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PRESS RELEASE

ENERGO-PRO a.s. Releases Results of Operations for the First Six Months of 2023

Prague, 18 September 2023

ENERGO-PRO a.s. (the “**Company**”) has today published its results of operations for the six months ended 30 June 2023.

HIGHLIGHTS:

- **Generation:** Total hydropower generation volume in 1H 2023 amounted to 1,444 GWh, an increase of 2% from 1,415 GWh in 1H 2022, as a result of better hydrological conditions in Bulgaria and Türkiye, partly offset by less favorable hydrological conditions in Georgia. The average free market sales price of our generated hydropower in 1H 2023 fell in Bulgaria from the elevated levels recorded in 1H 2022, remained broadly unchanged, EUR terms, in Türkiye, while in Georgia unregulated prices were broadly stable in GEL terms but rose in EUR terms, as a result of appreciation of GEL against the EUR.
- **Distribution and supply:** In 1H 2023, the Company distributed 2,812 GWh of electricity in Bulgaria and 2,376 GWh in Georgia, which represents a decline of 3% and 5%, respectively, compared to 1H 2022. Grid losses increased to 6.4% in Bulgaria and 10.6% in Georgia, which represented an increase by 0.6 and 0.4 percentage points, respectively, compared to 1H 2022. In 1H 2023, the Company supplied 3,337 GWh of electricity in Bulgaria, a decline of 7% compared to 1H 2022. In Georgia, the Company supplied 1,849 GWh, unchanged compared to 1H 2022. The decline in distribution and supply volume in Bulgaria was mainly attributable to lower electricity consumption as a result of milder weather and slower economic activity, and a reduction of our free-market customer portfolio. The decline in distribution volume in Georgia was mainly due to lower electricity consumption by large enterprises (IT, mining and metallurgy companies) as a result of lower production activity.
- Consolidated **revenues** in 1H 2023 amounted to EUR 642.8m, a decline of 8% when compared to EUR 699.1m achieved in 1H 2022, mainly driven by lower revenue generated in the distribution and supply segment in Bulgaria, principally due to lower average electricity sales prices.
- **EBITDA** in 1H 2023 reached EUR 169.4m, an increase of 52% compared to EUR 111.3m recorded in 1H 2022, driven primarily by higher EBITDA in the distribution and supply segment.
 - EBITDA in the distribution and supply segment increased by EUR 67.8m or 128% to EUR 120.8m in 1H 2023. The increase was driven by the Group’s distribution and supply segment in Bulgaria, where EBITDA increased by EUR 48.6m, mainly because of a one-off expense recorded in 1H 2022. EBITDA in the distribution and supply segment in Georgia recorded an increase of EUR 19.2m in 1H 2023, mainly as a result of appreciation of GEL against the EUR.

- EBITDA in the generation segment declined by EUR 4.1m to EUR 59.2m in 1H 2023. The decrease was mainly attributable to our generation business in Bulgaria, where EBITDA fell by EUR 9.8m primarily due to significantly lower average electricity sales prices which were only partly offset by higher generation volumes. EBITDA in RH Turkey fell by EUR 1.5m in 1H 2023, despite more favorable hydrological conditions, as a result of higher operating costs. This was partly compensated by higher EBITDA in our Georgian generation business, where EBITDA increased by EUR 7.1m mainly due to a combination of (i) appreciation of GEL against the EUR and (ii) Rioni HPP being released from public service obligations and selling its generated electricity for free market prices from 1 May 2022.
- **Capex** in 1H 2023 amounted to EUR 45.6m, a decline of 9% (EUR 4.6m) from EUR 50.3m spent during 1H 2022, mainly due to lower investments in the distribution and supply segment (solar development projects in Bulgaria and new customer connections in Georgia).
- **Gross debt** (including guarantees) stood at EUR 698.5m at 30/06/2023, broadly unchanged from the 2022 year-end position of EUR 716.4m.
- Unrestricted **cash and equivalents** were EUR 81.6m at 30/06/2023 compared to EUR 80.6m at the end of 2022. At 30/06/2023, approx. EUR 151.8m of **additional liquidity** was available under our committed credit facilities.

Petr Milev, Chief Executive Officer, commented on the results: “We are very pleased with our results for the first half of 2023. Our EBITDA reached another record level, both for a six-month period and on a last-twelve-months basis. In fact, EBITDA for the first six months of 2023 exceeds the level the Company achieved for any full year prior to 2021. The exceptional performance was driven primarily by the distribution and supply business in Bulgaria, which recovered strongly from the one-off impact of a hedging termination last year. The continued strength of the Georgian currency, the lari, was the principal driver of our results in Georgia, both for the distribution and supply business and the generation business. EBITDA in the generation business in Bulgaria and Türkiye fell, however, despite more favorable hydrological conditions and higher generation volumes. Although we see potential for increased market volatility and general business risks in the final months of the year, **we are revising our 2023 EBITDA guidance higher, to EUR 290-310 million.** Last but not least, I must mention the truly landmark financing we closed in July, when we became the first European company to issue bonds guaranteed by the United States International Development Finance Corporation. We are honored to have gained such a reputable partner in DFC. Through this transaction we were able to access very long-term financing at a highly attractive all-in cost, during a period of prolonged volatility in the international capital markets. We used the proceeds to refinance our outstanding Eurobonds scheduled to mature next year, which means that we have no scheduled debt maturities until 2027.”

The tables below show operating and financial highlights for the Company in 1H 2022 and 1H 2023.

Operating highlights	Unit	1H 2022	1H 2023	Change	% change
Net generation volume (HPPs)					
Bulgaria	GWh	232	250	17	7%
Georgia	GWh	981	976	(5)	(1%)
Türkiye	GWh	202	219	17	8%
TOTAL	GWh	1,415	1,444	29	2%
Average free market sales price					
Bulgaria	BGN/MWh	322	197	(126)	(39%)
Georgia	GEL/MWh	127	126	(1)	(1%)
Türkiye	TRY/MWh	1,356	1,822	466	34%
Distributed volume					
Bulgaria	GWh	2,908	2,812	(96)	(3%)
Georgia	GWh	2,493	2,376	(117)	(5%)
Grid losses					
Bulgaria	%	5.8	6.4	0.6	n.a.
Georgia	%	10.2	10.6	0.4	n.a.
Supplied volume					
Bulgaria	GWh	3,579	3,337	(242)	(7%)
Georgia	GWh	1,849	1,849	(0)	(0%)

Financial highlights (EURm)	1H 2022	1H 2023	Change	% change
Revenues	699.1	642.8	(56.3)	(8%)
EBITDA				
Bulgaria - generation (EPB)	32.5	22.8	(9.8)	(30%)
Bulgaria - D&S (EPV)	11.2	59.9	48.6	432%
Georgia - generation (EPGG)	16.9	24.0	7.1	42%
Georgia - D&S (EPG+EPGS)	41.7	60.9	19.2	46%
Türkiye - generation (RH)	13.9	12.5	(1.5)	(10%)
Other	(4.9)	(10.5)	(5.6)	113%
TOTAL	111.3	169.4	58.1	52%
Cash interest paid	14.5	28.2	13.6	94%
Capex	50.3	45.6	(4.6)	(9%)
	FYE 2022	30/6/2023	Change	% change
Unrestricted cash	80.6	81.6	1.0	1%
Total gross debt (incl. guarantees)	716.4	698.5	(17.9)	(3%)

The Company's interim consolidated financial statements for the six months ended, and as of, 30 June 2023 are available to view and download from the Investor Relations section of the Company's website (<http://www.energo-pro.com/en/pro-investory>) or by following this [link](#).

The Company will hold an investor call to present the results for the first six months of 2023, and provide an update on regulatory developments, at 15:00 CET / 14:00 UK on 21 September 2023. If you would like to participate in the call please refer to the Investor Relations section of the Company's website (<http://www.energo-pro.com/en/pro-investory>) or follow this [link](#) for details.

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APPENDIX: MANAGEMENT'S DISCUSSION AND ANALYSIS OF FINANCIAL CONDITION AND RESULTS OF OPERATIONS (ABRIDGED)

Operating segments

The Group's business is divided into six segments: (i) electricity distribution and supply in Bulgaria ("D&S Bulgaria"), (ii) electricity generation in Bulgaria ("Generation Bulgaria"), (iii) electricity distribution and supply in Georgia ("D&S Georgia"), (iv) electricity generation in Georgia ("Generation Georgia"), (v) electricity generation in Türkiye ("Generation Türkiye"), and (vi) other ancillary business activities of the Group ("Other Business"). The table below sets out key income line items of the Group's segments for the six months ended 30 June 2023 and 2022.

Key line items	D&S Bulgaria	Generation Bulgaria	D&S Georgia	Generation Georgia	Generation Türkiye	Other Business	Intra-group	Total
<i>(in EUR million)</i>								
Six months ended								
30 June 2023								
Revenue.....	415.9	28.2	238.6	33.8	16.8	39.8	(130.2)	642.8
Other income / (expense)	(0.1)	0.3	6.7	0.3	0.2	0.3	(4.5)	3.2
Changes in inventory of products and in work in progress	–	–	–	–	–	(2.8)	2.8	0.1
Purchased power	(275.9)	(0.2)	(153.5)	(3.0)	(0.6)	–	102.2	(331.0)
Service expenses.....	(46.1)	(2.1)	(6.5)	(3.2)	(2.1)	(12.1)	9.4	(62.7)
Labour costs	(25.7)	(1.4)	(15.3)	(1.6)	(1.6)	(8.4)	0.0	(54.1)
Material expenses	(2.2)	(0.2)	(0.6)	(0.0)	–	(21.0)	19.0	(4.9)
Other tax expenses	(0.3)	–	(5.7)	(1.7)	(0.2)	(0.6)	–	(8.5)
Other operating expenses	(5.8)	(1.9)	(2.8)	(0.5)	–	(4.4)	0.0	(15.4)
EBITDA	59.9	22.8	60.9	24.0	12.5	(9.3)	(1.3)	169.4
Depreciation and amortisation	(11.3)	(1.7)	(11.8)	(2.5)	(0.6)	(0.5)	–	(28.3)
EBIT	48.6	21.1	49.2	21.5	11.8	(9.8)	(1.3)	141.1
Six months ended								
30 June 2022								
Revenue.....	487.8	52.1	199.8	23.4	16.6	38.8	(119.4)	699.1
Other income / (expense)	0.1	0.1	4.9	0.1	0.2	0.1	(3.6)	1.9
Changes in inventory of products and in work in progress	–	–	–	–	–	–	–	–
Purchased power	(431.0)	(13.3)	(142.8)	(0.6)	(0.8)	(7.5)	103.7	(492.4)
Service expenses.....	(23.6)	(2.6)	(5.4)	(3.3)	(1.3)	(8.7)	9.2	(35.7)
Labour costs	(18.1)	(1.3)	(11.8)	(1.3)	(0.7)	(6.6)	–	(39.8)
Material expenses	(1.6)	(0.2)	(0.6)	(0.0)	–	(18.0)	11.8	(8.5)
Other tax expenses	(0.3)	–	(1.1)	(0.5)	(0.0)	(0.6)	–	(2.5)
Other operating expenses	(2.2)	(2.2)	(1.4)	(0.8)	–	(4.3)	0.0	(10.8)
EBITDA	11.2	32.5	41.7	16.9	13.9	(6.7)	1.8	111.3
Depreciation and amortisation	(11.8)	(1.7)	(8.6)	(2.0)	(0.5)	(0.3)	–	(24.9)
EBIT	(0.6)	30.9	33.1	14.9	13.4	(7.0)	1.8	86.4

Key performance indicators

	Six months ended 30 June	
	2023	2022
Group⁽¹⁾		
RAB (in EUR million) ⁽²⁾	349	307
Distributed Volume (in GWh).....	5,188	5,401
Connection points (in thousands).....	2,562	2,529
Supplied Volume (in GWh).....	5,186	5,428
HPP Net Generation (in GWh).....	1,444	1,415
Of which Regulated.....	461	623
EBITDA (in EUR million).....	169.4	111.3
Capex (in EUR million).....	45.6	50.3
D&S Bulgaria		
RAB (in BGN million).....	282	262
RAB (in EUR million) ⁽²⁾	144	134
WACC (pre-tax) (in %).....	5.74	5.74
Distributed Volume (in GWh).....	2,812	2,908
Connection points (in thousands).....	1,243	1,235
Grid losses (in %).....	6.4	5.8
Supplied Volume (in GWh).....	3,337	3,579
SAIDI (in minutes).....	40.4	25.7
SAIFI (frequency).....	1.0	0.8
EBITDA (in EUR million).....	59.9	11.2
Capex (in EUR million).....	10.9	15.0
D&S Georgia		
RAB (in GEL million).....	587	533
RAB (in EUR million) ⁽²⁾	205	173
WACC (pre-tax) (in %).....	15.39	15.39
Distributed Volume (in GWh).....	2,376	2,493
Connection points (in thousands).....	1,319	1,294
Grid losses (in %).....	10.6	10.2
Supplied Volume (in GWh).....	1,849	1,849
SAIDI (in minutes).....	664	668
SAIFI (frequency).....	9.0	7.7
EBITDA (in EUR million).....	60.9	41.7
Capex (in EUR million).....	28.9	30.1
Generation Bulgaria		
HPP Net Generation (in GWh).....	250	232
Of which Regulated ⁽³⁾	–	57
Price per MWh (in BGN)		
Of which Regulated ⁽⁴⁾	–	–
Of which Non-regulated.....	196.8	322.4
EBITDA (in EUR million).....	22.8	32.5
Capex (in EUR million).....	0.8	0.9
Generation Georgia		
HPP Net Generation (in GWh).....	976	981
Of which Regulated.....	461	566
Price per MWh (in GEL)		
Of which Regulated.....	29.6	27.2
Of which Non-regulated.....	125.8	126.8
EBITDA (in EUR million).....	24.0	16.9
Capex (in EUR million).....	1.9	2.8

	Six months ended 30 June	
	2023	2022
Generation Türkiye		
HPP Net Generation (in GWh)	219	202
Of which Regulated	–	–
Price per MWh		
Of which Regulated (in USD)	–	–
Of which Non-regulated (in TRY)	1,822	1,356
EBITDA (in EUR million)	12.5	13.9
Capex (in EUR million)	0.0	0.0

Notes:

- (1) Covers only (i) the D&S Bulgaria segment and the D&S Georgia segment for the following KPIs: RAB, Distributed Volume, Connection points and Supplied Volume; and (ii) the Generation Bulgaria segment, the Generation Georgia segment and the Generation Türkiye segment for the following KPIs: HPP Net Generation and HPP Net Regulated Generation.
- (2) Converted into EUR using exchange rates at the end of period: 1.0 EUR = 1.95583 BGN, 1.0 EUR = 2.86 and 3.08 GEL on 30 June 2023 and 30 June 2022, respectively.
- (3) In June 2022, EP Bulgaria terminated its agreements with ESSF and its HPPs are no longer eligible for CfP / FiP.
- (4) From 1 January 2022, the premium for all regulated HPPs was set to zero (due to high electricity market prices).

Results of operations

Six months ended 30 June 2023 compared to six months ended 30 June 2022

The following table sets forth a summary of the Group's income statement for the six months ended 30 June 2023 and 2022:

	Six months ended 30 June		Change
	2023	2022	
	<i>(in EUR million)</i>		<i>(in %)</i>
Total revenue	642.8	699.1	(8)
Other income	3.2	1.9	72
Purchased power	(331.0)	(492.4)	(33)
Service expenses	(62.7)	(35.7)	76
Labour costs	(54.1)	(39.8)	36
Material expenses	(4.9)	(8.5)	(42)
Other operating expenses	(15.4)	(10.8)	43
EBITDA	169.4	111.3	52
Depreciation, amortisation and impairment losses	(28.3)	(24.9)	14
EBIT	141.1	86.4	63
Finance costs	(31.6)	(63.6)	(50)

Total revenue

Total revenue decreased by 8% to EUR 642.8 million for the six months ended 30 June 2023 as compared to EUR 699.1 million for the six months ended 30 June 2022. This decrease was primarily due to lower revenue generated in the Group's distribution and supply segment in Bulgaria.

Revenue in the Group's distribution and supply segment decreased, as the decrease in revenue in the Group's distribution and supply segment in Bulgaria was only partly compensated by an increase in revenue in the Group's distribution and supply segment in Georgia. Revenue in the Group's distribution and supply segment in Bulgaria decreased primarily as a result of (i) lower free market supply revenue due to significantly lower average electricity sales prices and, to a smaller extent, lower volumes of electricity sold to end customers and (ii) lower regulated supply revenue due to reduced electricity sales price starting on 1 July 2022, which were partly offset by higher distribution revenue due to higher distribution tariffs starting on 1 July 2022. Revenue in the Group's distribution and

supply segment in Georgia increased primarily as a result of appreciation of GEL against the EUR; in GEL terms, it was broadly stable.

Revenue in the Group's generation segment decreased. Lower revenue from the Group's generation segment was mainly due to lower revenue generated in EP Bulgaria as significantly lower average electricity sales prices were only partly offset by more favourable hydrological conditions and resulting higher generation volumes. The decreased revenue from the Group's generation segment in Bulgaria was partly offset by increased revenue from the Group's generation segment in Georgia as a result of a combination of (i) appreciation of GEL against the EUR, (ii) increased revenue from the sale of electricity generated by the Group's HPPs (primarily due to Rioni HPP being released from public service obligations and selling its generated electricity for free market prices, which are materially higher than regulated prices, since 1 May 2022), and (iii) increased revenue from the sale of electricity generated by gPower. Revenue in the Group's generation segment in Türkiye was broadly stable.

Other income

Other income increased by 72% to EUR 3.2 million for the six months ended 30 June 2023 as compared to EUR 1.9 million for the six months ended 30 June 2022, as a result of changes in a number of otherwise immaterial items.

Purchased power

Purchased power decreased by 33% to EUR 331 million for the six months ended 30 June 2023 as compared to EUR 492.4 million for the six months ended 30 June 2022. This decrease was primarily due to (i) significantly lower power purchase costs in EP Varna, mainly as a result of lower average electricity market prices and, to a smaller extent, lower volumes of electricity purchased and (ii) EP Bulgaria purchasing almost no electricity in the six months ended 30 June 2023, while in the six months ended 30 June 2022 it (acting as an intermediary) purchased electricity in auctions organised by Bulgarian state-owned NEK. Power purchase costs in our distribution and supply segment in Georgia decreased in GEL terms (mainly due to lower prices of electricity purchased), however, when expressed in EUR they increased as a result of appreciation of GEL against the EUR. This increase in power purchase costs in EUR terms in Georgia only partly offset the decrease in power purchase costs in Bulgaria.

Service expenses

Service expenses increased by 76% to EUR 62.7 million for the six months ended 30 June 2023 as compared to EUR 35.7 million for the six months ended 30 June 2022. This increase was primarily due to higher service expenses in EP Varna related to the purchase of electricity to cover grid losses, mainly as a result of higher price per MWh paid in the six months ended 30 June 2023. In the six months ended 30 June 2022, electricity to cover grid losses was purchased by EP Varna at a price which benefited from compensation from the ESSF above the price approved in the tariff formula for the price period from 1 July 2021 until 30 June 2022, while in the six months ended 30 June 2023 this was no longer the case.

Labour costs

Labour costs increased by 36% to EUR 54.1 million for the six months ended 30 June 2023 as compared to EUR 39.8 million for the six months ended 30 June 2022. This increase was primarily due to higher salaries and other personnel expenses in the Group's distribution and supply segment in Bulgaria (as a result of increase of average salaries as well as higher incentive and discretionary compensation)

and, to a smaller extent, in Georgia (as a result of increase of average salaries in GEL terms and also as a result of appreciation of GEL against the EUR) and in EPAS (as a result of higher incentive and discretionary compensation).

Material expenses

Material expenses decreased by 42% to EUR 4.9 million for the six months ended 30 June 2023 as compared to EUR 8.5 million for the six months ended 30 June 2022. This decrease was primarily due to a decrease in purchases of materials for affiliated companies made by the Group's central purchasing department.

Other operating expenses

Other operating expenses increased by 43% to EUR 15.4 million for the six months ended 30 June 2023 as compared to EUR 10.8 million for the six months ended 30 June 2022. This increase was primarily due to (i) increased other operating expenses in EP Varna, which included the cost of equipment for solar projects purchased for, and re-sold to, an affiliated entity, partly offset by lower provision for legal cases and lower impairment for trade receivables and, to a smaller extent, (ii) increased other operating expenses in our distribution and supply segment in Georgia, due to changes in a number of otherwise immaterial items.

EBITDA

EBITDA increased by 52% to EUR 169.4 million for the six months ended 30 June 2023 as compared to EUR 111.3 million for the six months ended 30 June 2022. This increase was primarily due to higher EBITDA in the distribution and supply segment.

EBITDA in the Group's distribution and supply segment increased by EUR 67.8 million to EUR 120.8 million for the six months ended 30 June 2023. This increase was primarily attributable to the Group's distribution and supply segment in Bulgaria, which increased its EBITDA by EUR 48.6 million to EUR 59.9 million for the six months ended 30 June 2023 (EUR 11.2 million for the six months ended 30 June 2022), mainly because in the second quarter of 2022 EP Varna recorded a one-off loss on the close-out of EP Varna's electricity forward sales position, which significantly negatively affected EP Varna's EBITDA for the six months ended 30 June 2022. Excluding the effects of the one-off loss in 2022, EBITDA of the Group's distribution and supply segment in Bulgaria for the six months ended 30 June 2023 increased principally due to higher distribution tariffs from 1 July 2022, which were partly offset by lower volume of electricity distributed, higher cost and volume of power purchased to cover grid losses, and higher labour costs. EBITDA in the distribution and supply business in Georgia increased by EUR 19.2 million to EUR 60.9 million for the six months ended 30 June 2023 (EUR 41.7 million for the six months ended 30 June 2022), mainly as a result of appreciation of GEL against the EUR (in GEL terms, weighted average tariffs were broadly unchanged while cost of purchased electricity in GEL/MWh was lower).

EBITDA in the Group's generation segment decreased by EUR 4.1 million to EUR 59.2 million for the six months ended 30 June 2023 from EUR 63.3 million for the six months ended 30 June 2022. This decrease was mainly attributable to the Group's generation segment in Bulgaria, where EBITDA fell by EUR 9.8 million, primarily due to significantly lower average electricity sales prices which were only partly offset by slightly more favourable hydrological conditions and resulting higher generation volumes. EBITDA in RH Turkey fell by EUR 1.5 million, mainly as a result of higher operating costs (labour costs and transmission and dispatch expenses). The negative impact of EP Bulgaria and RH Turkey was partly compensated by higher EBITDA in the generation segment in Georgia, where EBITDA

increased by EUR 7.1 million, mainly due to a combination of (i) appreciation of GEL against the EUR and (ii) Rioni HPP being released from public service obligations and selling its generated electricity for free market prices, which are materially higher than regulated prices, since 1 May 2022.

Depreciation, amortisation and impairment losses

Depreciation, amortisation and impairment losses increased by 14% to EUR 28.3 million for the six months ended 30 June 2023 as compared to EUR 24.9 million for the six months ended 30 June 2022. This increase was primarily due to a combination of (i) appreciation of GEL against the EUR affecting depreciation, amortisation and impairment losses in our businesses in Georgia and (ii) investments in Property, plant and equipment resulting in higher depreciation, amortisation and impairment losses in our distribution business in Georgia.

EBIT

EBIT increased by 63% to EUR 141.1 million for the six months ended 30 June 2023 as compared to EUR 86.4 million for the six months ended 30 June 2022. This increase was primarily due to the factors described above.

Finance costs

Finance costs decreased by 50% to EUR 31.6 million for the six months ended 30 June 2023 as compared to EUR 63.6 million for the six months ended 30 June 2022. This decrease by approx. EUR 31.9 million was primarily due to a reduction in finance costs in EPAS by EUR 33.3 million, as a result of EPAS recording net unrealized foreign exchange gains in the six months ended 30 June 2023 while in the six months ended 30 June 2022 it recorded net unrealized foreign exchange losses.

Unrealized foreign exchange gains in EPAS in the six months ended 30 June 2023 arose primarily on its USD- as well as EUR-denominated bonds due to appreciation of CZK (EPAS's functional currency) against both the USD and, to a smaller extent, the EUR, which were only partly offset by the unrealized foreign exchange losses on the EUR-denominated issued loans (mainly loans to DKHI) and EUR-denominated intercompany receivables. Unrealized foreign exchange losses in EPAS in the six months ended 30 June 2022 arose primarily on (i) its USD-denominated bonds due to depreciation of CZK against the USD and on (ii) its EUR-denominated issued loans (mainly loans to DKHI) and EUR-denominated intercompany receivables due to the appreciation of CZK against the EUR, which were only partly offset by the unrealized foreign exchange gains on its EUR-denominated bonds.

Liquidity and capital resources

Statement of cash flows

The following table summarises the Group's cash flows for the six months ended 30 June 2023 and 2022:

	Six months ended 30 June	
	2023	2022
	<i>(in EUR million)</i>	
Profit/(loss) before income tax	132.6	31.8
Adjusted for:		
Depreciation, amortisation and impairment losses	28.3	24.9
Unrealized currency translation losses/(gains)	4.0	45.2
Interest income	(20.6)	(8.1)
Interest expenses	23.7	22.8
Changes in provisions and impairment	0.4	0.8
Assets granted free of charge	(0.7)	(0.0)
Inventory surplus	(0.1)	(0.3)
(Gain)/Loss on disposal of property, plant and equipment.....	0.8	0.8
Inventory obsolescence expense	1.8	2.2
Other changes - difference in rate of exchange and other	(0.4)	(6.8)
Cash (outflow)/inflow from operating activities before changes in operating assets and liabilities	169.7	113.2
Movements in working capital		
Decrease/(increase) in inventories.....	(7.6)	(4.9)
Decrease/(increase) in trade accounts receivable	60.2	28.0
Decrease/(increase) in other current assets	18.7	(24.9)
Increase/(decrease) in trade and other payables.....	(67.0)	(21.3)
Increase/(decrease) in other current liabilities	(1.3)	(2.6)
Cash (outflow)/inflow from operating activities before interest income received, interest expense paid and income tax paid	172.7	87.5
Interest received	0.0	0.0
Income tax paid.....	(2.6)	(8.3)
Net cash (outflow)/inflow from operating activities	170.1	79.2
Cash flow from investing activities		
Acquisition of subsidiaries, net of cash of entities acquired (-), disposal of subsidiaries, net of cash of entities disposed	0.9	(1.4)
Purchases of property, plant and equipment and intangible assets	(45.6)	(50.3)
Loans granted.....	(86.8)	(28.8)
Loans repaid	6.4	0.0
Net cash (outflow)/inflow from investing activities	(125.2)	(80.4)
Cash flow from financing activities		
Proceeds from borrowings	603.1	1,125.8
Repayment of borrowings.....	(617.8)	(1,118.4)
Issued bonds	-	379.5
Repayment of issued bonds	-	(370.0)
Interest paid	(28.2)	(14.5)
Dividends paid to non-controlling interest.....	-	-
Dividends paid to the shareholders of the parent company.....	-	-
Net cash (used in)/provided by financing activities	(42.9)	2.3
Net increase/(decrease) in cash and cash equivalents	2.0	1.1
Cash and cash equivalents at the beginning of the period	80.6	34.2
Effect of exchange rate on changes in cash and cash equivalents	(1.0)	2.8
Cash and cash equivalents at the end of the period	81.6	38.1

Net cash inflow from operating activities

Net cash inflow from operating activities amounted to EUR 170.1 million for the six months ended 30 June 2023 as compared to net cash inflow from operating activities of EUR 79.2 million for the six months ended 30 June 2022. Cash inflow from operating activities before changes in operating assets and liabilities increased by EUR 56.5 million or 50%, primarily due to an increase in the Group's EBITDA by EUR 58.1 million as a result of the factors described under "*—Results of operations—Six months ended 30 June 2023 compared to six months ended 30 June 2022—EBITDA*" above. This increase was further enhanced by the positive effect of changes in working capital of EUR 28.7 million in the six months ended 30 June 2023 as compared to the six months ended 30 June 2022. For the six months ended 30 June 2023, changes in working capital resulted in a cash inflow of EUR 3 million compared to a cash outflow of EUR 25.7 million in the six months ended 30 June 2022. The EUR 3 million decrease in working capital (cash inflow) in the six months ended 30 June 2023 was primarily the result of (i) a decrease in trade accounts receivable mainly of EP Varna (principally due to lower prices and lower volumes of electricity sold to customers on the regulated market and lower prices of electricity sold to free market customers) and (ii) a decrease in other current assets mainly of EP Varna (due to a decrease in the receivable from DKHI related to the sale of EP Varna's minority interest in the share capital of Berta Enerji Elektrik Üretim Sanay ve Tic. A.Ş., an HPP and dam project in Türkiye owned and developed by DKHI, a decrease in recoverable VAT receivable, and a decrease in advances to suppliers), almost entirely offset by (i) a decrease in trade and other payables mainly in our distribution and supply segment in Georgia (due to a decrease in reverse factoring of purchased power-related trade payables), EP Varna (due to lower prices and lower volumes of purchased electricity) and RH Turkey (due to repayment of a payable to EPIAS related to derecognition of revenue from electricity sales in 2022 in excess of the price cap introduced by the Government of Türkiye) and (ii) an increase in inventories mainly in our distribution and supply segment in Bulgaria related to the purchase of equipment for solar projects. On the other hand, the EUR 25.7 million increase in working capital (cash outflow) in the six months ended 30 June 2022 was primarily a result of (i) an increase in other current assets mainly of EP Varna (due to an increase in receivables from the Government of Bulgaria to cover (a) the difference between the actual electricity market price and the capped price for non-household customers as well as (b) the difference between the actual electricity market price paid to purchase grid losses and the price included in the regulatory formula used for tariff calculation), (ii) a decrease in trade and other payables mainly in our distribution and supply segment in Georgia (due to (A) lower power purchase costs as a result of lower supplied volumes (mainly attributable to market liberalization where high-voltage customers with monthly consumption in excess of 0.4 GWh were obliged to move to the free market starting from 1 July 2021) and lower electricity prices (in GEL/MWh) and (B) decrease in reverse factoring of purchased power-related trade payables) and EP Varna (due to increased payments for purchased electricity) and (iii) an increase in inventories of materials for repairs and capital expenditures mainly in our distribution and supply segment in Georgia and, to a smaller extent, Bulgaria, partly offset by (iv) a decrease in trade accounts receivable mainly of EP Varna (due to lower energy consumption in the summer months).

Net cash outflow from investing activities

Net cash outflow from investing activities amounted to EUR 125.2 million for the six months ended 30 June 2023, which represented an increase of EUR 44.7 million compared to net cash outflow from investing activities of EUR 80.4 million for the six months ended 30 June 2022. This increase was primarily due to an increase in net loans granted, which grew by EUR 51.7 million to EUR 80.4 million and represented mainly distributions to DKHI.

Net cash used in financing activities

Net cash used in financing activities amounted to EUR 42.9 million for the six months ended 30 June 2023 compared to net cash provided by financing activities of EUR 2.3 million for the six months ended 30 June 2022. In February 2022, EPAS issued USD 435 million (EUR 379.5 million equivalent) notes due 2027, the proceeds of which were used to repay in full the EUR 370 million notes due 2022. As part of this refinancing transaction EPAS also paid accrued interest on the EUR 370 million notes due 2022 (included in interest paid for the six months ended 30 June 2022) and repaid certain of its borrowings. The EUR 45.2 million increase in net cash used in financing activities in the six months ended 30 June 2023 was primarily due to (i) net repayment of bank overdrafts in the six months ended 30 June 2023 compared to a net increase in borrowings in the six months ended 30 June 2022, and, to a lesser extent, (ii) higher interest paid as the first semi-annual interest payment on the new USD notes was paid in February while interest on the EUR 370 million notes due 2022 used to be paid annually, in December.

Capital expenditures and investments

Historical capital expenditures and investments

The following table sets forth a summary of the Group's capital expenditures and investments for the six months ended 30 June 2023 and 2022:

	Six months ended 30 June	
	2023	2022
	<i>(in EUR million)</i>	
EP Varna		
New customer connections.....	4.8	3.4
Network improvement.....	1.9	3.2
Meter replacement.....	1.9	2.1
Solar development projects.....	0.8	4.6
IT, vehicles and other.....	1.4	1.7
EP Georgia		
New customer connections.....	12.1	14.0
Network improvement.....	13.7	13.1
IT, vehicles and other.....	3.1	2.9
Distribution and supply segment total	39.8	45.0
EP Bulgaria		
HPP rehabilitation.....	0.8	0.9
EPG Generation		
HPP rehabilitation.....	1.7	2.4
TPP rehabilitation.....	0.2	0.4
RH Turkey		
HPP rehabilitation.....	0.0	0.0
EP Colombia		
HPP development and construction.....	2.2	0.2
Generation segment total	4.9	3.9
Other		
Other investments.....	0.9	1.3
Total	45.6	50.3

Principal capital expenditures in the distribution and supply segment related to new customer connections, network improvement (such as rehabilitation of low, medium and high voltage transmission lines and rehabilitation of substations), meter replacement, and modernisation of IT systems and vehicle fleet.

Principal capital expenditures in the generation segment related to rehabilitation of HPPs in order to increase the efficiency and service lifetime across the HPP portfolio. Capital expenditures incurred by EP Colombia primarily related to the development and construction of Generadora Chorreritas S.A.S. E.S.P. ("**Chorreritas**"), a 20 MW greenfield hydropower project on the San Andrés river in the Antioquia region in Colombia.

Other capital expenditures primarily related to investments in OPPA (mainly into its network of payment terminals).

Financing arrangements of the Group

The following table sets forth the Group's loans and borrowings as of 30 June 2023 and 31 December 2022:

	As of	
	30 June 2023	31 December 2022
	<i>(in EUR million)</i>	
Revolving credit facilities/overdrafts	–	9.0
Bonds issued	661.4	674.5
Total	661.4	683.5
Current	264.9	24.7
Non-current	396.5	658.8
Total	661.4	683.5
Secured ⁽¹⁾	–	3.1
Unsecured	661.4	680.4
Total	661.4	683.5

Notes:

(1) Security includes pledges over trade receivables, bank accounts and other security instruments.

As of 30 June 2023, the Group's loans and borrowings amounted to EUR 661.4 million, all of which were owed by EPAS. As of 30 June 2023, none of the Group's loans and borrowings were secured. As of 30 June 2023, the Group's undrawn committed credit facilities and overdrafts in place to fund its liquidity needs amounted to EUR 151.8 million.

Bonds

The following table provides an overview of outstanding bonds issued by the Group, as of 30 June 2023:

Group Member	Ranking	Credit rating by Fitch / S&P	Bonds Outstanding ⁽¹⁾ <i>(in EUR million)</i>	Maturity	Coupon <i>(in %)</i>
EPAS	guaranteed unsecured unsubordinated	BB- /B+	250.0	4 May 2024	4.500
EPAS	guaranteed unsecured unsubordinated	BB- /B+	400.2	4 February 2027	8.500
Total			650.2		

Notes:

(1) Represents outstanding principal only, excluding accrued interest and IFRS adjustments.

EPAS Bonds

As of 1 January 2022, EPAS had two bond issues outstanding: (i) EUR 370 million guaranteed notes due 2022 with a coupon of 4.00% ("**2022 Eurobonds**") and (ii) EUR 250 million guaranteed notes due 2024 with a coupon of 4.50% ("**2024 Eurobonds**"), both guaranteed by EP Varna, EP Georgia, EPG Generation and RH Türkiye, and listed on the official list of the Irish Stock Exchange plc (Euronext Dublin) and traded on the Global Exchange Market of Euronext Dublin.

On 4 February 2022, EPAS issued USD 435 million guaranteed notes due 2027 with a coupon of 8.50% ("**2027 Eurobonds**"), the proceeds of which were used to (i) repay in full the 2022 Eurobonds including interest accrued thereon, (ii) repay two credit facilities in an aggregate outstanding amount of approx.

EUR 1 million and (iii) pay transaction-related fees and expenses. The coupon on the 2027 Eurobonds is payable semi-annually and the bonds have a bullet repayment at maturity. The 2027 Eurobonds are guaranteed by EP Varna, EP Georgia Holding, EP Georgia, EPG Generation, EPG Supply, EP Türkiye Holding and RH Türkiye (the “**Guarantors**”), and listed on the official list of Euronext Dublin and traded on the Global Exchange Market of Euronext Dublin.

The 2027 Eurobonds rank *pari passu*, without any preference among themselves, with all other outstanding unsecured and unsubordinated obligations of EPAS. The 2027 Eurobonds are fully and unconditionally guaranteed on a joint and several basis by the Guarantors. The 2027 Eurobonds are unsecured. However, their terms contain a negative pledge covenant according to which EPAS will not, and will not cause or permit any of its restricted subsidiaries to, directly or indirectly, create, incur, assume or suffer to exist any lien of any kind securing indebtedness upon any of its property or assets, subject to certain exceptions.

The 2027 Eurobonds include several financial covenants prohibiting EPAS from, among other things, (i) declaring or paying any dividend or make any other distributions, including contributions to holders of EPAS’s equity interests and certain other payments; (ii) purchasing, redeeming or otherwise acquiring any equity interests of EPAS or of any direct or indirect parent of EPAS; (iii) making any payment on or with respect to, or purchase, redeem, defease or otherwise acquire or retire for value any indebtedness of EPAS or any Guarantor that is expressly contractually subordinated in right of payment to the 2027 Eurobonds or to any guarantee; and (iv) creating, incurring, issuing, assuming, guaranteeing or otherwise becoming directly or indirectly liable, contingently or otherwise, with respect to any indebtedness or issue any disqualified stock (while EPAS will not cause or permit any of its restricted subsidiaries to do the same), if the consolidated net leverage ratio, on a *pro forma* basis, would exceed 4.5 to 1.0. These financial covenants are subject to certain exceptions and thresholds specified therein. Moreover, EPAS or any Guarantor may not under the 2027 Eurobonds consolidate, amalgamate or merge with or into another entity, subject to certain exceptions specified therein. In addition, the 2027 Eurobonds contain a change of control provision, which is triggered if (i) properties or assets of EPAS and its restricted subsidiaries are directly or indirectly sold, transferred, leased or otherwise disposed of, or (ii) Mr. Tesař ceases to own directly or indirectly at least 50.1% of the issued share capital of EPAS, the voting rights of EPAS or otherwise ceases to control EPAS. If any of the triggers are followed by a rating downgrade the bondholders may become entitled to require EPAS to buy the 2027 Eurobonds back from them. The 2027 Eurobonds also contain customary events of default, including, among other things, non-payment of principal or interest, breach of other obligations, cross acceleration of EPAS, the Guarantors or any restricted subsidiary, winding up and analogous events, cessation, insolvency, insolvency proceedings, guarantee not in force and unlawfulness.

On 27 July 2023, EPAS issued EUR 300 million guaranteed notes due 2035 with a coupon of 4.262% (“**2035 Eurobonds**”), the proceeds of which were used to (i) repay in full the 2024 Eurobonds including interest accrued thereon, (ii) pay transaction-related fees and expenses, and (iii) for general corporate purposes. The coupon on the 2035 Eurobonds is payable annually. The 2035 Eurobonds have a 12-year final maturity, with principal amortizing in equal annual payments following a 4-year interest-only period. The 2035 Eurobonds benefit from a guaranty from the United States International Development Finance Corporation (the “**DFC**”), as well as from upstream guarantees from EP Varna, EP Georgia Holding, EP Georgia, EPG Generation, EPG Supply, EP Türkiye Holding and RH Türkiye (the “**Upstream Guarantors**”). The 2035 Eurobonds are listed on the official list of Euronext Dublin and traded on the Global Exchange Market of Euronext Dublin.

The 2035 Eurobonds rank *pari passu*, without any preference among themselves, with all other outstanding unsecured and unsubordinated obligations of EPAS. The 2035 Eurobonds benefit from an

unconditional and irrevocable guaranty by DFC, which guarantees the full and complete payment of all (i) Scheduled Payments of principal of the 2035 Eurobonds up to an aggregate principal amount of USD 545 million (the “**Maximum Guaranteed Principal Amount**”), (ii) Scheduled Payments of Covered Interest up to the Maximum Guaranteed Principal Amount, and (iii) all Guarantor Acceleration Payments. The 2035 Eurobonds are fully and unconditionally guaranteed on a joint and several basis by the Upstream Guarantors. The 2035 Eurobonds are unsecured. However, their terms contain a negative pledge covenant according to which EPAS will not, and will not cause or permit any of its restricted subsidiaries to, directly or indirectly, create, incur, assume or suffer to exist any lien of any kind securing indebtedness upon any of its property or assets, subject to certain exceptions.

The 2035 Eurobonds include several financial covenants prohibiting EPAS from, among other things, (i) declaring or paying any dividend or make any other distributions, including contributions to holders of EPAS’s equity interests and certain other payments; (ii) purchasing, redeeming or otherwise acquiring any equity interests of EPAS or of any direct or indirect parent of EPAS; (iii) making any payment on or with respect to, or purchase, redeem, defease or otherwise acquire or retire for value any indebtedness of EPAS or any Upstream Guarantor that is expressly contractually subordinated in right of payment to the 2035 Eurobonds or to any guarantee; and (iv) creating, incurring, issuing, assuming, guaranteeing or otherwise becoming directly or indirectly liable, contingently or otherwise, with respect to any indebtedness or issue any disqualified stock (while EPAS will not cause or permit any of its restricted subsidiaries to do the same), if the consolidated net leverage ratio, on a *pro forma* basis, would exceed 4.5 to 1.0. These financial covenants are subject to certain exceptions and thresholds specified therein. Moreover, EPAS or any Upstream Guarantor may not under the 2035 Eurobonds consolidate, amalgamate or merge with or into another entity, subject to certain exceptions specified therein. In addition, the 2035 Eurobonds contain a change of control provision, which is triggered if (i) properties or assets of EPAS and its restricted subsidiaries are directly or indirectly sold, transferred, leased or otherwise disposed of, or (ii) Mr. Tesař ceases to own directly or indirectly at least 50.1% of the issued share capital of EPAS, the voting rights of EPAS or otherwise ceases to control EPAS. If any of the triggers are followed by a rating downgrade the bondholders may become entitled to require EPAS to buy the 2035 Eurobonds back from them. The 2035 Eurobonds also contain customary events of default, including, among other things, non-payment of principal or interest, breach of other obligations, cross acceleration of EPAS, the Upstream Guarantors or any restricted subsidiary, winding up and analogous events, cessation, insolvency, insolvency proceedings, guarantee not in force and unlawfulness.

Principal bank loans

The following table provides a basic overview of the Group's principal bank loan facilities as of 30 June 2023:

<u>Group Member</u>	<u>Type of Facility</u>	<u>Security and Guarantees</u>	<u>Aggregate Outstanding Balance</u> <i>(in EUR million)</i>	<u>Base Rate</u>	<u>Final Maturity Date</u>
EP Energy Services .	Overdraft	Secured by trade receivables and pledge over bank accounts; guaranteed by EP Varna	–	EURIBOR	30 September 2024
EP Energy Services .	Overdraft + guarantees	Secured by trade receivables and pledge over bank accounts; co-debtor is EP Varna	–	ADI ^{(1),(2)}	31 July 2023 ^{(5),(6)}
EP Energy Services .	Overdraft + guarantees	Secured by trade receivables and pledge over bank accounts; co-debtor is EP Varna	–	STIR ⁽³⁾	30 June 2024 ⁽⁷⁾
EDC North	Overdraft	Unsecured; co-debtor is EP Varna	–	STIR ⁽³⁾	4 October 2024
EP Sales	Overdraft	Secured by pledge over bank accounts; co-debtor is EP Varna	–	ADI ^{(1),(2)}	31 July 2023 ⁽⁸⁾
EP Sales	Overdraft + guarantees	Secured by trade receivables and pledge over bank accounts; co-debtor is EP Varna	–	PRIME Business clients ⁽⁴⁾	5 January 2024 ⁽⁹⁾
Total			–		

Notes:

- (1) ADI represents Average Deposit Index, a reference interest rate under loans denominated in BGN.
- (2) On 14 July 2023, ADI was replaced with basic interest rate ("BIR") as published by the Bulgarian National Bank.
- (3) STIR represents Short-Term Interest Rate, a reference interest rate under loans denominated in BGN.
- (4) PRIME Business clients is a reference interest rate under loans denominated in BGN.
- (5) The conditional limit for issuance of bank guarantees must be repaid by 15 August 2024.
- (6) On 14 July 2023, the final maturity date of the overdraft facility was extended to 31 July 2024 and the conditional limit for issuance of bank guarantees (referred to in the preceding note (5) above) to 15 August 2025.
- (7) Following the redemption of the 2024 Eurobonds on 3 August 2023, the final maturity date of the overdraft facility was extended to 30 June 2025.
- (8) On 14 July 2023, the final maturity date of the overdraft facility was extended to 31 July 2024.
- (9) The conditional limit for issuance of bank guarantees must be repaid by 5 December 2024.

The terms of certain of the Group's financial indebtedness contain restrictive provisions (see below for more information).

EP Energy Services Facility Agreement I

EP Energy Services as borrower, and EP Varna as guarantor, are parties to an overdraft facility agreement dated 27 June 2014 with DSK Bank EAD, as amended and restated from time to time ("EP Energy Services Facility Agreement I"). EP Energy Services Facility Agreement I is Bulgarian law governed and provides for an overdraft facility in the amount of BGN 85 million (EUR 43.5 million). The overdraft facility under EP Energy Services Facility Agreement I was provided for general corporate purposes. The final maturity date with respect to the overdraft facility under EP Energy Services Facility Agreement I is 30 September 2024.

EP Energy Services Facility Agreement II

EP Energy Services as borrower, and EP Varna as co-debtor, are parties to a multipurpose revolving facility agreement dated 10 August 2020 with UniCredit Bulbank AD, as amended and restated from time to time (“**EP Energy Services Facility Agreement II**”). EP Energy Services Facility Agreement II is Bulgarian law governed and provides for an overdraft and bank guarantee issuance facility in the amount of BGN 60 million (EUR 30.7 million). The facility contains (i) a BGN 60 million (EUR 30.7 million) conditional limit for issuance of bank guarantees, (ii) a BGN 25 million (EUR 12.8 million) committed overdraft facility limit and (iii) a BGN 5 million (EUR 2.6 million) uncommitted overdraft facility limit. The overdraft facility under EP Energy Services Facility Agreement II was provided for general corporate purposes. The final maturity date with respect to the overdraft facility under EP Energy Services Facility Agreement II is 31 July 2024.

EP Energy Services Facility Agreement III

EP Energy Services as borrower, and EP Varna as co-debtor, are parties to a revolving facility agreement dated 22 June 2023 with United Bulgarian Bank AD (“**EP Energy Services Facility Agreement III**”). EP Energy Services Facility Agreement III is Bulgarian law governed and provides for an overdraft and bank guarantee issuance facility in the amount of up to BGN 60 million (EUR 30.7 million). The facility contains (i) a BGN 60 million (EUR 30.7 million) committed overdraft facility limit and (ii) a BGN 60 million (EUR 30.7 million) conditional limit for issuance of bank guarantees. The overdraft facility under EP Energy Services Facility Agreement III was provided for general corporate purposes. The final maturity date with respect to the overdraft facility under EP Energy Services Facility Agreement III is 30 June 2025.

EDC North Facility Agreement

EDC North as borrower and EP Varna as co-debtor are parties to an overdraft facility agreement dated 14 October 2022 with KBC Bank Bulgaria EAD, which was subsequently merged into United Bulgarian Bank AD, as amended and restated from time to time (the “**EDC North Facility Agreement**”). The EDC North Facility Agreement is Bulgarian law governed and provides for an overdraft facility in the amount of BGN 70 million (EUR 35.8 million). The overdraft facility under the EDC North Facility Agreement was provided for general corporate purposes. The final maturity date with respect to the overdraft facility under the EDC North Facility Agreement is 4 October 2024.

EP Sales Facility Agreement I

EP Sales as borrower, and EP Varna as co-debtor, are parties to an overdraft facility agreement dated 23 April 2021 with UniCredit Bulbank AD, as amended and restated from time to time (the “**EP Sales Facility Agreement I**”). The EP Sales Facility Agreement I is Bulgarian law governed and provides for an overdraft facility in the amount of BGN 15 million (EUR 7.7 million). The overdraft facility under the EP Sales Facility Agreement I was provided for general corporate purposes. The final maturity date with respect to the overdraft facility under the EP Sales Facility Agreement I is 31 July 2024.

EP Sales Facility Agreement II

EP Sales as borrower, and EP Varna as co-debtor, are parties to a multipurpose revolving facility agreement dated 5 December 2022 with Eurobank Bulgaria AD (Postbank) (“**EP Sales Facility Agreement II**”). EP Sales Facility Agreement II is Bulgarian law governed and provides for an overdraft and bank guarantee issuance facility in the amount of BGN 60 million (EUR 30.7 million). The facility contains (i) a BGN 60 million (EUR 30.7 million) committed overdraft facility limit and (ii) a

BGN 60 million (EUR 30.7 million) conditional limit for issuance of bank guarantees. The overdraft facility under EP Sales Facility Agreement II was provided for general corporate purposes. The final maturity date with respect to the overdraft facility under EP Sales Facility Agreement II is 5 January 2024.



TISKOVÁ ZPRÁVA

Společnost ENERGO-PRO a.s. zveřejňuje hospodářské výsledky za 1. pololetí 2023

V Praze, 18. září 2023

Společnost ENERGO-PRO a.s. (dále jen „**Společnost**“) dnes zveřejnila hospodářské výsledky za první pololetí tohoto roku.

HLAVNÍ BODY:

- **Výroba elektřiny:** Celkový objem elektřiny vyrobené z vodních elektráren za 1. pol. roku 2023 dosáhl 1 444 GWh, což představuje nárůst o 2 % oproti 1 415 GWh v 1. pol. roku 2022. Příznivější hydrologické podmínky v Bulharsku a Turecku byly zčásti kompenzovány horšími hydrologickými podmínkami v Gruzii. Průměrná cena námi vyrobené elektřiny prodávané na volném trhu v 1. pol. roku 2023 v Bulharsku poklesla ve srovnání s vysokou úrovní v 1. pol. roku 2022. V Turecku byla průměrná prodejní cena námi vyrobené elektřiny v eurovém vyjádření bez výrazných změn. V Gruzii naopak zůstala průměrná neregulovaná prodejní cena námi vyrobené elektřiny v lokální měně stabilní, avšak v eurovém vyjádření díky posílení kurzu GEL vůči EUR vzrostla.
- **Distribuce a prodej elektřiny:** V 1. pol. roku 2023 distribuovala Společnost v Bulharsku elektřinu o objemu 2 812 GWh a v Gruzii o objemu 2 376 GWh, což představuje pokles o 3 % resp. 5 % oproti 1. pol. roku 2022. Ztráty v síti v 1. pol. roku 2023 vzrostly v Bulharsku na 6,4 % a v Gruzii na 10,6 %, což je oproti 1. pol. roku 2022 nárůst o 0,6 resp. 0,4 procentního bodu. V 1. pol. roku 2023 dodala Společnost v Bulharsku elektřinu o objemu 3 337 GWh, což je o cca. 7 % méně než v 1. pol. roku 2022. V Gruzii Společnost dodala v 1. pol. roku 2023 elektřinu v objemu 1 849 GWh, což je stejný objem jako v 1. pol. roku 2022. Pokles objemu distribuce a prodeje elektřiny v Bulharsku byl zapříčiněn zejména nižší spotřebou z důvodu mírnější zimy, zpomalením ekonomiky a zmenšením našeho portfolia zákazníků na neregulovaném trhu. K poklesu objemu distribuce elektřiny v Gruzii došlo zejména díky nižší spotřebě u velkých firem (např. společností v IT sektoru, těžebních a hutních firem) z důvodu zpomalení jejich výrobní aktivity.
- Konsolidované **výnosy** za 1. pol. roku 2023 činily 642,8 mil. EUR, tj. o 8 % méně než v 1. pol. roku 2022 (699,1 mil. EUR). K poklesu došlo zejména v segmentu distribuce a prodeje elektřiny v Bulharsku, a to hlavně díky poklesu průměrné prodejní ceny elektřiny.
- **Provozní zisk před úroky, odpisy a zdaněním (EBITDA)** dosáhl v 1. pol. roku 2023 výše 169,4 mil. EUR, což představuje nárůst o cca. 52 % ve srovnání s 111,3 mil. EUR v 1. pol. roku 2022, a to hlavně díky nárůstu EBITDA v segmentu distribuce a prodeje elektřiny.
 - EBITDA v segmentu distribuce a prodeje elektřiny vzrostla v 1. pol. roku 2023 o 67,8 mil. EUR (+128 %) na 120,8 mil. EUR. K tomuto nárůstu došlo zejména díky segmentu distribuce a prodeje elektřiny v Bulharsku, který v 1. pol. roku 2023 zaznamenal navýšení EBITDA o 48,6 mil. EUR, a to hlavně vlivem jednorázové ztráty z uzavření zajišťovací pozice v 1. pol. roku 2022. EBITDA v segmentu distribuce a prodeje elektřiny v Gruzii vzrostla v 1. pol. roku 2023 o 19,2 mil. EUR, zejména vlivem posílení kurzu GEL vůči EUR.
 - EBITDA v segmentu výroby elektřiny v 1. pol. roku 2023 poklesla o 4,1 mil. EUR na 59,2 mil. EUR. K poklesu došlo zejména v Bulharsku, kde se EBITDA snížila o 9,8 mil. EUR, hlavně vlivem výrazně nižších průměrných prodejních cen elektřiny, což bylo jen částečně

kompensováno vyšším objemem vyrobené elektřiny. EBITDA v segmentu výroby elektřiny v Turecku v 1. pol. roku 2023 i přes příznivé hydrologické podmínky poklesla o 1,5 mil. EUR, a to díky vyšším provozním nákladům. Nepříznivý vliv Bulharska a Turecka byl zčásti kompenzován vyšší EBITDA v segmentu výroby elektřiny v Gruzii, kde došlo k nárůstu o 7,1 mil. EUR zejména díky (i) posílení kurzu GEL vůči EUR a (ii) liberalizaci vodní elektrárny Rioni od 1.5.2022.

- **Investiční výdaje (CAPEX)** v 1. pol. roku 2023 dosáhly výše 45,6 mil. EUR; v porovnání s výdaji ve výši 50,3 mil. EUR v 1. pol. roku 2022 jde o pokles o 9 % (4,6 mil. EUR). K poklesu došlo zejména v důsledku nižších investičních nákladů v segmentu distribuce a prodeje elektřiny (investice do fotovoltaických projektů v Bulharsku a nové zákaznické přípojky v Gruzii).
- Úroveň **hrubé zadluženosti** Společnosti (včetně garancí) k 30. 6. 2023 činila 698,5 mil. EUR, oproti stavu ke konci roku 2022 (716,4 mil. EUR) tedy bez výrazných změn.
- K 30. 6. 2023 disponovala Společnost volnými **peněžními prostředky** v objemu 81,6 mil. EUR; ke konci roku 2022 to bylo 80,6 mil. EUR. **Dodatečná volná likvidita** v rámci nečerpaných komitovaných úvěrových linek činila k 30. 6. 2023 cca. 151,8 mil. EUR.

Generální ředitel skupiny Petr Milev k výsledkům řekl: “S výsledky dosaženými v prvním pololetí roku jsme velmi spokojeni. Dosáhli jsme nové rekordní výše EBITDA za šestměsíční období a EBITDA za 1. pololetí roku 2023 je dokonce vyšší než jakou firma dosahovala před rokem 2021 na celoroční bázi. K těmto vynikajícím výsledkům přispěl zejména segment distribuce a prodeje elektřiny v Bulharsku, jehož výsledky loni negativně ovlivnila jednorázová ztráta ze zajišťovacích operací. K velmi dobrým výsledkům v Gruzii, a to jak v segmentu výroby tak v segmentu distribuce a prodeje elektřiny, přispělo hlavní měrou přetrvávající posílení kurzu gruzínské měny lari. EBITDA v segmentu výroby elektřiny v Bulharsku a v Turecku poklesla, a to navzdory většímu objemu výroby v obou zemích. I když vnímáme, že ve zbývajících měsících roku může dojít k nárůstu volatility na trzích a obecnému zvýšení podnikatelských rizik, **rozhodli jsme se navýšit naši očekávanou úroveň EBITDA pro rok 2023 na 290-310 mil. EUR.** V neposlední řadě musím zmínit skutečně přelomovou transakci v oblasti financování, kterou jsme dokončili v červenci letošního roku. ENERGO-PRO se stalo první evropskou firmou, která vydala dluhopisy se zárukou americké vládní rozvojové instituce International Development Finance Corporation. Je nám ctí mít za partnera tak významnou instituci. Tato transakce nám umožnila získat velmi dlouhodobé financování za velice atraktivních cenových podmínek, a navíc v době, kdy jsou podmínky na mezinárodních kapitálových trzích již delší dobu nepříznivé. Výtěžek emise jsme použili k předčasnému splacení našich stávajících eurobondů, které byly splatné příští rok. To znamená, že další refinancování dluhopisů teď čeká ENERGO-PRO až v roce 2027.”

Hlavní provozní a finanční ukazatele Společnosti za 1. pololetí 2022, resp. 2023, jsou uvedeny v tabulkách níže.

Hlavní provozní ukazatele	Jednotka	01-06/2022	01-06/2023	Změna	Změna v %
Objem výroby z vodních el. (netto)					
Bulharsko	GWh	232	250	17	7%
Gruzie	GWh	981	976	(5)	(1%)
Turecko	GWh	202	219	17	8%
CELKEM	GWh	1,415	1,444	29	2%
Průměrné prodejní ceny na volném trhu					
Bulharsko	BGN/MWh	322	197	(126)	(39%)
Gruzie	GEL/MWh	127	126	(1)	(1%)
Turecko	TRY/MWh	1,356	1,822	466	34%
Distribovaná elektřina					
Bulharsko	GWh	2,908	2,812	(96)	(3%)
Gruzie	GWh	2,493	2,376	(117)	(5%)
Ztráty v síti					
Bulharsko	%	5.8	6.4	0.6	n.a.
Gruzie	%	10.2	10.6	0.4	n.a.
Dodaná elektřina					
Bulharsko	GWh	3,579	3,337	(242)	(7%)
Gruzie	GWh	1,849	1,849	(0)	(0%)

Hlavní finanční ukazatele (v mil. EUR)	01-06/2022	01-06/2023	Změna	Změna v %
Výnosy	699.1	642.8	(56.3)	(8%)
EBITDA				
Bulharsko - výroba (EPB)	32.5	22.8	(9.8)	(30%)
Bulharsko - distribuce a prodej (EPV)	11.2	59.9	48.6	432%
Gruzie - výroba (EPGG)	16.9	24.0	7.1	42%
Gruzie - distribuce a prodej (EPG+EPGS)	41.7	60.9	19.2	46%
Turecko - výroba (RH)	13.9	12.5	(1.5)	(10%)
Ostatní	(4.9)	(10.5)	(5.6)	113%
CELKEM	111.3	169.4	58.1	52%
Zaplacené úroky	14.5	28.2	13.6	94%
Investiční výdaje (CAPEX)	50.3	45.6	(4.6)	(9%)
	Konec r. 2022	K 30.6.2023	Změna	Změna v %
Volné peněžní prostředky	80.6	81.6	1.0	1%
Celková zadluženost (včetně garancí)	716.4	698.5	(17.9)	(3%)

Mezitímní konsolidovaná účetní závěrka Společnosti k 30. 6. 2023 je k dispozici na webových stránkách Společnosti v sekci pro investory (<http://www.energo-pro.com/pro-investory>) resp. kliknutím na odkaz [zde](#).

21. září 2023 v 15:00 hod. bude Společnost pořádat konferenční hovor pro investory, na kterém bude prezentovat hospodářské výsledky za 1. pololetí 2023 a aktuální situaci v regulační oblasti. Máte-li zájem se hovoru zúčastnit, navštivte prosím sekci pro investory na webových stránkách Společnosti (<http://www.energo-pro.com/pro-investory>) nebo klikněte [zde](#) pro další informace.

Pro další informace se prosím obraťte na:

Oddělení pro vztahy s investory

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