IFRS 9, i.e.:

- hedging instruments and the hedged items forming the hedging relationship are all eligible for this relationship;
- a formal designation and structured documentation of the hedging relationship, as well as the risk management objective and strategy, are prepared at the start of the hedging relationship;
- and the hedging relationship meets all of the effectiveness criteria below:
    - there is an economic relationship between the hedged item and the hedging instrument;

- the credit risk effect is not the predominant factor in value fluctuations arising on this economic relationship; and
- the hedging ratio between the hedged item and the hedging instrument is adequate, i.e., there is no imbalance between the weights of the hedged item and the hedging instrument that would create systematic hedge ineffectiveness that could result in an accounting outcome inconsistent with the purpose of hedge accounting.

### Future cash flow hedging

The interest rate derivatives existing as of December 31, 2021 are mostly designated as cash flow hedging instruments.

Derivative assets and liabilities designated as cash flow hedges are presented below:

| Company / Hedge counterparty (in EUR thousands) | Notional | Inception date | Term (years) | Maturity | Fair value asset December 2020 | Fair value asset December 2021 | Fair value liability December 2020 | Fair value liability December 2021 | Activities held for sale | Novation Fujin SWAP | Change in Fair Value - Impact on profit and loss | Change in Fair Value - Impact on other comprehensive income |
|---|---|---|---|---|---|---|---|---|---|---|---|---|
| Phoenix / Banque Postale & Natixis | 154 238 | Feb-21 | 14 | Jan-35 | - | 1 198 | - | - | - | - | - | (1 198) |
| FPV Janar / Natixis | 5 006 | Aug-21 | 21 | Aug-42 | - | - | - | 143 | | - | - | 143 |
| Energie du Gatinais 2 | 30 692 | Sep-21 | 20 | Aug-41 | - | 422 | - | - | | - | - | (422) |
| FPV Lesport / Natixis | 86 | Oct-22 | 17 | Oct-39 | - | - | - | 59 | | - | - | 59 |
| Fujin / SG & Natixis | 43 763 | Jun-20 | 7 | Nov-27 | - | - | 4 498 | 2 716 | - | - | (724) | (1 059) |
| Agrinergie de ouaco / BNP Paribas | 8 489 | Dec-19 | 20 | Sep-39 | 379 | | 385 | 61 | - | - | - | (1) |
| FPV La Broue / Natixis | 8 945 | Jan-20 | 16 | Apr-36 | - | 54 | 105 | - | - | - | - | (158) |
| SECP Olmo 1 | - | Dec-14 | 18 | Jan-33 | - | - | 695 | 0 | - | (695) | - | (695) |
| SECP Mortella | - | Sep-15 | 18 | Aug-33 | - | - | 926 | - | - | (926) | - | (926) |
| Energie du GATINAIS | - | Dec-15 | 15 | Jun-30 | - | - | 2 125 | - | - | (2 125) | - | (2 125) |
| Laudun Energy / Bred | 2 911 | Dec-08 | 18 | Dec-26 | - | - | 607 | 400 | - | - | - | (207) |
| Bardzour / Natixis | - | Nov-14 | 18 | Nov-32 | - | - | 2 469 | - | - | (2 469) | - | (2 469) |
| Seine et Aube / CIC | - | Sep-14 | 15 | Mar-29 | - | - | 2 934 | - | - | (2 934) | - | (2 934) |
| Yvignac / Palatine | - | Jan-14 | 12 | Jan-26 | - | - | 329 | - | - | (329) | - | (329) |
| Generacion Eolica Minas SA / KfW-Förderbank | 44 727 | Aug-13 | 16 | Mar-29 | - | - | 5 026 | 3 067 | - | - | - | (2 277) |
| Aiolos / Erste Bank | 38 618 | Dec-14 | 12 | Jun-26 | - | - | 1 947 | 80 | - | - | - | (830) |
| Krnovo Green Energy / KfW-Förderbank | 87 254 | Jun-16 | 13 | Dec-28 | - | - | 7 008 | 4 127 | - | 0 | (769) | (2 112) |
| FPV Les Cèdres / Natixis | - | Sep-15 | 18 | Mar-33 | - | - | 1 419 | - | - | (1 419) | - | (1 419) |
| Energostatik / Splitsska banka | 0 | Sep-18 | 12 | Sep-30 | - | - | - | 0 | 935 | - | - | (678) |
| Syndicat Holdco / CEPAC | 5 040 | Dec-16 | 12 | Nov-28 | - | - | 306 | 151 | - | - | - | (155) |
| Pierrefonds Holco / CEPAC | 4 946 | Nov-16 | 12 | Dec-28 | - | - | 292 | 140 | - | - | - | (152) |
| Polesine / CAIXA | 55 404 | Aug-17 | 15 | Sep-32 | - | - | 2 157 | 1 114 | - | - | - | (1 171) |
| Glymont / KfW-Förderbank | 47 974 | Oct-15 | 16 | Aug-31 | - | - | 5 467 | 3 351 | - | - | - | (2 463) |
| Akuo Tulip Asset / Natixis | 109 820 | Mar-18 | 14 | Feb-32 | - | - | 4 359 | 2 530 | - | - | (452) | (1 376) |
| Parc Solaire Bousquet d'Orb / Natixis | 8 817 | Sep-18 | 20 | Sep-38 | - | - | 2 062 | 962 | - | - | (1 100) | - |
| Eolicos Del Caribe / Natixis | 57 845 | Oct-18 | 16 | Jun-34 | 0 | 0 | 9 793 | 6 406 | 0 | 0 | 0 | (4 026) |
| **Total** | **714 575** | | | | **379** | **1 674** | **54 909** | **25 309** | **935** | **-10 897** | **-3 045** | **-28 981** |

## 6.5 Financial risk management

Akuo Energy's Supervisory Board, consisting of the shareholders of the parent company, Akuo Energy SAS, is responsible for defining and overseeing the Group's risk management framework. The Supervisory Board has created a Management Board tasked with defining and monitoring the Group's risk management policy. The Management Board regularly reports to the Supervisory Board on its work.

The Group has also set up an intermediary body (the Executive Committee or "ExCo") which oversees and reports up all matters, transactions and operations requiring a joint effort by several divisions. This committee comprises all the heads of the Group's divisions (operating and support functions).

The Group's risk management policy aims to identify and analyze the risks facing the Group, define the limits within which risks must be contained and the checks to be carried out, manage risks and ensure the defined limits are met. The risk management policy and systems are regularly reviewed to integrate changes in market conditions and Group activities. Through training and management rules and procedures, the Group seeks to develop a thorough and constructive control environment in which all the teams fully understand their roles and obligations.

Each project in the Akuo Group is placed under the responsibility of an operations manager assisted by a controller who controls costs and monitors all the contractual obligations inherent in the project.

The Group's main financial instruments are loans.

These financial instruments serve to finance Akuo's operational activities and projects. The Group holds other financial instruments such as trade receivables or liabilities generated by its operations. The main risks related to the Group's financial instruments are therefore the interest rate risk on cash flows and the counterparty risk.

### 6.5.1 Foreign exchange risks

To limit the foreign exchange risk, the Akuo Group's activities generate cash flows denominated in the same currency as debt. Each project company is financed in the same currency as the future cash flows it will generate. This enables Akuo Energy to limit its exposure solely to its development effort in non-Euro regions, which does not represent a significant impact within the Group. Transactions between currency zones are therefore limited and the foreign exchange is substantially reduced.

However, on the Aïolos project company (Ogorje) in Croatia, as the debt currency is partially different to the revenue currency, the project company is exposed to a foreign exchange risk. Therefore, in accordance with the credit agreement signed, Aïolos has signed a Euro forward purchase agreement to enable it to repay the Euro-denominated bank loan even though the currency generated by business is the Croatian Kuna (HRK). This hedging instrument is renewed every six months.

In accordance with IFRS 9 §6.5.2, the fair value hedge aims to cover fair value changes particularly of a liability whose revaluation would have a net impact on profit and loss. The aim is therefore to hedge the future fluctuation of the EUR/HRK exchange rate.

As the gain/loss resulting from the translation of the bank borrowing at the rate applicable on the reporting date is posted in the income statement, the forward currency purchase can be treated for accounting purposes as a fair value hedge and the fair value on December 31, 2021 is recognized in profit and loss to offset the hedged item.

As of December 31, 2021:

- 39% of total assets are denominated in a different currency to the Euro;
- 27% of financial liabilities are denominated in a different currency to the Euro.

### 6.5.2 Liquidity risks

The Group's liquidity risk corresponds to the financing of its future needs (projects in the development activity and the general requirements of the Group). The liquidity risk is therefore the risk of the Group being unable to meet its obligations on time or under normal conditions. Management addresses the Group's liquidity based on forecast cash flows; cash and cash equivalents are held in leading, regulated European financial institutions. The Group's growth model consists in developing power generation plant projects financed by non-recourse project financing and by "bridging loans" during construction. Completion times of funding applications are stable, although relatively long.

Almost all project financing agreements include accelerated maturity provisions especially if the project company does not have a minimum debt service coverage level compared to its revenues, measured by a Debt Service Coverage Ratio (DSCR), Historical Debt Service Cover Ratio (HDSCR) or Forecast Debt Service Cover Ratio (FDSCR). The accelerated maturity clause is generally applied when the ratio is 1 or less.

As of December 31, 2021 the Group's net cash position amounts to €115M and financial debt to €1,485M (see notes 6.2 - Cash and cash equivalents and 6.1.1 - Cash flows from financing activities).

The tables below present the lines of credit and bank overdrafts that Akuo Energy holds with financial institutions, totaling €208M in 2021.

| Guarantees and sureties (in EUR thousands) | Amount | Used | Unused |
|---|---|---|---|
| Medium-term lines 2021 | 162 900 | 69 388 | 93 512 |
| Medium-term lines 2020 | 86 500 | 70 967 | 15 533 |

| Documentary credits (in EUR thousands) | Amount | Used | Unused |
|---|---|---|---|
| Documentary credit 2021 | 25 500 | 0 | 25 500 |
| Documentary credit 2020 | 25 000 | 0 | 25 000 |

| Bank overdrafts (in EUR thousands) | Amount | Used | Unused |
|---|---|---|---|
| Bank overdrafts 2021 | 19 400 | 14 027 | 5 373 |
| Bank overdrafts 2020 | 17 400 | 8 400 | 9 000 |

These lines give Akuo Energy true flexibility in its cash management decisions.

Contractual outflows are presented below:

| 2021 - (in EUR thousands) | Book value | Cash flow | Within 1 year | From 1 to 5 years | More than 5 years |
|---|---|---|---|---|---|
| Bond loans | 183 766 | 16 877 | - | 15 755 | 1 123 |
| Bank borrowings | 927 432 | 1 112 762 | 101 537 | 364 615 | 646 611 |
| Bank overdrafts and short-term loans | 17 317 | 17 317 | 17 317 | - | - |
| **TOTAL** | **1 128 515** | **1 146 956** | **118 854** | **380 369** | **647 733** |

| 2020 - (in EUR thousands) | Book value | Cash flow | Within 1 year | From 1 to 5 years | More than 5 years |
|---|---|---|---|---|---|
| Bond loans | 196 435 | 220 183 | 10 219 | 130 931 | 79 033 |
| Bank borrowings | 863 427 | 1 112 762 | 109 417 | 345 220 | 658 126 |
| Bank overdrafts and short-term loans | 7 659 | 7 659 | 7 659 | - | - |
| **TOTAL** | **1 067 522** | **1 340 604** | **127 295** | **476 151** | **737 158** |

Forecast cash flows related to interest payable are included in the heading "other financial liabilities". They are calculated up to the contractual due date of the liabilities they relate to. Future variable-rate interest is based on the last fixed coupon for the current period and on the fixing rates applicable on the reporting date for flows relating to subsequent maturities. The future cash flows shown have not been discounted. Based on data available at the reporting date, the cash flows indicated are not expected to arise in advance (particularly for convertible bonds) or in amounts that differ significantly from those given in the schedule.

### 6.5.3 Counterparty risks

Credit risk means the risk of the Group suffering a financial loss if a customer or counterparty to a financial instrument fails to meet their contractual obligations.

Akuo Energy Group applies a policy to quantify and manage the counterparty risk. This management policy, centralized at headquarters for all the Group's entities, is built around three key focuses: the risk of non-payment, the risk of non-performance of a third-party's contractual undertakings to the Group and the cash and financing-related risk.

#### Risks of non-payment

The distribution of Akuo's customer base shows strong dependence on external customers. However, as part of its management of this risk, the Group is careful to only work with major players in the energy market.

For the activity in France, in the framework of public service missions under French energy legislation, the power the Group produces is purchased by local power utilities when the facilities are connected to their grid. This purchase takes place under terms and conditions defined by the public authorities.

For international activities, the risk of non-payment is systematically analyzed and discussed with investors and banks to ensure it is controlled.

#### Risks of non-performance of contractual undertakings

Diversifying sources of supply is a priority for the Group. This contracting process with benchmark players enables Akuo to secure its supplies in a context of high demand.

### Cash and financing-related risks

Risks related to financing instruments account for most of the Group's exposure to counterparty risks. Through its management policy, Akuo Energy Group commits to working only with large credit institutions.

### 6.5.4 Interest rate risk

Financing the Group's projects requires considerable use of debt. A significant rise in interest rates can therefore affect the profitability of Akuo's future projects.

The Group uses interest rate swaps to hedge the risk of interest rate fluctuations. These swaps enable the Group to convert variable-rate loans into fixed-rate loans and thus protect itself from fluctuations in the interest to be paid out.

Breakdown of borrowings by rate before and after effects of hedging instruments:

| 2021 - (in EUR thousands) | Initial structure of liability | Effect of hedging instruments | Structure after hedging | % |
|---|---|---|---|---|
| Fixed rate | 836 972 | 518 942 | 1 355 914 | 91% |
| Variable rate | 647 732 | -518 942 | 128 790 | 9% |
| **TOTAL** | **1 484 704** | **0** | **1 484 704** | |

| 2020 - (in EUR thousands) | Initial structure of liability | Effect of hedging instruments | Structure after hedging | % |
|---|---|---|---|---|
| Fixed rate | 946 319 | 453 551 | 1 399 870 | 96% |
| Variable rate | 517 859 | -453 551 | 64 307 | 4% |
| **TOTAL** | **1 464 177** | **0** | **1 464 177** | |

The Group's financial liabilities as of December 31, 2021 are presented in detail in Note 6.1.3 - Liabilities by currency and types of rate.

# 7 Equity

## 7.1 Share capital and other paid-in capital

### Accounting policy

Ordinary shares and preferred shares meeting certain criteria are recognized as equity instruments. Costs related to issuing these securities are deducted from income from the issuance.

### Preferred shares

Within Akuo Energy Group, preferred shares are analyzed on a case-by-case basis to determine whether their issue should be carried as a liability or equity. On December 31, 2020 and 2021, shares issued were posted in equity, due to the fact that they are not redeemable and that payment of the priority dividend attaching to these shares is subject to the principle of sovereignty of general meetings.

### Share capital

As of December 31, 2021 the capital comprises 7,215,000 ordinary shares and 111,693 preferred shares deprived of voting rights of a par value of €0.24, fully paid up and representing €1,758,406. Additional paid-in capital amounts to €56,104,036.

## 7.2 Consolidated reserves

Consolidated reserves particularly consist of:

- the foreign currency translation reserve which comprises all foreign exchange differences arising on the conversion of financial statements of operations carried out abroad;
- the fair value reserve for derivative instruments designated as cash flow hedging instruments;
- the fair value revaluation reserve on property, plant and equipment;
- the "equity" component of convertible bonds corresponding to the difference between the fair value of the compound financial instrument as a whole and the fair value of the "liability" component.
- During 2019, further draws were made on the convertible bond in an amount of €30M. As this borrowing does not meet the definition of a financial liability under IAS 32, it has been fully posted in reserves. This bond loan is repayable at Akuo's option. When it reaches maturity in October 2027, the outstanding part will be converted into ordinary Akuo Energy shares at a rate defined in the agreement.

## 7.3 Dividends

The General Meeting of Shareholders of Akuo Energy held on June 29, 20201decided not to pay the shareholders any dividend in respect of FY 2020.

## 7.4 Non-controlling interests

The change in non-controlling interests is mainly due to:

- profits over the period: +€1.1M;
- changes in fair value of financial instruments: +€7.1M;
- changes in fair value of property, plant and equipment: -€1.7M, after the revaluations for the year;
- the effect of changes to the scope: -€4.6M, primarily due to the sale of part of the biomass business;
- capital increases of non-controlling interests: +€2.5M.

## 7.5 Other comprehensive income

All the items in the tables below correspond to accumulated gains and losses as of December 31, 2021 and December 31, 2020:

| Fair value of hedging instruments | 12/31/2021 Equity holders of the parent | 12/31/2021 Non-controlling interests | 12/31/2020 Equity holders of the parent | 12/31/2020 Non-controlling interests |
|---|---|---|---|---|
| **Opening reserves** | -34 045 | -18 632 | -29 216 | -17 156 |
| Changes in fair value | 21 226 | 7 544 | -2 507 | -3 798 |
| Changes in fair value recognized in profit and loss | | | | |
| Changes in interest percentages | -469 | -75 | -2 322 | 2 322 |
| **Closing reserves (A)** | **-13 288** | **-11 164** | **-34 045** | **-18 632** |

| Revaluation of property, plant and equipment | 12/31/2021 Equity holders of the parent | 12/31/2021 Non-controlling interests | 12/31/2020 Equity holders of the parent | 12/31/2020 Non-controlling interests |
|---|---|---|---|---|
| **Opening reserves** | 327 407 | 169 665 | 255 765 | 137 387 |
| Changes in fair value | 21 796 | -1 488 | 57 480 | 46 440 |
| Depreciation reclassified to general reserves | | | | |
| Changes in interest percentages | -14 896 | -19 831 | 14 162 | -14 162 |
| **Closing reserves (B)** | **334 308** | **148 346** | **327 407** | **169 665** |

| Actuarial gains and losses on post-employment benefits | 12/31/2021 Equity holders of the parent | 12/31/2021 Non-controlling interests | 12/31/2020 Equity holders of the parent | 12/31/2020 Non-controlling interests |
|---|---|---|---|---|
| **Opening reserves** | -51 | 1 | -340 | -2 |
| Changes in fair value | 368 | 2 | 289 | 3 |
| Changes in fair value recognized in profit and loss | | | | |
| Changes in interest percentages | 1 | -1 | | |
| **Closing reserves (C)** | **318** | **2** | **-51** | **1** |

| Other comprehensive income items | 12/31/2021 Equity holders of the parent | 12/31/2021 Non-controlling interests | 12/31/2020 Equity holders of the parent | 12/31/2020 Non-controlling interests |
|---|---|---|---|---|
| **Gross reserves (A) + (B) + (C)** | 321 338 | 137 184 | 293 312 | 151 034 |
| Deferred tax effects | -67 463 | -28 688 | -64 334 | -33 480 |
| **Reserves after tax** | **253 875** | **108 496** | **228 978** | **117 554** |

# 8 Provisions and contingent liabilities

A provision is posted when the Akuo Energy Group has a current obligation (legal or implied) arising from a past event, its amount can be estimated reliably, and its release should give rise to an outflow representing economic benefits. These commitments, the due date or amount of which are uncertain, stem from environmental risks, regulatory and tax risks, litigation and other risks. When the time-value impact is significant, the provision is determined by discounting expected future cash flows at a pre-tax rate reflecting current market assessments of the time-value of money and, where appropriate, the risks specific to this liability. These obligations particularly include:

### Decommissioning provisions

For wind, solar and biomass facilities, decommissioning provisions are posted according to legal and regulatory requirements and the terms of occupying land or roofs. Provisions are booked based on leases defining whether or not the Group is responsible for decommissioning.

Akuo Energy Group uses the following method to determine the provision for decommissioning of projects built:

- For wind projects in France, in light of regulatory changes (Decree of August 26, 2011, NOR DEVP1120019A), a provision is systematically recorded in the accounts for French projects. It amounts to €50,000 per turbine installed.
- Abroad, this depends on the regulations in the country in which the project is located and the terms of leases for the land on which the wind farm is installed.
- For solar, the need to recognize a provision is analyzed on a case-by-case basis, in the absence of any legal provisions. The need to post a decommissioning provision in the company's accounts or not, depends on the contractual obligations, relating mainly to the long-term leases signed with land owners. When the Akuo Group is to assume decommissioning costs, a provision is booked in an amount of €30,000 per MW installed.
- For biomass, the need to book a provision is also analyzed on a case-by-case basis, according to the contractual obligations contained particularly in long-term leases. The provision is determined based on the plant construction costs.

### Provisions for litigation

In the normal course of the Group's business, disputes can arise with third parties and court action may be taken. Provisions are determined, where applicable, based on the assessment of the risks inherent in each matter, when the cost can be estimated.

### Provisions for pensions and retirement

See note 3.3.2 - Provision for retirement benefits

### Uncertainties related to changes to the environment

The renewable energies market depends primarily on investment costs, financing costs, current pricing conditions and any grants.

Some of these factors which depend on public finance could have a negative impact on business development in Europe (moratorium on the feed-in tariff of solar power in France, uncertainties over wind power prices in France, etc.).

### Akuo Energy litigation

#### Laudun dispute

Further to defects detected and lower than expected production in fall 2009, the company brought a legal action against the firms responsible for building the plant to obtain compensation. A decision on appeal should be issued at the end of 2022.

Provisions for litigation and attorney fees are also recognized in respect of proceedings involving certain subsidiaries in connection with their project development, construction or operating activities, in line with the associated risk assessment.

The change in provisions from 01/01/2021 to 12/31/2021 is as follows:

| (in EUR thousands) | 01/01/2021 | Allowances | Reversals | Change in fair value | Other changes | Change in scope | Translation gain/loss | 12/31/2021 |
|---|---|---|---|---|---|---|---|---|
| Provisions for retirement benefits | 1 567 | 423 | 0 | -494 | 0 | -5 | 0 | 1 491 |
| Provisions for litigation | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| Other provisions for contingencies | 63 | 0 | 0 | 0 | 727 | 0 | 1 | 791 |
| Provisions for decommissioning and site rehabilitation | 8 098 | 927 | -85 | 0 | 0 | 0 | 138 | 9 078 |
| Provision for tax risks | 1 422 | 49 | -1 423 | 0 | 0 | 0 | 0 | 48 |
| Provisions for investments in associates | 1 726 | 0 | 0 | 0 | 5 750 | 0 | 0 | 7 476 |
| **TOTAL** | **12 875** | **1 399** | **-1 508** | **-494** | **6 478** | **-5** | **140** | **18 885** |

Write-backs of provisions for tax risks mainly comprise a €1.0M write-back of a provision booked in respect of the capital grant received for solar entities based in Reunion island (recoverable VAT not collected).

Provisions for investments in associates mainly correspond to the posting by the Group of a provision for contingencies and losses for its share of the losses of Sunstyle International and Kita Holdco, insofar as it is exposed to losses beyond its investment.

The change in provisions from 01/01/2020 to 12/31/2020 is as follows:

| (in EUR thousands) | 01/01/2020 | Allowances | Reversals | Change in fair value | Other changes | Translation gain/loss | 12/31/2020 |
|---|---|---|---|---|---|---|---|
| Provisions for retirement benefits | 1 665 | 313 | -22 | -390 | 0 | 0 | 1 567 |
| Provisions for litigation | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| Other provisions for contingencies | 0 | 60 | 0 | 0 | 0 | 2 | 63 |
| Provisions for decommissioning and site rehabilitation | 8 282 | 0 | -41 | 0 | -12 | -131 | 8 098 |
| Provision for tax risks | 2 007 | 0 | -914 | 0 | 329 | 0 | 1 422 |
| Provisions for investments in associates | 821 | 0 | 0 | 0 | 905 | 0 | 1 726 |
| **TOTAL** | **12 776** | **374** | **-978** | **-390** | **1 222** | **-128** | **12 875** |

Provisions for tax risks mainly comprise a €1.0M provision booked in respect of the capital grant received for solar entities based in Reunion island (recoverable VAT not collected).

Other changes relate to the recognition of a provision for contingencies and charges for the share of loss of Sunstyle International insofar as the Group is exposed to losses beyond its investment.

# 9 Income tax

## Accounting Policies

Income tax includes tax payable and deferred tax of the consolidated companies.

Taxes on items directly recognized in other comprehensive income are posted as other comprehensive income items and not in the income statement.

| (in EUR thousands) | 2021 | 2020 |
|---|---|---|
| Current tax for the period | -6 209 | -9 486 |
| Deferred tax relating to temporary differences | -3 540 | 127 |
| **TOTAL** | **-9 749** | **-9 359** |

## 9.1 Significant impacts of tax measures in force

Following the enactment of the Finance Acts for 2017 and 2022, the Group changed the tax rate applicable to the temporary tax differences of French entities, reducing it gradually from 33.33% to 25% in 2022 (28% for years starting on or after January 1, 2020, 26.5% for those starting on or after January 1, 2021 and finally, 25% starting from January 1, 2022).

On 12/31/2021 the Group integrated the new corporate income tax trajectory which reduced the rate to 26.5% for profits between zero and €500,000 and to 26.5% for profits exceeding €500,000.

## 9.2 Tax consolidation

In 2021, Akuo Energy Group comprised three tax entities structured in tax consolidation form. These tax groups are headed by the companies Akuo Energy, Akuo Energy USA, and Fujin.

The entities included in each of the three scopes are listed below:

- Akuo Energy: Akuo Corse Energy Solar, Akuo Solar, Akuo Energy Antilles, Akuo Energy Caraibes Innovation, Akuo Energy des Alpes, Akuo Energy Maintenance, Akuo Energy Uruguay, Akuo Industries, Akuo Innovations, Akuo Market France, Akuo Saint Charles, Akuo Solar, Akuo Trading, Akuocoop, Energie Du Gatinais 2, Fpv Blanchard, Fpv Bouerne, Fpv La Broue, Parc Solaire Du Bousquet D'orb;
- Akuo Energy USA: AEM Wind LLC, and Minonk Stewart LLC;
- Fujin: Parc Eolien de Rully, Parc Eolien de Fontaine Macon, Parc Eolien des Vignes.

Each subsidiary contributes to tax payment in the amount of the theoretical tax calculated as if it had been taxed separately.

## 9.3 Tax expense

In 2021 the reconciliation between the theoretical tax rate, which is the statutory rate applicable to French companies, including the 3.3% social security contribution, and the effective tax rate recorded in the consolidated financial statements, is as follows:

| **(in EUR thousands)** | | **12/31/2021** |
|---|---|---|
| | | |
| **Earnings from continuing operations** | **-** | **7 356** |
| **Income from investments in associates** | | **6 536** |
| **Net income from consolidated companies, excluding associates** | **-** | **13 892** |
| Tax expense | - | 9 749 |
| **Earnings before tax** | **-** | **4 143** |
| Theoretical tax rate | | 27,37% |
| Theoretical tax | | 1 134 |
| | | |
| **Reconciliation:** | | |
| Effect of differences between the normal rate and rates applicable in French or foreign jurisdictions | | 1 095 |
| Effect of tax rate changes | - | 324 |
| Use of previously unrecognized deferred tax | | 2 601 |
| Deferred tax not recognized | - | 17 123 |
| Effect of permanent differences | - | 322 |
| Tax credit and abatements | | 3 133 |
| Effect of other tax equivalent to income tax | | 57 |
| Other | | |
| **Tax expense effectively recognized** | **-** | **9 749** |

Deferred tax assets not recognized by the Group amounted to €13.4M in 2021 at the theoretical rate of 25.00%; they were mainly losses of companies in the Euro zone.

In 2020, the reconciliation between the theoretical tax expense and the tax expense carried is as follows:

| (in EUR thousands) | 12/31/2020 |
|---|---|
| | |
| **Earnings from continuing operations** | **- 19 805** |
| **Income from investments in associates** | **- 687** |
| **Net income from consolidated companies, excluding associates** | **- 19 118** |
| Tax expense | - 9 359 |
| **Earnings before tax** | **- 9 759** |
| Theoretical tax rate | 25,00% |
| Theoretical tax | 2 440 |
| | |
| **Reconciliation:** | |
| Effect of differences between the normal rate and rates applicable in French or foreign jurisdictions | - 809 |
| Effect of tax rate changes | 395 |
| Use of previously unrecognized deferred tax | 1 338 |
| Deferred tax not recognized | - 14 218 |
| Effect of permanent differences | - 5 309 |
| Tax credit and abatements | 902 |
| Effect of other tax equivalent to income tax | 5 902 |
| Other | |
| **Tax expense effectively recognized** | **- 9 359** |

Deferred tax assets not recognized by the Group amount to €29.9M in 2020 at the theoretical rate of 25.00%; they are mainly losses of companies in the Euro zone and wind projects in Uruguay.

## 9.4 Deferred tax

Deferred taxes are computed and recognized using the liability method for all timing differences between the carrying amount of assets and liabilities and their corresponding tax base, except for the cases provided for by IAS 12 - Income taxes. The tax base depends on the tax rules applicable in each country concerned. Recoverability of deferred tax assets is assessed by modeling future profits and taking account of the tax strategies implemented by the Group.

Deferred tax assets and liabilities are measured using the tax rates that have been enacted or substantially enacted at the reporting date. The tax rates used depend on the timing of reversals of temporary differences, tax losses and other tax credits. The effect of a change in tax rate is recognized in profit/loss for the period or in other comprehensive income, depending on the item it relates to.

Tax is recognized in the income statement unless it relates to a business combination, to items directly recognized in equity or in other comprehensive income.

Deferred tax assets are only recognized when it is probable that the Group will have future taxable profits against which the unused losses can be set. Tax assets are not generally recognized on companies that generated losses in previous years. However, it may be otherwise if future recovery seems sufficiently probable.

Assets and liabilities are offset by tax entity where there is a legally enforceable right to offset tax assets and liabilities payable, and if they relate to income taxes levied by the same tax authority.

Deferred tax by category of timing differences breaks down as show below:

| (in EUR thousands) | 12/31/2021 | 12/31/2020 |
|---|---|---|
| Derivative financial instruments (SWAP) | 1 654 | 6 512 |
| Tax losses carried forward | 31 102 | 26 007 |
| Power plant revaluations | -109 632 | -107 037 |
| Capitalization of development costs | -18 | -212 |
| Other restatements (incl. capital grants and internal transactions) | -8 187 | 211 |
| **Net Deferred Tax** | **-85 081** | **-74 518** |
| Deferred Tax Assets | 22 009 | 23 225 |
| Deferred Tax Liabilities | 107 090 | 97 743 |
| **Net Deferred Tax** | **-85 081** | **-74 518** |

The change in deferred tax can be analyzed as follows:

| DEFERRED TAX ASSETS (in EUR thousands) | 12/31/2021 | 12/31/2020 | Operations held for sale | Reserves impact | P&L impact |
|---|---|---|---|---|---|
| Derivative financial instruments (SWAP) | 1 654 | 6 512 | 168 | -4 311 | -834 |
| Tax losses carried forward | 31 102 | 26 007 | 122 | 0 | -271 |
| Other restatements (incl. capital grants and internal transactions) | 1 292 | 2 314 | 0 | -123 | 464 |
| Offsetting of deferred tax liabilities | -12 039 | -11 608 | 0 | | -431 |
| **TOTAL** | **22 009** | **23 225** | **290** | **-4 434** | **-1 071** |

| DEFERRED TAX LIABILITIES (in EUR thousands) | 12/31/2021 | 12/31/2020 | Operations held for sale | Reserves impact | P&L impact |
|---|---|---|---|---|---|
| Power plant revaluations | 109 632 | 107 037 | 32 | 3 110 | -449 |
| Capitalization of development costs | 18 | 212 | 0 | 0 | 18 |
| Other restatements (incl. internal transactions) | 9 479 | 2 102 | 263 | 6 | 3 559 |
| Offsetting of deferred tax assets | -12 039 | -11 608 | 0 | | -431 |
| **TOTAL** | **107 090** | **97 743** | **295** | **3 115** | **2 698** |

The -€0.3M impact on results of the deferred taxes of the biomass business is included in the result of activities held for sale.

In 2020 deferred tax by category of timing differences were broken down as shown below:

| (in EUR thousands) | 12/31/2020 | 12/31/2019 |
|---|---|---|
| Derivative financial instruments (SWAP) | 6 512 | 6 963 |
| Tax losses carried forward | 26 007 | 34 351 |
| Power plant revaluations | (107 037) | (103 497) |
| Capitalization of development costs | (212) | (212) |
| Other restatements (incl. capital grants and internal transactions) | 211 | 1 504 |
| **Net Deferred Tax** | **-74 518** | **-60 891** |
| Deferred Tax Assets | 23 225 | 24 414 |
| Deferred Tax Liabilities | 97 743 | 85 305 |
| **Net Deferred Tax** | **-74 518** | **-60 891** |

The change in deferred tax could be analyzed as follows:

| (in EUR thousands) | Deferred Tax Assets | Deferred Tax Liabilities | Total |
|---|---|---|---|
| **Net Deferred Tax - beginning of the period** | **24 414** | **85 305** | **(60 891)** |
| P&L impact | (18 425) | (18 552) | 127 |
| OCI impact | (73) | 20 298 | (20 371) |
| Operations held for sale | (4 552) | (11 168) | 6 616 |
| Offsetting of deferred tax | 21 861 | 21 861 | - |
| **Net Deferred Tax - Ending of the period** | **23 225** | **97 743** | **-74 518** |

The -€0.5M impact on results of the deferred taxes of the biomass business is included in the result of activities held for sale.

# 10 Categories and fair value hierarchy of financial assets and liabilities

Fair value measurements are classified according to a hierarchy based on three levels:

- Level 1: fair value measured based on quoted prices in an active market;
- Level 2: fair value measured using valuation methods based on observable market inputs (other than level 1 data);
- Level 3: fair value measured using valuation methods based on unobservable inputs.

Given their nature in the short term, the carrying value of current assets and liabilities is considered to be an approximate value of their fair value.

| | IFRS 13 Hierarchy | Value in 2021 BS as per IFRS 9 Amortized cost | Fair value through OCI | Fair value through P&L | 12/31/2021 BS value | 12/31/2020 BS value | Fair value |
|---|---|---|---|---|---|---|---|
| **Non-current financial assets** | | | | | | | |
| *Non-current financial assets* | *Lev. 3* | 0 | 0 | 0 | 0 | 0 | 0 |
| *Interest rate derivatives:* | | 0 | 0 | 0 | 0 | 0 | 0 |
| *Derivatives designated as cash flow hedging instruments* | *Lev. 2* | *0* | *0* | *0* | 0 | *0* | *0* |
| *Derivatives designated as fair value hedging instruments* | *Lev. 2* | *0* | *0* | *0* | 0 | *0* | *0* |
| *Other non-current financial assets* | *Lev. 3* | 101 326 | 0 | 0 | 101 326 | 92 382 | 92 382 |
| **Current financial assets** | | | | | | | |
| *Current financial assets* | | 4 203 | 0 | 0 | 4 203 | 7 392 | 7 392 |
| *Trade and other receivables* | | 97 374 | 0 | 0 | 97 374 | 70 028 | 70 028 |
| *Cash and cash equivalents* | | 0 | 0 | 129 245 | 129 245 | 91 162 | 91 162 |
| **Non-current financial liabilities** | | | | | | | |
| *Non-current bank borrowings* | *Lev. 3* | 786 338 | 0 | 0 | 786 338 | 774 170 | 774 170 |
| *Current accounts and shares of investors classified in non-current liablities* | *Lev. 3* | 225 712 | 0 | 0 | 225 712 | 215 647 | 215 647 |
| *Interest rate derivatives:* | | 25 168 | 0 | 0 | 25 168 | 54 722 | 54 722 |
| *Derivatives designated as cash flow hedging instruments* | *Lev. 2* | *25 168* | *0* | *0* | 25 168 | 54 722 | *54 722* |
| *Derivatives designated as fair value hedging instruments* | *Lev. 2* | *0* | *0* | *0* | 0 | *0* | *0* |
| *Other non-current financial liabilities* | *Lev. 3* | 284 404 | 0 | 0 | 284 404 | 303 913 | 303 913 |
| **Current financial liabilities** | | | | | | | |
| *Trade and other payables* | | 65 762 | 0 | 0 | 65 762 | 65 191 | 65 191 |
| *Current bank borrowings* | | 158 411 | 0 | 0 | 158 411 | 96 916 | 96 916 |
| *Current accounts and shares of investors classified in current liablities* | | 0 | 0 | 0 | 0 | 0 | 0 |
| *Interest rate derivatives:* | | 141 | 0 | 0 | 141 | *187* | *187* |
| *Derivatives designated as cash flow hedging instruments* | *Lev. 2* | *141* | *0* | *0* | 141 | *187* | *187* |
| *Derivatives designated as fair value hedging instruments* | *Lev. 2* | *0* | *0* | *0* | 0 | *0* | *0* |
| *Other current financial liabilities* | | 4 530 | 0 | 0 | 4 530 | 18 622 | 18 622 |

# 11 Other information

## 11.1 Off-balance sheet commitments given

| Entities | Dailly assigment | Pledge | Assets/liabilities guarantee | On-demand guarantee | Guarantee | Mortgage | Letter of indemnity | Comfort letter | Collateral | DSRA | Investment commitment | Other |
|---|---|---|---|---|---|---|---|---|---|---|---|---|
| **France** | | | | | | | | | | | | |
| ACT-E | | | | | | | | | X | | | |
| Akuo Corse Energy Solar | | | | | | | | X | X | | | |
| Akuo Energy | | | X | X | X | | X | X | X | | X | X |
| Akuo Energy Afrique | | | X | | | | | | | | | |
| Akuo Energy Indian Ocean | | | | | X | | | | | | | |
| Akuo Energy Uruguay | | | X | X | | | X | | | | X | |
| Akuo Saint Charles | X | | | | | | | | | | | |
| Akuo Solar | | | | X | X | | | X | X | | X | |
| Akuo Tulip Assets | X | X | | | | | | | X | | | |
| Akuo Western Europe and Overseas | | | | X | | | | | | | | |
| Austral Energy | | | | | X | | | | | | | |
| Ect Energie Les Gabots | X | X | | | | | | | X | X | | X |
| Energie Du Gatinais 2 | X | X | | X | X | | | | X | | | |
| Energo Holdco | | | | | | | | | X | | | |
| FPV Bouerne | X | X | | | | | | | X | | | |
| FPV D'Export | X | | | | | | | | | | | |
| FPV Du Midi | X | X | | | X | X | | | X | X | | X |
| FPV La Broue | X | X | | | | | | | X | | | X |
| FPV Lherm | X | X | | | | X | | | X | | | X |
| FPV Ligne des Quatre Cents | X | | | | | | | | | | | X |
| FPV Saint Auban | X | | | | | | | | X | | | |
| Fujin | | | | | | | | | X | | | |
| Heliade Bellevue | X | | | | | | | | | | | |
| Laudun Energy | X | | | | | | | | | | | |
| O'Mega 1 | X | X | | | | X | | | X | | | X |
| O'Mega 1 Bis | | | | | | | | | | | | |
| Parc Solaire du Bousquet d'Orb | X | X | | | | X | | | X | | | X |
| Phoenix | | | | | | | | | X | | | |
| Pierrefonds Holdco | X | | | | X | | | | X | | | X |
| Rapale | X | X | X | X | X | X | | | X | X | | X |
| Saint Charles Solaire | X | | | | | | | | | | | |
| SECP Chemin Canal | X | | | | | | | | | | | |
| SECP Le Syndicat | X | | | | | X | | | X | | | |
| SECP Pierrefonds | X | | | | | X | | | X | | | |
| SH Aqua Bella | X | | | | | | | | X | | | X |
| SH de Chavort | X | | | | | | | | X | | | X |
| Syndicat Holdco | X | | | | X | | | | X | | | |

| Entities | Dailly assigment | Pledge | Assets/liabilities guarantee | On-demand guarantee | Guarantee | Mortgage | Letter of indemnity | Comfort letter | Collateral | DSRA | Investment commitment | Other |
|---|---|---|---|---|---|---|---|---|---|---|---|---|
| **Bulgaria** | | | | | | | | | | | | |
| Akuo Energy Bulgaria | | | X | | | | | | | | | |
| Centrales Hydroelectriques de Bulgarie | | X | | X | | | | | | | | |
| **Colombia** | | | | | | | | | | | | |
| Akuo Energy Colombia | | | X | | | | | | | | | |
| **Croatia** | | | | | | | | | | | | |
| Energostatik | | X | | | | X | | | X | | | |
| Sirocco | | | | | | | | | X | | | |
| Aiolos Projekt | | | | | X | | | | X | | | |
| **Mauritius** | | | | | | | | | | | | |
| Akuo Energy Solution (Mauritius) LTD | | | | | X | | | | | | | |
| Akuo Austral (Mauritius) LTD | | | | | | | | | X | | | |
| Akuo Energy (Mauritius) LTD | X | X | | | X | | | | X | X | | X |
| **Indonesia** | | | | | | | | | | | | |
| PT Akuo Energy Indonesia | | | | | | | X | | | | | |
| **Luxembourg** | | | | | | | | | | | | |
| Akuo Energy Africa | | | X | | | | | | | | X | |
| Akuo Energy Central Europe | | | X | | | | | | | | | |
| Akuo Energy International | | | X | | | | X | | | | X | |
| **Mali** | | | | | | | | | | | | |
| Akuo Energy Solutions Mali | | | | | | | | | X | | | |
| Akuo Kita Solar | | X | | | | | | | X | | | |
| **Montenegro** | | | | | | | | | | | | |
| Krnovo Holdco | | | X | | | | | | | | | X |
| Krnovo Green Energy | | X | | | X | | | | X | | | |
| **New caledonia** | | | | | | | | | | | | |
| Agrinergie de Ouaco | | X | | | | X | | | X | | | |
| Kwita Wije | | X | | | X | X | | | X | | | |
| Focola | | X | | | | X | | | X | | | |
| **Poland** | | | | | | | | | | | | |
| Akuo Energy Polska | | | X | | | | | | | | | |
| **Dominican Republic** | | | | | | | | | | | | |
| Akuo Holdco | | | X | | | | | | | | | |
| Parques Eolicos Del Caribe | | X | | | | X | | | | | | X |
| **Uruguay** | | | | | | | | | | | | |
| Generacion Eolica Minas | | X | | | X | X | | | X | | | X |
| Glymont | | X | | | X | | | | X | | | |
| Polesine | | X | | | | X | | | | | | X |

## 11.2 Related-party transactions

The transactions presented below are completed at market price.

| Consolidated income statements | Revenues | | Non-recurring operating expenses | | Financial income | | Financial expenses | |
|---|---|---|---|---|---|---|---|---|
| | 2021 | 2020 | 2021 | 2020 | 2021 | 2020 | 2021 | 2020 |
| Shareholders | - | - | - | - | - | - | - | - |
| Corporate officers | - | - | 1 215 | 1 210 | - | - | - | - |
| Associates | 4 214 | 9 884 | - | - | - | - | - | - |
| **Total** | **4 214** | **9 884** | **1 215** | **1 210** | **0** | **0** | **0** | **0** |

| Statement of financial situation - assets | Other financial assets | | Trade and other receivables | | Shareholder Current accounts | |
|---|---|---|---|---|---|---|
| | 2021 | 2020 | 2021 | 2020 | 2021 | 2020 |
| Shareholders | - | - | - | - | - | - |
| Corporate officers | - | - | - | - | - | - |
| Associates | - | - | 4 570 | 6 112 | 30 091 | 23 636 |
| **Total** | **0** | **0** | **4 570** | **6 112** | **30 091** | **23 636** |

| Statement of financial situation - liabilities | Other financial liabilities | | Trade and other payables | | Shareholder Current accounts | |
|---|---|---|---|---|---|---|
| | 2021 | 2020 | 2021 | 2020 | 2021 | 2020 |
| Shareholders | - | - | - | - | - | - |
| Corporate officers | - | - | - | - | - | - |
| Associates | 5 913 | 1 136 | 9 | 17 | - | - |
| **Total** | **5 913** | **1 136** | **9** | **17** | **0** | **0** |

## 12 Post-balance sheet events

### Change in Akuo Energy's capital structure

The beginning of the year was marked by the validation of the deal to increase the shareholding of the Group's founding directors. Supported by ICG Infra, the infrastructure fund of asset manager ICG (Intermediate Capital Group), Eric Scotto and Patrice Lucas bought out Colam Entreprendre and other minority shareholders in early 2022. Following this transaction, Akuo Energy SAS is 98.5% owned by Akuo SAS, held by Eric Scotto and Patrice Lucas in the form of ordinary shares and ICG in the form of preferred shares. This transaction strengthens the Group's financial resources through a line of quasi-equity financing.

### Refinancing of a portfolio of 5 hydropower plants in Bulgaria

Following the March 2021acquisition of PVP Power, a group of five hydroelectric power plants in operation in Bulgaria (15.5 MW), on March 7, 2022 the Group obtained bank refinancing of the structured bridge loan arranged at the time of the acquisition and teamed up with the infrastructure fund RGreen INVEST which became joint shareholder of these five assets with a 49% stake.

### Launch of an aggregator in Greece

The Group has partnered with Spyropoulos SA to launch GEARS SA (Green Energy Aggregator Services), a turnkey market representation solution for Greek photovoltaic producers. The entity has signed its first service contracts with several solar power plants in operation in Greece with a total capacity of 55 MW.

### Sale of a hydraulic power plant

The Group sold its entire minority interest in the Yahinovo hydropower plant (6.8 MW) in Bulgaria.

### Global context

Against a backdrop of sharply rising raw material prices and transportation costs as well as tension in supply chains and on wholesale electricity prices, the Group remains focused on carrying out projects that contribute to accelerating the energy and agricultural transition and to the sovereignty of regions.

The military operations in Ukraine have had no impact to date on the Group or on the continuity of its business. However, with no visibility on how the conflict will go on, the Group could be affected by its potential impacts on the global economy in the future.

# 13 Consolidation scope

The Akuo Energy Group's consolidation scope comprises 169 consolidated entities as of December 31, 2021 (vs. 166 as of December 31, 2020). Of these entities, 129 are fully consolidated, 28 are accounted for by the equity method, and 12 are integrated into the scope of discontinued operations (IFRS 5). The complete list together with the consolidation method is provided below:

| Entities | Technology | Interest percentage 12/31/2021 | Interest percentage 12/31/2020 | Consolidation Method 2021 | Consolidation Method 2020 |
|---|---|---|---|---|---|
| **France** | | | | | |
| Akuo Biomass | Holding | 0% | 82% | (NC) | (IFRS 5) |
| Akuo Biomass France | Holding | 0% | 82% | (NC) | (IFRS 5) |
| Akuo Corse Energy Solar | Holding | 98% | 98% | (FC) | (FC) |
| Akuo Corse Maintenance | Holding | 90% | 90% | (FC) | (FC) |
| Akuo Energy | Holding | 100% | 100% | (FC) | (FC) |
| Akuo Energy Afrique | Holding | 90% | 90% | (FC) | (FC) |
| Akuo Energy Antilles | Holding | 100% | 95% | (FC) | (FC) |
| Akuo Energy Caraibes Innovation | Holding | 100% | 95% | (FC) | (FC) |
| Akuo Energy Corse | Holding | 90% | 90% | (FC) | (FC) |
| Akuo Energy Des Alpes | Holding | 95% | 95% | (FC) | (FC) |
| Akuo Energy Indian Ocean | Holding | 86% | 86% | (FC) | (FC) |
| Akuo Energy Maintenance | Holding | 100% | 100% | (FC) | (FC) |
| Akuo Energy Uruguay | Holding | 97% | 97% | (FC) | (FC) |
| Akuo Industries | Holding | 100% | 100% | (FC) | (FC) |
| Akuo Innovations | Holding | 100% | 100% | (FC) | (FC) |
| Akuo Market France | Holding | 100% | 100% | (FC) | (FC) |
| Akuo Operations | Holding | 0% | 100% | (NC) | (FC) |
| Akuo Participations | Holding | 0% | 100% | (NC) | (FC) |
| Akuo Solar | Holding | 100% | 100% | (FC) | (FC) |
| Akuo Trading | Holding | 100% | 100% | (FC) | (FC) |
| Akuo Western Europe And Overseas | Holding | 95% | 95% | (FC) | (FC) |
| Akuocoop | Holding | 100% | 100% | (FC) | (FC) |
| Atriohm | Holding | 51% | 0% | (EM) | (NC) |
| Austral Energy | Holding | 100% | 100% | (FC) | (FC) |
| Austral Energy Maintenance | Holding | 100% | 85% | (FC) | (FC) |
| Biovae | Holding | 0% | 82% | (NC) | (IFRS 5) |
| Energie MAIF T | Holding | 48% | 0% | (EM) | (NC) |
| Opeos | Holding | 0% | 82% | (NC) | (IFRS 5) |
| Phoenix | Holding | 100% | 100% | (FC) | (FC) |
| Picardie Biomasse Energie | Holding | 0% | 37% | (NC) | (EM) |
| Societe D'Approvisionnement En Biomasse Energie Du Doubs | Holding | 0% | 82% | (NC) | (IFRS 5) |
| Sunstyle International | Holding | 50% | 50% | (EM) | (EM) |
| Tanambo | Holding | 59% | 59% | (FC) | (FC) |
| Cogeneration Biomasse De Novillars | Biomasse | 0% | 41% | (NC) | (IFRS 5) |
| Cogeneration Biomasse D'Estrees-Mons | Biomasse | 0% | 51% | (NC) | (IFRS 5) |
| Energo Holdco | Biomasse | 90% | 74% | (IFRS 5) | (IFRS 5) |
| Kogeban | Biomasse | 0% | 44% | (NC) | (IFRS 5) |
| Energie Du Gatinais | Eolien | 100% | 100% | (FC) | (FC) |
| Energie Du Gatinais 2 | Eolien | 48% | 95% | (FC) | (FC) |
| Energie Du Porcien | Eolien | 58% | 58% | (FC) | (FC) |
| Eoliennes De Rully | Eolien | 58% | 58% | (FC) | (FC) |
| Eoliennes Du Ham | Eolien | 100% | 100% | (FC) | (FC) |
| Eoliennes D'Yvignac | Eolien | 100% | 100% | (FC) | (FC) |
| Fujin | Eolien | 58% | 58% | (FC) | (FC) |
| Moulin Green | Eolien | 0% | 100% | (NC) | (FC) |
| Parc Eolien De Fontaine Macon | Eolien | 58% | 58% | (FC) | (FC) |
| Parc Eolien De Fontaine Macon 2 | Eolien | 100% | 100% | (FC) | (FC) |
| Parc Eolien Des Vignes | Eolien | 58% | 58% | (FC) | (FC) |
| Parc Eolien Du Val De Gronde | Eolien | 52% | 52% | (FC) | (FC) |
| Seine Et Aube Energie | Eolien | 100% | 100% | (FC) | (FC) |
| Sh Aqua Bella | Hydro | 55% | 55% | (FC) | (FC) |
| Sh De Chavort | Hydro | 53% | 53% | (FC) | (FC) |
| Act-E | Solaire | 60% | 60% | (FC) | (FC) |
| Agrisol 1A Services | Solaire | 51% | 51% | (FC) | (FC) |
| Akuo Saint Charles | Solaire | 100% | 100% | (FC) | (FC) |
| Akuo Tulip Assets | Solaire | 51% | 51% | (FC) | (FC) |

*Consolidation methods : IG = Full consolidation - EM = Equity Method - IFRS5 = as per IFRS5 method - NC = Non Consolidated*

| Entities | Technology | Interest percentage 12/31/2021 | Interest percentage 12/31/2020 | Consolidation Method 2021 | Consolidation Method 2020 |
|---|---|---|---|---|---|
| **France** | | | | | |
| Bunifaziu | Solaire | 90% | 90% | (FC) | (FC) |
| Ect Energie Les Gabots | Solaire | 36% | 41% | (FC) | (FC) |
| Fpv Agrinergie | Solaire | 51% | 51% | (FC) | (FC) |
| Fpv Bardzour | Solaire | 100% | 100% | (FC) | (FC) |
| Fpv Bouerne | Solaire | 100% | 100% | (FC) | (FC) |
| Fpv Broussan | Solaire | 51% | 51% | (FC) | (FC) |
| Fpv Chateau | Solaire | 51% | 51% | (FC) | (FC) |
| Fpv D'Export | Solaire | 51% | 51% | (FC) | (FC) |
| Fpv Du Midi | Solaire | 49% | 49% | (EM) | (EM) |
| Fpv Du Plateau | Solaire | 51% | 51% | (FC) | (FC) |
| Fpv Janar | Solaire | 44% | 44% | (FC) | (FC) |
| Fpv La Broue | Solaire | 95% | 95% | (FC) | (FC) |
| Fpv Les Cedres | Solaire | 100% | 100% | (FC) | (FC) |
| Fpv Lesport | Solaire | 44% | 86% | (FC) | (FC) |
| Fpv Lherm | Solaire | 67% | 67% | (FC) | (FC) |
| Fpv Ligne Des Bambous | Solaire | 51% | 51% | (FC) | (FC) |
| Fpv Ligne Des Quatre Cents | Solaire | 51% | 51% | (FC) | (FC) |
| Fpv Pascialone | Solaire | 51% | 51% | (FC) | (FC) |
| Fpv Santa Lucia | Solaire | 51% | 51% | (FC) | (FC) |
| Heliade Bellevue | Solaire | 51% | 51% | (FC) | (FC) |
| Kita Holdco | Solaire | 45% | 45% | (EM) | (EM) |
| Laudun Energy | Solaire | 66% | 66% | (FC) | (FC) |
| O'Mega 1 | Solaire | 53% | 53% | (FC) | (FC) |
| O'Mega 1 Bis | Solaire | 48% | 0% | (EM) | (NC) |
| Parc Solaire Du Bousquet D'Orb | Solaire | 100% | 100% | (FC) | (FC) |
| Pierrefonds Holdco | Solaire | 100% | 100% | (FC) | (FC) |
| Rapale | Solaire | 89% | 89% | (FC) | (FC) |
| Saint Charles Solaire | Solaire | 53% | 53% | (FC) | (FC) |
| Secp Borgo | Solaire | 51% | 51% | (FC) | (FC) |
| Secp Chemin Canal | Solaire | 51% | 51% | (FC) | (FC) |
| Secp Creuilly | Solaire | 51% | 51% | (FC) | (FC) |
| Secp Le Syndicat | Solaire | 100% | 100% | (FC) | (FC) |
| Secp Mortella | Solaire | 100% | 98% | (FC) | (FC) |
| Secp Olmo 1 | Solaire | 100% | 98% | (FC) | (FC) |
| Secp Olmo 2 | Solaire | 51% | 51% | (FC) | (FC) |
| Secp Pierrefonds | Solaire | 100% | 100% | (FC) | (FC) |
| Solar Green | Solaire | 0% | 100% | (NC) | (FC) |
| Syndicat Holdco | Solaire | 100% | 100% | (FC) | (FC) |
| Fpv Saint Auban | Solaire | 48% | 95% | (EM) | (FC) |
| **Argentina** | | | | | |
| Akuo Energy Argentina | Holding | 97% | 97% | (FC) | (FC) |
| **Australia** | | | | | |
| Akuo Energy Pacific | Holding | 97% | 97% | (FC) | (FC) |
| Granite Hills Wind Farm | Wind | 85% | 85% | (FC) | (FC) |
| **Belgium** | | | | | |
| Srew | Wind | 18% | 18% | (EM) | (EM) |
| **Bulgaria** | | | | | |
| Akuo Energy Bulgaria | Holding | 90% | 90% | (FC) | (FC) |
| Akuo Bulgaria Chb | Hydro | 46% | 46% | (FC) | (FC) |
| Akuo Bulgaria Svoghe | Hydro | 90% | 0% | (FC) | (NC) |
| Centrales Hydroelectriques De Bulgarie | Hydro | 46% | 46% | (FC) | (FC) |
| Germanea | Hydro | 0% | 23% | (NC) | (EM) |
| PVB Power Bulgaria | Hydro | 90% | 0% | (FC) | (NC) |
| Vec Yahinovo | Hydro | 37% | 37% | (EM) | (EM) |
| Vez Svoghe | Hydro | 90% | 0% | (FC) | (NC) |
| **Colombia** | | | | | |
| Akuo Energy Colombia | Holding | 100% | 100% | (FC) | (FC) |
| Akuo Energy Servicios Colombia | Holding | 100% | 100% | (FC) | (FC) |
| Parque Solar Planeta Rica SAS | Solar | 50% | 0% | (EM) | (NC) |

*Consolidation methods :* *IG = Full consolidation - EM = Equity Method - IFRS5 = as per IFRS5 method - NC = Non Consolidated*

| Entities | Technology | Interest percentage 12/31/2021 | Interest percentage 12/31/2020 | Consolidation Method 2021 | Consolidation Method 2020 |
|---|---|---|---|---|---|
| **Croatia** | | | | | |
| Akuo Energy Med | Holding | 90% | 90% | (FC) | (FC) |
| Energostatik | Biomasse | 50% | 41% | (IFRS 5) | (IFRS 5) |
| Sirocco | Biomasse | 89% | 73% | (IFRS 5) | (IFRS 5) |
| Aiolos Projekt | Eolien | 90% | 90% | (FC) | (FC) |
| **United Arab Emirates** | | | | | |
| Akuo Energy Solutions Dmcc | Holding | 100% | 100% | (FC) | (FC) |
| **Spain** | | | | | |
| Akuo Renovables España | Holding | 95% | 95% | (FC) | (FC) |
| **United states** | | | | | |
| Akuo Energy Usa | Holding | 98% | 98% | (FC) | (FC) |
| Minonk Stewardship Wind | Eolien | 8% | 8% | (EM) | (EM) |
| Bennington Wind Holdco | Eolien | 8% | 8% | (EM) | (EM) |
| Aem Wind | Eolien | 3% | 3% | (EM) | (EM) |
| Sterling Wind Phase I Holdings | Eolien | 3% | 3% | (EM) | (EM) |
| Rocksprings Val Verde Wind | Eolien | 49% | 49% | (EM) | (EM) |
| Val Verde Wind Holdco | Eolien | 49% | 49% | (EM) | (EM) |
| Val Verde Wind Holdco Ii | Eolien | 49% | 49% | (EM) | (EM) |
| Val Verde Wind Holdco Iii | Eolien | 49% | 49% | (EM) | (EM) |
| **Greece** | | | | | |
| Akuo Energy Greece | Holding | 95% | 95% | (FC) | (FC) |
| Thessaly Energy Solar | Solaire | 95% | 0% | (FC) | (NC) |
| Eoliki Dytikis Elladas | Solaire | 95% | 0% | (FC) | (NC) |
| **Hong-Kong** | | | | | |
| Akuo Energy Indonesia Limited | Holding | 99% | 91% | (FC) | (FC) |
| **Indonesia** | | | | | |
| Pt Akuo Energy Indonesia | Holding | 99% | 86% | (FC) | (FC) |
| **Luxembourg** | | | | | |
| Akuo Energy Africa | Holding | 90% | 90% | (FC) | (FC) |
| Akuo Energy Central Europe | Holding | 90% | 90% | (FC) | (FC) |
| Akuo Energy International | Holding | 100% | 100% | (FC) | (FC) |
| Akuo Energy Middle East | Holding | 0% | 100% | (NC) | (FC) |
| Akuo Energy Solutions | Holding | 100% | 100% | (FC) | (FC) |
| Dnepro Buzky Holdco | Eolien | 90% | 90% | (FC) | (FC) |
| Ogorje Green | Eolien | 90% | 90% | (FC) | (FC) |
| **Mali** | | | | | |
| Akuo Energy Solutions Mali | Holding | 100% | 100% | (FC) | (FC) |
| Akuo Mali Services | Holding | 90% | 90% | (FC) | (FC) |
| Akuo Kita Solar | Solar | 45% | 45% | (EM) | (EM) |
| **Mauritius** | | | | | |
| Akuo Energy Solution (Mauritius) Ltd | Holding | 50% | 50% | (EM) | (EM) |
| Akuo Austral (Mauritius) Ltd | Solar | 44% | 44% | (EM) | (EM) |
| Akuo Energy (Mauritius) Ltd | Solar | 44% | 44% | (EM) | (EM) |
| **Mongolia** | | | | | |
| Akuo Steppe Energy | Holding | 100% | 100% | (FC) | (FC) |
| **Montenegro** | | | | | |
| Krnovo Green Energy | Wind | 46% | 46% | (FC) | (FC) |
| Krnovo Holdco | Wind | 90% | 90% | (FC) | (FC) |
| **New caledonia** | | | | | |
| Akuo Energy Nouvelle Caledonie | Holding | 100% | 100% | (FC) | (FC) |
| Agrinergie De Ouaco | Solar | 51% | 51% | (FC) | (FC) |
| Kwita Wije | Solar | 94% | 94% | (FC) | (FC) |
| Focola | Solar | 49% | 49% | (EM) | (EM) |

*Consolidation methods : IG = Full consolidation - EM = Equity Method - IFRS5 = as per IFRS5 method - NC = Non Consolidated*

| Entities | Technology | Interest percentage 12/31/2021 | Interest percentage 12/31/2020 | Consolidation Method 2021 | Consolidation Method 2020 |
|---|---|---|---|---|---|
| **Poland** | | | | | |
| Akuo Energy Polska | Holding | 97% | 95% | (FC) | (FC) |
| Perfect Wind Polska | Holding | 49% | 48% | (EM) | (EM) |
| Energia Wiatrowa Strzelce | Wind | 49% | 48% | (EM) | (EM) |
| Energy Park 44 | Wind | 49% | 48% | (EM) | (EM) |
| Wind Park Alfa | Wind | 49% | 48% | (EM) | (EM) |
| **Portugal** | | | | | |
| Akuo Renovaveis Portugal, Lda | Holding | 80% | 80% | (FC) | (FC) |
| Akuo Renovaveis Portugal II, Lda | Holding | 90% | 90% | (FC) | (FC) |
| Amargilha Unipessoal Lda | Solar | 80% | 80% | (FC) | (FC) |
| Revendosol Unipessoal Lda | Solar | 80% | 80% | (FC) | (FC) |
| Solstido Unipessoal Lda | Solar | 80% | 80% | (FC) | (FC) |
| **Dominican Republic** | | | | | |
| Akuo Dominicana Servicios | Holding | 90% | 90% | (FC) | (FC) |
| Akuo Holdco | Holding | 90% | 90% | (FC) | (FC) |
| Akuo Energy Dominicana | Wind | 46% | 46% | (FC) | (FC) |
| Parques Eolicos Del Caribe | Wind | 46% | 46% | (FC) | (FC) |
| Icare | Solar | 90% | 90% | (FC) | (FC) |
| Matrisol | Solar | 46% | 90% | (FC) | (FC) |
| **Turkey** | | | | | |
| Akuo Enerji Uretim | Holding | 90% | 90% | (FC) | (FC) |
| **Ukraine** | | | | | |
| Akuo Energy Ukraine Services | Holding | 90% | 90% | (FC) | (FC) |
| **Uruguay** | | | | | |
| Akuo Energy Uruguay Development Services | Holding | 97% | 97% | (FC) | (FC) |
| Trammel | Holding | 97% | 97% | (FC) | (FC) |
| Generacion Eolica Minas | Wind | 55% | 55% | (FC) | (FC) |
| Glymont | Wind | 55% | 55% | (FC) | (FC) |
| Micezina | Wind | 55% | 55% | (FC) | (FC) |
| Polesine | Wind | 58% | 58% | (FC) | (FC) |

*Consolidation methods :* *IG = Full consolidation - EM = Equity Method - IFRS5 = as per IFRS5 method - NC = Non Consolidated*