Elecnor, S.A. and its subsidiaries

Report on limited review of
condensed consolidated interim financial statements
for the six-month period ended 30 June 2024
Consolidated interim management report

This version of our report is a free translation of the original, which was prepared in Spanish. All possible care has been taken to ensure that the translation is an accurate representation of the original. However, in all matters of interpretation of information, views or opinions, the original language version of our report takes precedence over this translation.

Report on limited review of condensed consolidated interim financial statements

To the shareholders of Elecnor, S.A.:

Introduction

We have performed a limited review of the accompanying condensed consolidated interim financial statements (hereinafter, the interim financial statements) of Elecnor, S.A. (hereinafter, the Parent company) and its subsidiaries (hereinafter, the Group), which comprise the statement of financial position as at 30 June 2024, and the income statement, statement of comprehensive income, statement of changes in equity, cash flow statement and related notes, all condensed and consolidated, for the six-month period then ended. The Parent company's directors are responsible for the preparation of these interim financial statements in accordance with the requirements of International Accounting Standard (IAS) 34, Interim Financial Reporting, as adopted by the European Union, for the preparation of condensed interim financial statements, as provided in Article 12 of Royal Decree 1362/2007. Our responsibility is to express a conclusion on these interim financial statements based on our limited review.

Scope of review

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

Conclusion

Based on our limited review, that cannot be considered as an audit, nothing has come to our attention that causes us to believe that the accompanying interim financial statements for the six-month period ended 30 June 2024 have not been prepared, in all material respects, in accordance with the requirements of International Accounting Standard (IAS) 34, Interim Financial Reporting, as adopted by the European Union, as provided in Article 12 of Royal Decree 1362/2007, for the preparation of condensed interim financial statements.

Emphasis of matter

We draw attention to the accompanying note 1, in which it is mentioned that these interim financial statements do not include all the information required in a complete set of consolidated financial statements prepared in accordance with International Financial Reporting Standards, as adopted by the European Union, and therefore the accompanying interim financial statements should be read together with the consolidated annual accounts of the Group for the year ended 31 December 2023. Our conclusion is not modified in respect of this matter.

Other matters

Consolidated interim management report

The accompanying consolidated interim management report for the six-month period ended 30 June 2024 contains the explanations which the Parent company's directors consider appropriate regarding the principal events of this period and their impact on the interim financial statements presented, of which it does not form part, as well as the information required under the provisions of Article 15 of Royal Decree 1362/2007. We have verified that the accounting information contained in this management report is in agreement with that of the interim financial statements for the six-month period ended 30 June 2024. Our work as auditors is limited to checking the consolidated interim management report in accordance with the scope mentioned in this paragraph and does not include a review of information other than that obtained from Elecnor, S.A. and its subsidiaries' accounting records.

Preparation of this review report

This report has been prepared at the request of the management in relation to the publication of the half-yearly financial report required by Article 100 of Law 6/2023, of March 17, on Securities Markets and Investment Services.

PricewaterhouseCoopers Auditores, S.L.

Original in Spanish signed by Goretty Álvarez González

26 July 2024

Elecnor, S.A. and Subsidiaries

Interim Summary Consolidated Financial Statements and Directors' Report of Elecnor, S.A. and subsidiaries for the six-month period ended 30 June 2024

Elecnor, S.A. and Subsidiaries

Consolidated Statement of Financial Position at 30 June 2024 and 31 December 2023

(Thousands of Euros)

Assets	Notes	30 June 2024	31 December 2023
Non-current assets:			
Property, plant and equipment	7	**252,250**	**248,474**
Right-to-use assets		**45,900**	**46,685**
Intangible assets-	5		
Goodwill		18,193	17,242
Other intangible assets		19,072	18,332
		37,265	**35,574**
Equity-accounted investees	8	**588,404**	**598,925**
Non-current financial assets	6		
Other financial assets		13,615	12,459
Derivative financial instruments	9	136	170
		13,751	**12,629**
Deferred tax assets		**81,068**	**84,673**
Total non-current assets		**1,018,638**	**1,026,960**
Current assets:			
Inventories		**8,693**	**8,648**
Customer contract assets		**523,394**	**464,143**
Trade and other receivables	6	**898,088**	**990,567**
Trade receivables from related companies	6	**32,844**	**23,113**
Public entities, receivable		**43,128**	**46,836**
Current income tax assets		**22,170**	**21,030**
Other receivables	6	**67,270**	**37,343**
Current investments in related companies	6	**323**	**318**
Other current financial investments	6	**981,747**	**19,531**
Derivative financial instruments	6 and	**510**	**2,136**
Other current assets		**17,865**	**12,155**
Cash and cash equivalents		**386,368**	**317,019**
Non-current assets held for sale	4	**1,944**	**1,105,994**
Total current assets		**2,984,344**	**3,048,833**
Total assets		**4,002,982**	**4,075,793**

The accompanying notes form an integral part of the Interim Summary Consolidated Financial Statements for the half-year period ended 30 June 2024.

Elecnor, S.A. and Subsidiaries

Consolidated Statement of Financial Position at 30 June 2024 and 31 December 2023

(Thousands of Euros)

Equity and Liabilities	Notes	30 June 2024	31 December 2023
Equity:	10		
Equity attributable to equity holders of the Parent-			
Capital		8,700	8,700
Own shares		(25,760)	(23,422)
Other reserves		1,140,426	1,067,823
Translation differences		(132,245)	(249,111)
Valuation adjustments to equity		72	(1,878)
Profit/loss for the year attributable to the Parent		848,434	110,058
Interim dividend paid in the year		-	(5,718)
		1,839,627	**906,452**
Non-controlling interests		**124**	**19,107**
Total equity		**1,839,751**	**925,559**
Non-current liabilities:			
Government grants		**1,955**	**2,015**
Provisions for liabilities and charges		**62,333**	**66,977**
Financial liabilities from issuing bonds and other marketable securities	9	**29,684**	**29,672**
Financial liabilities on loans and borrowings	9	**143,986**	**315,184**
Derivative financial instruments	9	**100**	**-**
Lease liabilities	9	**34,218**	**33,946**
Other non-current liabilities		**3,025**	**1,703**
Deferred tax liabilities		**28,322**	**30,069**
Total non-current liabilities		**303,623**	**479,566**
Current liabilities:			
Provisions for liabilities and charges		**65,275**	**86,269**
Financial liabilities from issuing bonds and other marketable securities	9	**99,372**	**238,818**
Financial liabilities on loans and borrowings	9	**69,356**	**35,642**
Derivative financial instruments	9	**1,321**	**646**
Lease liabilities	9	**14,028**	**15,174**
Trade payables to associates and related companies	9	**5**	**38**
Trade and other payables-	9		
Trade payables for purchases or services		682,836	763,352
Advances from customers		161,252	205,903
		844,088	**969,255**
Customer contract liabilities		**484,077**	**412,803**
Current income tax liabilities		**101,817**	**48,894**
Other payables-			
Public entities, payable		61,877	66,985
Other current liabilities	9	118,329	91,280
		180,206	**158,265**
Non-current liabilities held for sale	4	**63**	**704,864**
Total current liabilities		**1,859,608**	**2,670,668**
Total liabilities and equity		**4,002,982**	**4,075,793**

The accompanying notes form an integral part of the Interim Summary Consolidated Financial Statements for the half-year period ended 30 June 2024.

Elecnor, S.A. and Subsidiaries
Consolidated Income Statements
corresponding to the six-month periods ended
at 30 June 2024 and 30 June 2023
(Thousands of Euros)

	Notes	30 June 2024	30 June 2023 (*)
Continuing operations:			
Net turnover	14	1,713,918	1,746,926
Changes in inventories of finished goods and work in progress		536	320
Self-constructed assets	7	16,820	60,486
Materials consumed		(889,309)	(988,518)
Other operating income		22,903	23,336
Personnel expenses		(573,555)	(516,235)
Other operating expenses		(238,550)	(237,827)
Net profit/loss on the sale of non-current assets and subsidiaries	2	308	22,760
Expense for amortisation, depreciation, impairment and charges		(15,231)	(54,937)
Profit/loss from equity-accounted investees	8	7,067	6,546
Operating income		**44,907**	**62,857**
Finance income		9,879	4,236
Finance expenses	9	(12,478)	(10,125)
Translation differences		5,053	(6,110)
Profit/loss before taxes		**47,361**	**50,858**
Income tax	11	(22,373)	(11,456)
Profit/loss from continuing operations		**24,988**	**39,402**
Profit/loss for the year from discontinued operations	4	**828,595**	**10,469**
Profit/loss for the year		**853,583**	**49,871**
Profit/loss from continuing operations attributable to non-controlling interests		(8)	-
Profit/loss from discontinued operations attributable to non-controlling interests		5,157	2,476
Profit/loss attributable to non-controlling interests		**5,149**	**2,476**
Profit/loss from continuing operations attributable to shareholders of the Parent		24,996	39,402
Profit/loss from discontinued operations attributable to shareholders of the Parent	4	823,438	7,993
Profit/loss for the year attributable to the shareholders of the Parent		**848,434**	**47,395**
Earnings per share from continuing operations (in Euros)	3		
Basic		0.30	0.47
Diluted		0.30	0.47
Earnings per share (in Euros)	3		
Basic		10.02	0.56
Diluted		10.02	0.56

The accompanying notes form an integral part of the Interim Summary Consolidated Financial Statements for the half-year period ended 30 June 2024.
(*) Restated figures, see Note 4.

Elecnor, S.A. and Subsidiaries
Consolidated Summary Statements of Comprehensive Income for the half-year periods ended at 30 June 2024 and 30 June 2023

(Thousands of Euros)

	Notes	30 June 2024	30 June 2023
CONSOLIDATED PROFIT/LOSS OF THE INCOME STATEMENT		**853,583**	**49,871**
Other comprehensive income:			
Items that will not be reclassified to profit or loss		**-**	**-**
Items to be reclassified to profit or loss			
- Cash flow hedges		785	30,621
- Translation differences of financial statements for businesses abroad		134,889	14,755
- Share of other comprehensive income of equity-accounted investees	8	(17,302)	8,672
- Tax effect		(196)	(7,655)
Other comprehensive income for the year, net of tax		**971,759**	**96,264**
Total comprehensive income attributable to:		**971,759**	**96,264**
a) Equity holders of the Parent		967,250	92,354
Continuing operations		1,684	56,837
Discontinued operations		965,566	35,517
b) Non-controlling interests		4,509	3,910

The accompanying notes form an integral part of the Interim Summary Consolidated Financial Statements for the half-year period ended 30 June 2024.

Elecnor, S.A. and Subsidiaries
Consolidated Summary Statement of Total Changes in Equity corresponding to the six-month periods ended at 30 June 2024 and 30 June 2023

(Thousands of Euros)

	Notes	Capital	Accumulated reserves	Own shares	Interim dividend paid in the year	Cash flow hedge	Translation differences	Net profit/loss for the year	Non-controlling interests	Total Equity
Balances at 31 December 2022		**8,700**	**993,509**	**(22,430)**	**(5,446)**	**(17,783)**	**(251,254)**	**102,813**	**26,046**	**834,155**
Total recognised income and expense for the period		-	-	-	-	14,164	30,795	47,395	3,910	96,264
Distribution of profit/loss:										-
Reserves		-	66,001	-	-	-	-	(66,001)	-	-
Supplementary dividend	3	-	-	-	-	-	-	(31,366)	(3,527)	(34,893)
Interim dividend		-	-	-	5,446	-	-	(5,446)	-	-
Transactions with own shares (net)	10	-	230	(184)	-	-	-	-	-	46
Share capital reductions		-	-	-	-	-	-	-	(1,077)	(1,077)
Changes in the consolidation scope	2	-	6,845	-	-	-	(8,110)	-	(8,618)	(9,883)
Other changes		-	9	-	-	-	-	-	2	11
Balances at 30 June 2023		**8,700**	**1,066,594**	**(22,614)**	**-**	**(3,619)**	**(228,569)**	**47,395**	**16,736**	**884,623**
Balances at 31 December 2023		**8,700**	**1,067,823**	**(23,422)**	**(5,718)**	**(1,878)**	**(249,111)**	**110,058**	**19,107**	**925,559**
Total recognised income and expense for the period						1,950	116,866	848,434	4,509	971,759
Distribution of profit/loss:										
Reserves		-	70,650	-	-	-	-	(70,650)	-	-
Supplementary dividend	3	-	-	-	-	-	-	(33,690)	-	(33,690)
Interim dividend		-	-	-	5,718	-	-	(5,718)	-	-
Transactions with own shares (net)	10	-	2,186	(2,338)	-	-	-	-	-	(152)
Share capital reductions		-	-	-	-	-	-	-	(1,595)	(1,595)
Changes in the consolidation scope	2	-	-	-	-	-	-	-	(21,897)	(21,897)
Other changes		-	(233)	-	-	-	-	-	-	(233)
Balances at 30 June 2024		**8,700**	**1,140,426**	**(25,760)**	**-**	**72**	**(132,245)**	**848,434**	**124**	**1,839,751**

The accompanying notes form an integral part of the Interim Summary Consolidated Financial Statements for the half-year period ended 30 June 2024.

Elecnor, S.A. and Subsidiaries
Consolidated Summary Statement of Cash Flows
corresponding to the six-month periods ended
at 30 June 2024 and 30 June 2023
(Thousands of Euros)

	Notes	30 June 2024	30 June 2023 (*)
CASH FLOWS FROM OPERATING ACTIVITIES:			
Consolidated profit/loss for the period from continuing and discontinued operations		853,583	49,871
Adjustments to profit/loss:			
Depreciation and amortisation		36,190	33,886
Impairment and net profit/loss from disposals of property, plant and equipment and intangible assets		(612)	(1,088)
Changes in provisions for liabilities and charges and other provisions		(20,975)	21,531
Capital grants taken to income		(80)	(80)
Share in (profit)/loss for the year of investment accounted for using the equity method	8	(7,067)	(6,546)
Net profit/loss on the sale of non-current assets and subsidiaries		319	(22,153)
Finance income		(9,879)	(4,237)
Finance expenses		12,478	10,125
Translation differences		(5,053)	6,110
Other income and expenses		3,674	3,217
Corporate Income Tax		22,373	11,456
Profit/loss from discontinued operations	4	(828,595)	(10,469)
Funds generated from operations		**56,356**	**91,623**
Changes in working capital:			
Trade and other receivables		2,609	(228,529)
Inventories		(46)	729
Trade and other payables		(61,264)	88,331
Changes in other current assets and liabilities		22,903	26,374
Income tax paid		(8,494)	(9,737)
Cash generated by operating activities of discontinued operations	4	25,031	57,710
Net cash flows from operating activities		**37,095**	**26,501**
CASH FLOWS FROM INVESTMENT ACTIVITIES:			
Payments for acquisition of Group companies, associates and jointly-controlled entities		(850)	-
Payments for acquisition of intangible assets and property, plant and	7	(50,486)	(35,155)
Payments for contributions to associate companies		-	(2,014)
Payments for acquisition of financial assets	6	(963,544)	(8,842)
Proceeds from the sale of Group companies, associates and entities	2 and	1,438,305	73,424
Proceeds from disposal of financial assets, net		144	535
Proceeds from the sale of intangible assets and fixed assets		867	-
Interest received		9,879	4,237
Cash generated by investment activities of discontinued operations	4	(124,509)	(123,868)
Net cash flows from (used in) investment activities		**309,806**	**(91,683)**
CASH FLOWS FROM FINANCING ACTIVITIES:			
Cash inflows from financial debt and other non-current borrowings		689,956	722,815
Repayment of financial debt and other non-current borrowings		(973,232)	(676,696)
Dividends paid	3	(33,690)	(31,366)
Interest paid		(10,760)	(6,575)
Cash inflows due to disposal of own shares		4,835	1,285
Cash outflows due to purchase of own shares		(4,987)	(1,239)
Cash generated by financing activities of discontinued operations	4	(16,826)	44,063
Net cash flows from (used in) financing activities		**(344,704)**	**52,287**
Net increase in cash and cash equivalents		**2,197**	**(12,895)**
Caand cash equivalents at beginning of year		317,019	372,525
Cah and cash equivalents at year end		386,368	359,630
Cash and cash equivalents classified as Discontinued Operations at beginning of year		67,152	-

The accompanying notes form an integral part of the Interim Summary Consolidated Financial Statements for the half-year period ended 30 June 2024.
(*) Restated figures, (Note 4).

1. Introduction, bases for presentation of the summary consolidated half-yearly financial statements and other information

a) Introduction

Elecnor, S.A., Parent of the Elecnor Group, is a company incorporated in Spain in accordance with the Public Limited Companies Act. Its corporate object, according to its Bylaws, is:

- Wide-ranging commercial activity in connection with the engineering, design, construction, erection, repair, maintenance and upkeep of all manner of construction projects and installation work in the broadest sense, i.e. the entire execution thereof with or without the supply of materials, on its own account or through third parties, on an exclusive basis or through associations of any kind.

- The making, marketing, construction of the associated works and sale of reinforced concrete and pre-stressed prefabricated items and products made of compound materials, as well as any construction and industry-related products.

- The provision of public and private services in relation to the collection of all types of waste; sweeping and cleaning of streets; transfer and transport of waste to the place of end disposal; the end disposal of such waste, recycling, treatment and deposit of public, private, industrial, hospital and pathological waste; cleaning, maintenance and upkeep of sewers; and, in general, urban water treatment services and all other ancillary services related directly or indirectly to the aforementioned services in their broadest sense.

- The design, research, development, construction, operation, maintenance and marketing of waste treatment, recovery and elimination facilities, and the purchase and sale of the by-products originating from these treatments.

- The design, research, development, construction, operation, maintenance and marketing of plants and facilities for the treatment of water, wastewater and waste, the recovery and elimination of waste, and the purchase and sale of the by-products originating from these treatments.

- The use, transformation and marketing of water of all types.

The aforementioned business activities can also be fully or partially carried out indirectly by the Parent through investments in other companies with a similar statutory activity, both in Spain and abroad. In this regard, the management of the business group formed by stakes held in the share capital that go to make up the said group also constitutes part of the Company corporate purpose, as does the provision of assistance and support services to investee companies, to which end it may provide them with the guarantees and bonds that are considered appropriate. The Elecnor Group may not carry out any business activity for which specific conditions or limitations are imposed by law, unless it fully meets such conditions.

The subsidiaries basically engage in business activities comprising the aforementioned statutory activity, and in the operation of wind energy generation facilities, the provision of aeronautical and aerospace software research, advisory and development services and the manufacture and distribution of solar panels and solar PV plants.

The Company's registered office is located at Marqués de Mondéjar 33, Madrid (Spain). The Parent's bylaws and other related public information may be viewed on the Group's corporate website www.elecnor.com/home-en and at its registered office.

Elecnor, S.A. is the Parent of a Group comprising subsidiaries that focus on a range of activities and which, together with it, form the Elecnor Group (hereinafter, the "Group" or the "Elecnor Group"). Moreover, the Group has investments in associates and joint ventures and takes part in joint ventures with other operators.

Shares in Elecnor, S.A. are traded in the Madrid and Bilbao stock exchanges.

b) Bases for presentation of the summary consolidated half-yearly financial statements

In compliance with Regulation (EC) no. 1606/2002 of the European Parliament and of the Council of 19 July 2002, all companies governed by the Law of an EU Member State and whose shares are listed on a market regulated in one of the States of the Union, have to file their Consolidated Annual Accounts for the years commencing after 1 January 2005 in accordance with the International Financial Reporting Standards (hereinafter, IFRS) previously adopted by the European Union.

These Interim Summary Consolidated Financial Statements are filed in accordance with IAS 34 on Interim Financial Reporting and were drawn up by the Directors of the Group on 24 July 2024, all in compliance with the provisions of article 12 of Royal Decree 1362/2007.

Under the provisions of IAS 34, the interim financial reporting is only prepared with the intention of updating the content of the last consolidated annual accounts presented by the Group, placing emphasis on any new activities, events and circumstances occurring during the half-year period and without duplicating the information published previously in the consolidated annual accounts for 2023. Accordingly, for a proper understanding of the information included in these Interim Summary Consolidated Financial Statements, they should be read together with the consolidated annual accounts of the Group for 2023.

The Group's Consolidated Annual Accounts for 2023 were authorised for issue by the General Shareholders' Meeting of the Parent at their annual general meeting held on 22 May 2024.

The information included in the explanatory notes, except where indicated otherwise, is expressed in thousands of Euros.

c) Material accounting policies

The accounting policies and methods used to prepare the Interim Summary Consolidated Financial Statements are the same as those applied to the consolidated annual accounts in 2023.

c.1) Mandatory standards, amendments and interpretations for all annual periods commencing on or after 1 January 2024

IFRS 16 (Amendment) "Lease Liability in a Sale and Leaseback": IFRS 16 includes requirements on how to account for a sale and leaseback on the date the transaction takes place. However, it did not specify how to record the transaction after that date. This amendment explains how an entity should account for a sale and leaseback after the date of the transaction.

The effective date of this amendment is 1 January 2024, although early adoption is allowed.

This amendment has had no material impact on the Group's Interim Summary Consolidated Financial Statements.

IAS 1 (Amendment) "Classification of liabilities as current or non-current" and IAS 1 (Amendment) "Non-Current Liabilities with Covenants": These amendments, which were adopted simultaneously by the European Union, clarify that liabilities are classified as current or non-current depending on the rights that exist at the end of the reporting period. Classification is not affected by the entity's expectations or events after the reporting date (for example, receipt of a waiver or breach of agreement). The amendment also clarifies what IAS 1 means when it refers to the "settlement" of a liability.

In addition, the amendment aims to improve disclosures when an entity's right to defer payment of a liability is subject to the fulfilment of conditions ("covenants") within twelve months after the reporting period.

This amendment is effective for periods beginning on or after 1 January 2024 and is applied retrospectively in accordance with IAS 8 "Accounting Policies, Changes in Accounting Estimates and Errors". Early adoption is permitted.

This amendment has had no material impact on the Group's Interim Summary Consolidated Financial Statements.

IAS 7 (Amendment) and IFRS 7 (Amendment) "Supplier Finance Arrangements (reverse factoring)": The IASB has amended IAS 7 and IFRS 7 to improve disclosures on supplier finance arrangements ("reverse factoring") and their effects on a company's liabilities, cash flows and exposure to liquidity risk. The amendment responds to investor concerns that some companies' supplier finance arrangements are not sufficiently visible.

The amendment is effective for annual periods commencing on or after 1 January 2024. Early adoption of the amendment is permitted.

This amendment has had no material impact on the Group's Interim Summary Consolidated Financial Statements.

c.2) Standards, amendments and interpretations not yet in force that allow for early adoption

At the date of authorisation for issue of these Interim Summary Consolidated Financial Statements, no such circumstances applied.

c.3) Standards, interpretations and amendments to existing standards that may not be adopted early or have not been adopted by the European Union

At the date on which these Consolidated Annual Accounts were authorised for issue, the IASB and IFRS Interpretations Committee had published the standards, amendments and interpretations listed below, that are pending adoption by the European Union.

IFRS 10 (Amendment) and IAS 28 (Amendment) "Sale or Contribution of Assets between an Investor and its Associate or Joint Venture": These amendments clarify the accounting treatment of sales and contributions of assets between an investor and its associates and joint ventures, which will depend on whether the non-cash assets sold or contributed to an associate or joint venture constitute a "business". The investor must recognise the entire gain or loss when the non-monetary assets constitute a "business". If the assets do not qualify as a business, the investor recognises the gain or loss only to the extent of unrelated investors' interests. The amendments only apply when an investor sells or contributes assets to its associate or joint venture.

Originally, these amendments to IFRS 10 and IAS 28 were prospective and effective for annual periods beginning on or after 1 January 2016. However, at the end of 2015, the IASB decided to postpone their effective date (without setting a new specific date), as it is planning a broader review that may ultimately simplify the way these transactions are accounted for, along with other aspects of accounting for associates and joint ventures.

These amendments are not expected to have any effect on the Group's Interim Summary Consolidated Financial Statements in the future.

IAS 21 (Amendment) "Lack of Exchangeability": The IASB has amended IAS 21 to add requirements so as to help entities determine whether a currency is exchangeable for another currency and the spot exchange rate to use when it is not. When a currency cannot be exchanged for another currency, it is necessary to estimate the spot exchange rate on a valuation date in order to determine the rate at which an orderly exchange transaction would take place on that date between market participants under the prevailing economic conditions.

When an entity first applies the new requirements, it is not permitted to restate comparative information. Instead, the affected amounts are to be translated at spot exchange rates estimated at the date of initial application of the amendment, with an adjustment against reserves.

The amendment is effective for annual periods commencing on or after 1 January 2025. Early adoption of the amendment is allowed, but it is pending approval by the European Union.

These amendments are not expected to have any effect on the Group's Interim Summary Consolidated Financial Statements in the future.

IFRS 18 "Presentation and Disclosure in Financial Statements": The IASB has issued a new standard on presentation and disclosure in financial statements, which replaces IAS 1 "Presentation of Financial Statements". Many of the principles set out in IAS 1 are maintained; however, the key new concepts introduced in IFRS 18 relate to:

- The structure of the statement of profit and loss (income statement), requiring the presentation of specific totals and subtotals and requiring the classification of items in the income statement into one of five categories: operating, investing, financing, income taxes and discontinued operations;

- Required disclosures in the financial statements for certain performance measures reported in the financial statements (i.e., performance measures defined by management); and

- Enhanced principles on aggregation and disaggregation that apply to the main financial statements and notes in general.

IFRS 18 does not modify the recognition or measurement of items in the financial statements, but it may change what an entity reports as its "operating profit or loss".

This new standard is effective for financial years beginning on or after 1 January 2027, including interim financial statements, and retrospective application is required. Early adoption is allowed, but the standard is pending approval by the European Union.

These amendments are not expected to have any effect on the Group's Interim Summary Consolidated Financial Statements in the future.

IFRS 19 "Subsidiaries without Public Accountability: Disclosures": This new standard has been developed to allow non-publicly accountable subsidiaries with a parent that applies IFRS standards in its consolidated financial statements to apply IFRS standards with reduced disclosure requirements. IFRS 19 is a voluntary standard that eligible subsidiaries may apply in preparing their own consolidated, separate or individual financial statements, where permitted by applicable regulatory legislation. These subsidiaries will continue to apply the recognition, measurement and presentation criteria of other IFRS, but may replace the disclosure requirements of those standards with reduced disclosure requirements.

The new standard is effective for annual periods commencing on or after 1 January 2027. Early adoption is allowed, but the standard is pending approval by the European Union.

These amendments are not expected to have any effect on the Group's Interim Summary Consolidated Financial Statements in the future.

Amendments to IFRS 9 and IFRS 7 "Amendments to Classification and Measurement of Financial Instruments": These amendments to IFRS 9 and IFRS 7 are for:

a) Clarifying the date of recognition and derecognition of some financial assets and liabilities, with a new exception for some financial liabilities settled through an electronic cash transfer system;

(b) Clarifying and providing additional guidance for assessing whether a financial asset meets the "solely payments of principal and interest" criterion;

c) Incorporating new disclosure requirements for certain instruments with contractual terms that may change cash flows (such as some instruments with features linked to the achievement of environmental, social and governance (ESG) objectives); and

d) Updating the disclosures on equity instruments at fair value through other comprehensive income.

The amendments in (b) are more relevant for financial institutions, although the amendments in (a), (c) and (d) are relevant for all institutions.

These amendments are effective for annual periods commencing on or after 1 January 2026. Early adoption is allowed, but the standard is pending approval by the European Union.

These amendments are not expected to have any effect on the Group's Interim Summary Consolidated Financial Statements in the future.

d) Estimates made

The consolidated profit/loss and the determination of consolidated equity are subject to the accounting principles and policies, assessment criteria and estimates used by the Directors of the Parent for the preparation of the Interim Summary Consolidated Financial Statements. The main accounting principles and policies and assessment criteria are indicated in Note 3 of the notes to the consolidated annual accounts for 2023.

The preparation of Interim Summary Consolidated Financial Statements in accordance with IFRS-EU requires the application of relevant accounting estimates and making judgements, estimates and assumptions in the process of applying the Group's accounting policies.

Although the estimates made by the Parent's Directors were calculated based on the best information available at 30 June 2024, it is possible that future events might oblige their modification in the next few years. The effect of modifications that, in the event, may derive from adjustments over the next few years would be recognised prospectively.

In the preparation of these Interim Summary Consolidated Financial Statements there were no significant changes in the judgements and accounting estimates used by the Directors of the Group compared to their consolidated annual accounts for the twelve months concluding at 31 December 2023.

e) Contingent assets and liabilities

Note 22 of the notes to the consolidated annual accounts of the Group for the year ended 31 December 2023 shows information on the contingent liabilities on that date. There have been no significant changes in the Group's contingent liabilities in the first six months of 2024.

f) Comparative information

For comparative purposes, the summary consolidated interim Income Statement, summary consolidated interim statement of comprehensive income, summary consolidated interim statement of changes in equity and summary consolidated interim cash flow statement at 30 June 2024 contain information on the six months ended 30 June 2023 and the summary consolidated statement of financial position contains information on the year ended 31 December 2023.

In 2023, the Group reclassified the net assets of the Enerfín subgroup as the conditions required by IFRS 5 for the classification of this subgroup as "Non-current assets and liabilities held for sale" were met (Note 4). This reclassification has had the following implications for the Interim Summary Consolidated Financial Statements:

- The profit after tax of the subgroup, being a complete business segment, has been classified under "Profit/loss from discontinued operations" in the summary consolidated half-yearly income statement at 30 June 2024, in accordance with current accounting principles. In addition, comparative information for the six months ended 30 June 2023 has been restated for comparative purposes (Note 4).

- In the interim summary consolidated statement of cash flows, the Group has separately included the cash flows generated by the operating, investing and financing activities of the discontinued operation in the six-month period ended 30 June 2024. In addition, comparative information for the six-month period ended 30 June 2023 has been restated for comparative purposes.

g) Seasonality of the Group’s transactions

Given the business in which the Group companies are engaged, their transactions are not of a cyclical or seasonal nature to any significant extent. Accordingly, no specific breakdowns are included in these explanatory notes to the Interim Summary Consolidated Financial Statements corresponding to the six-month period ended 30 June 2024.

h) Relative importance

In establishing the information to disclose in these notes on the different items of the financial statements or other issues, in accordance with IAS 34, the Group has considered the relative importance in connection with those Interim Summary Consolidated Financial Statements of the six month-period ended 30 June 2024.

i) Summary consolidated statement of cash flows

The Group presents the summary consolidated statement of cash flows using the following expressions with the following meanings:

- <u>Cash flows</u> are inflows and outflows of cash and cash equivalents.

- Operating activities are the activities that make up for the entity's main source of ordinary revenue and other activities that cannot be classified as investing or financing activities.

- Investing activities are the acquisition and disposal of long-term assets and other investments not included in cash and cash equivalents.

- Financing activities are activities that result in changes in the size and composition of the contributed equity and borrowings of the entity.

For the purposes of drawing up the summary consolidated statement of cash flow, cash in hand and demand bank deposits have been considered as "Cash and cash equivalents", and also any highly liquid short term investments that can be easily traded into cash amounts, subject to very little risk with regard to changes in value.

The cash flows generated by operating activities in the first half of 2024 have increased compared to those generated in the first six months of the previous year.

Net cash flows from (used in) investment activities in the first half of 2024 are mainly due to the sale of the stake in Enerfin (Note 4) and new investments in property, plant and equipment (Note 7) (proceeds from the sale of the subsidiary Gasoducto de Morelos, S.A.P.I. de C.V. and new investments in property, plant and equipment in the first half of 2023).

Net cash flows from investment activities of discontinued operations in the first half of 2024 and 2023 are mainly from new investments in property, plant and equipment of wind farms and solar PV projects under construction.

Lastly, cash flows from financing activities reflect a decrease in the period of the outstanding balance of promissory notes issued on the Alternative Fixed Income Market for Euros 140 million (increase of Euros 109 million in the first half of 2023), and the repayment of Euros 172 million of the syndicated loan arranged by the Parent Elecnor, S.A. (repayment of Euros 95 million in the first half of 2023) (Note 9).

The cash flows from financing activities of discontinued operations in the first half of 2024 and 2023 are mainly due to new borrowing drawdowns for the construction of a wind farm in Spain and a photovoltaic farm in Colombia and repayments of borrowings arranged in previous years based on the payment schedule.

2. Changes in the composition of the Group

Appendix I of the consolidated annual accounts for the year ended 31 December 2023 shows relevant information on the Group companies that were consolidated at that date and on those measured using the equity method.

On 23 May 2024, once all the conditions stipulated in the contract signed with Statkraft European Wind and Solar Holding AS had been fulfilled, the public deed of sale of all the shares of Enerfín was signed, effective on the same date, for a final price of Euros 1.560 billion. The transaction resulted in a capital gain of Euros 805,477 thousand, recognised under "Profit/loss from discontinued operations attributable to shareholders of the Parent" in the summary consolidated income statement for the six-month period ended 30 June 2024 (Note 4).

In the first six months of 2023, the most significant corporate transaction was the disposal of the 50% stake in the Mexican companies Gasoducto de Morelos, S.A.P.I. de C.V. and Morelos O&M, S.A.P.I. de C.V. in a joint sale with Enagas, owner of the remaining 50%. The transaction resulted in a capital gain of Euros 21,562 thousand, recognised under "Net profit/loss on the sale of non-current assets and subsidiaries" in the summary Consolidated Income Statement for the six-month period ended 30 June 2023 (Note 8).

Also in the first half of 2023, the Group increased by 10% its stake in the subsidiaries Parques Eólicos Palmares, S.A., Ventos dos Índios Energia, S.A., Ventos da Lagoa, S.A., and Ventos do Litoral Energia, S.A., for a total amount of Euros 9.9 million. This led to a decrease by the same amount under various consolidated equity headings. The Group's ownership interest in these subsidiaries thus increased from 80% to 90% at 30 June 2023.

3. Dividends paid by the Parent and earnings per share

a) Dividends paid by the Parent

The dividends paid by the Parent during the first six months of 2024 and 2023 are shown below:

	First six-month period 2024			First six-month period 2023		
	% of nominal value	Euros per Share	Amount (in thousands of Euros)	% of nominal value	Euros per Share	Amount (in thousands of Euros)
Supplementary dividend	387.24	0.3872	33,690	360.53	0.3605	31,366

b) Earnings per share

Basic earnings per share are calculated by dividing the Group's attributable net profit or loss for one year by the average weighted number of shares outstanding during that year, excluding the average number of own shares held.

Details of basic earnings per share in the first six months of 2024 and 2023 are as follows:

	Note	30/06/2024	30/06/2023
Net profit/loss for the six-month period attributable to the parent (thousands of Euros)		848,434	47,395
Total number of shares outstanding		87,000,000	87,000,000
Less - Own shares	10.b	(2,307,936)	(2,318,949)
Average number of shares outstanding		84,692,064	84,681,051
Basic earnings per share (Euros)		**10.02**	**0.56**
Basic earnings per share from continuing operations (Euros)		0.30	0.47
Basic earnings per share from discontinued operations (Euros)		9.72	0.09

At 30 June 2024 and 2023 Elecnor, S.A., the Parent of the Elecnor Group, has not issued any financial instruments or other contracts entitling the holder to receive ordinary shares from the Company. And therefore diluted earnings per share coincide with basic earnings per share.

4. Non-current assets (disposal groups) held for sale and discontinued operations

On 2 June 2023, Elecnor, S.A. filed an Insider Information communication with the CNMV notifying the start of a process to find an investor to take a controlling stake in its subsidiary Enerfín Sociedad de Energía, S.L.U. ("Enerfín"). At 31 August 2023, the Parent's Directors considered that the conditions required by IFRS 5 for the classification of this business as "Non-current assets held for sale and discontinued operations" were met, as disposal of said business in the short term was considered probable.

Following this decision, in 2023 the Elecnor Group reclassified the assets and liabilities associated with this business as a group of assets and liabilities held for sale, reclassifying the Income Statement of all the companies in the business as discontinued operations. At the time of reclassification, the Group assessed the appropriateness of adjusting the fair value of the consolidated net assets in the Enerfín subgroup. In accordance with accounting standards, the Group did not recognise valuation adjustments to the net assets.

On 17 November 2023, Elecnor, S.A. filed an Insider Information communication with the CNMV notifying of the signing of the agreement for the sale of 100% of the capital of Enerfín Sociedad de Energía, S.L.U. to Statkraft European Wind and Solar Holding AS ("Statkraft"), a company that belongs to the Statkraft Group. The transaction was structured by means of a contract for the purchase and sale of shares, signed on the same date, under the usual terms and conditions for this type of transaction.

On 23 May 2024, once all the conditions stipulated in the contract signed with Statkraft European Wind and Solar Holding AS had been fulfilled, the public deed of sale of all the shares of Enerfín was signed, effective on the same date, and Statkraft therefore became the sole shareholder of Enerfín.

The final transaction price received by Elecnor, after the corresponding adjustments agreed in the contract, was Euros 1.560 billion.

The Elecnor Group recognised a profit of Euros 823,438 thousand with a credit to "Profit/loss from discontinued operations attributable to shareholders of the Parent" in the summary consolidated income statement for the six-month period ended 30 June 2024. This result is made up of a capital gain, as a result of the aforementioned transaction, amounting to Euros 805,477 thousand, and the profit contributed by the Enerfin subgroup up to the closing date of the transaction amounting to Euros 17,961 thousand.

Details of how the capital gain was calculated are given below:

	Thousands of Euros
Selling price	1,560,241
Derecognition of the Enerfin Subgroup's net assets	(558,858)
Non-controlling interests	21,897
Transfer of translation differences to profit/loss	(150,400)
Transfer of valuation adjustments to profit/loss	5,167
Transfer costs	(31,303)
Proceeds from the sale	846,744
Associated tax	(41,267)
Proceeds from the sale after tax	805,477

The following table provides a detailed breakdown of the net assets sold in the transaction:

Assets	Thousands of Euros 23/05/2024
Non-current assets:	
Property, plant and equipment	1,011,259
Right-to-use assets	30,746
Goodwill	12,990
Intangible assets	236
Equity-accounted investees	2,299
Non-current financial assets	26,859
Deferred tax assets	12,203
Total non-current assets	**1,096,592**
Current assets:	
Inventories	35
Trade and other receivables	27,211
Public entities, receivable	6,879
Current income tax assets	310
Other receivables	1,693
Short-term financial investments	20,938
Other current assets	3,411
Cash and cash equivalents	90,633
Total current assets	**151,110**
Total assets	**1,247,702**

Liabilities	Thousands of Euros 23/05/2024
Non-current liabilities:	
Provisions for liabilities and charges	20,533
Financial liabilities from issuing bonds and other marketable securities	11,267
Financial liabilities on loans and borrowings	490,511
Derivative financial instruments	5,467
Lease liabilities	30,258
Other non-current liabilities	3,816
Deferred tax liabilities	27,100
Total non-current liabilities	**588,952**
Current liabilities:	
Provisions for liabilities and charges	2,023
Financial liabilities from issuing bonds and other marketable securities	10,822
Financial liabilities on loans and borrowings	25,441
Derivative financial instruments	2,920
Lease liabilities	3,751
Trade and other payables	50,524
Other payables	4,411
Total current liabilities	**99,892**
Total liabilities	**688,844**

Net assets	**558,858**

The following is the consolidated income statement (discontinued operations) at 30 June 2024 and 30 June 2023:

	Thousands of Euros	
	30 June 2024	**30 June 2023**
Net turnover	88,924	88,365
Self-constructed assets	2,346	7,413
Materials consumed	(28)	(694)
Other operating income	2,664	1,183
Personnel expenses	(11,073)	(7,518)
Other operating expenses	(35,870)	(30,577)
Expense for amortisation, depreciation, impairment and charges to	(339)	(23,913)
Net profit/loss on the sale of non-current assets and subsidiaries	(1,372)	—
Profit/loss from equity-accounted investees	(181)	(485)
Operating income	**45,071**	**33,774**
Finance income	3,979	3,897
Finance expenses	(15,332)	(18,435)
Translation differences	(229)	(298)
Profit/loss before taxes	**33,489**	**18,938**
Income tax	(10,371)	(8,469)
Profit/loss for the year from continuing and discontinued operations	**23,118**	**10,469**
Profit/loss from discontinued operations attributable to non-controlling	(5,157)	(2,476)
Profit/loss from discontinued operations attributable to shareholders of the Parent	**17,961**	**7,993**

5. Intangible assets

a) Goodwill

There have been no material changes under the heading "Intangible assets – Goodwill" on the asset side of the summary consolidated statement of financial position at 30 June 2024 compared to the same heading at 31 December 2023. The breakdown of this heading at 31 December 2023 according to the companies/CGUs from where it originates is shown in Note 8 of the notes to the consolidated annual accounts for 2023.

The impairment analysis policies applied by the Group to its intangible assets and, particularly, to its goodwill, are described in Notes 3 and 8 of the consolidated annual accounts for the year ended 31 December 2023.

In 2024, no modifications were considered in relation to the main assumptions defined in the previous year, which ended 31 December 2023, so it has not been necessary to update the impairment tests.

b) Other intangible assets

The heading "Other intangible assets" includes an approximate amount of Euros 1,972 thousand at 30 June 2024 (Euros 2,958 thousand at 31 December 2023) reflecting the estimated fair value, net of amortisation, of the Audeca contracts with public entities for road maintenance and upkeep at the date on which this company was acquired by the Elecnor Group in 2010. The Group amortises this asset over a period of 15 years which, based on past experience, is the estimated average term of the aforementioned contracts including the related renewals.

6 Financial assets

a) Composition and breakdown

The breakdown of the Group's financial assets at 30 June 2024 and 31 December 2023 is shown below, presented according to type and category for the purposes of measurement:

	Thousands of Euros		
	30/06/2024		
	Financial assets at fair value	Financial assets at amortised cost	**Total**
Other financial assets	-	13,615	13,615
Derivatives	136	-	136
Non-current financial assets	**136**	**13,615**	**13,751**
Trade and other receivables	-	898,088	898,088
Trade receivables from related companies	-	32,844	32,844
Other receivables	-	67,270	67,270
Current investments in related companies	-	323	323
Other current financial investments	-	981,747	981,747
Derivatives	510	-	510
Current financial assets	**510**	**1,980,272**	**1,980,782**
Total	**646**	**1,993,887**	**1,994,533**

	Thousands of Euros		
	31/12/2023		
	Financial assets at fair value	Financial assets at amortised cost	**Total**
Other financial assets	-	12,459	12,459
Derivatives	170	-	170
Non-current financial assets	**170**	**12,459**	**12,629**
Trade and other receivables	-	990,567	990,567
Trade receivables from related companies	-	23,113	23,113
Other receivables	-	37,343	37,343
Current investments in related companies	-	318	318
Other current financial investments	-	19,531	19,531
Derivatives	2,136	-	2,136
Current financial assets	**2,136**	**1,070,872**	**1,073,008**
Total	**2,306**	**1,083,331**	**1,085,637**

The fair value of financial assets does not differ significantly from their carrying amount.

Financial assets at amortised cost-

Trade and other receivables and Customer contract assets, under Current assets

The Group has recorded a provision for the estimated negative margin in relation to projects in Australia amounting to approximately EUR 8.4 million (year-end 2023: EUR 13.4 million) under "Provisions for liabilities and charges" in the Summary Consolidated Statement of Financial Position at 30 June 2024. Certain circumstances have increased the cost estimate for the contracts, such as execution delays on the back of COVID-19 and the global economic instability unleashed by the disproportionate rise in raw material prices, labour and logistics expenses and local overheads as a result of spiralling inflation. These circumstances have led these contracts to recognise negative margins. Against this backdrop, and with the customer's collaboration, we are together seeking solutions to keep these projects—which are of strategic importance for the country—afloat. It is hoped that this joint work will lead to an improvement in future years in the situation as reflected in the Interim Summary Consolidated Financial Statements for the first half of 2024.

Other than as explained above, at 30 June 2024 and 31 December 2023, the Group had no construction contracts with negative margins whose estimated loss is material (Note 18 to the 2023 consolidated annual accounts).

<u>Other financial investments, current assets</u>

"Other financial investments" mainly comprise fixed-term deposits (Euros 855 million), money market funds (Euros 75 million) and reverse repos (Euros 5 million).

b) Impairment adjustments

During the first six months of 2024 and 2023 no significant impairment was observed in the value of the financial assets of Elecnor Group.

The amount of current financial assets due and payable at 30 June 2024 has not varied significantly compared to the information reflected in the consolidated annual accounts at 31 December 2023.

7. Property, plant and equipment

a) Changes during the period

Additions in the first half of 2024 amounted to approximately Euros 39 million, corresponding to machinery, technical installations and transport elements necessary to develop the Services and Projects activity and oil extraction infrastructures in Ecuador (in the first half of 2023 they amounted to Euros 133 million, corresponding mainly to investments in wind farms in Spain for Euros 41 million and a solar PV plant in Colombia for Euros 62 million).

Of the above additions in the first half of 2023, Euros 67.2 million related to work carried out by the Group for its own fixed assets for the Spanish wind farms and the solar PV plant in Colombia.

Disposals of items of PPE, coupled with the net proceeds from their sales in the first six months of 2024 and 2023, were insignificant.

b) Impairment losses

During the first six months of 2024 and 2023 there were no impairment losses on items of property, plant and equipment for any significant amount.

c) Commitments to purchase items of Property, plant and equipment

At 30 June 2024 and 31 December 2023 the Group had no significant commitments to purchase items of property, plant and equipment.

8. Equity-accounted investees

Changes that have taken place in the first six months of 2024 and 2023 under "Equity-accounted investees" are shown below:

	First six-month period 2024	First six-month period 2023
Opening balance	**598,925**	**628,150**
Share in profits/(losses)	7,067	6,546
Contributions	-	2,580
Translation differences	(18,663)	17,473
Share in other comprehensive income	1,361	(8,801)
Companies leaving the consolidation scope	-	(40,744)
Other	(286)	(243)
Closing balance for the period	**588,404**	**604,961**

Fluctuations in the exchange rate of the Brazilian real and the US dollar in the first half of 2024 decreased the value of investments accounted for using the equity method by Euros 25 million and increased it by Euros 6 million, respectively, compared to their value at 2023 year-end (increase of Euros 25 million and decrease of Euros 8 million, respectively, in the first half of 2023) (Note 10.c).

On 24 April 2023, the Parent and Enagás Internacional, S.L.U., as sellers, and MIP V International AIV, L.P., as buyer, the conditions precedent having been fulfilled, completed the sale-purchase transaction to transfer the shares held by the sellers in the share capital of the Mexican companies Gasoducto de Morelos, S.A.P.I. de C.V. and Morelos O&M, S.A.P.I. de C.V., in which each of the sellers held a 50% shareholding. The reconciliation of the value of these investments, accounted for using the equity method, in the year 2023, until the time of their disposal, was as follows:

	Thousands of Euros
1 January 2023	**39,656**
Share in profit/loss	1,088
Derecognitions	(40,744)
30 June 2023	**-**

The transaction price amounted to approximately US Dollars 190 million (Euros 172.5 million), calculated using a base price adjusted for certain working capital parameters and, being attributable to the Parent, the amount corresponding to its shareholding. The Elecnor Group recognised a provision of USD 26 million (EUR 23.7 million) under "Provisions for liabilities and charges" in Non-Current Liabilities in the Condensed Consolidated Statements of Financial Position at 30 June 2024 and 30 June 2023, as it is considered that it will have to meet certain liabilities in the future under the terms of the contract.

As at 30 June 2024, an amount of EUR 9.6 million is pending settlement (EUR 9.9 million at 31 December 2023) and has been recorded under "Other receivables" on the current assets side of the Summary Consolidated Statement of Financial Position.

As a result of this transaction, the Elecnor Group recognised a capital gain of Euros 21.6 million with a credit to "Net profit/loss on the sale of non-current assets and subsidiaries" in the summary Consolidated Income Statement for the six-month period ended 30 June 2023, as follows:

	Thousands of Euros
Sale price attributable to the Elecnor Group	86,273
Derecognition of shareholding	(40,744)
Other assets (*)	(4,938)
Transfer costs	(963)
Provision for liabilities	(23,696)
Transfer of translation differences to profit/loss	3,944
Transfer of valuation adjustments to profit/loss	1,686
Proceeds from the sale	**21,562**

(*) The Elecnor Group had loans granted to the divested company Gasoducto de Morelos, S.A.P.I. de C.V. relating to various contributions to the subsidiary in 2012 in respect of future capital increases and which accrued interest at an annual rate of 7.5%, as well as other minor receivables.

9. Financial liabilities

a) Composition and breakdown

The breakdown of the Group's financial liabilities at 30 June 2024 and 31 December 2023 is shown below, shown by type and category for the purposes of measurement:

	Thousands of Euros		
	30/06/2024		
	Financial liabilities at amortised cost	Financial liabilities at fair value	**Total**
Bonds and other marketable securities	29,684	-	29,684
Loans and borrowings	143,986	-	143,986
Lease liabilities	34,218	-	34,218
Derivatives	-	100	100
Non-current financial liabilities	**207,888**	**100**	**207,988**
Bonds and other marketable securities	99,372	-	99,372
Loans and borrowings	69,356	-	69,356
Lease liabilities	14,028	-	14,028
Trade and other payables	844,093	-	844,093
Derivatives	-	1,321	1,321
Other current liabilities	118,329	-	118,329
Current financial liabilities	**1,145,178**	**1,321**	**1,146,499**
Total	**1,353,066**	**1,421**	**1,354,487**

	Thousands of Euros		
	31/12/2023		
	Financial liabilities at amortised cost	Financial liabilities at fair value	**Total**
Bonds and other marketable securities	29,672	-	29,672
Loans and borrowings	315,184	-	315,184
Lease liabilities	33,946	-	33,946
Derivatives	-	-	-
Non-current financial liabilities	**378,802**	**-**	**378,802**
			-
Bonds and other marketable securities	238,818	-	238,818
Loans and borrowings	35,642	-	35,642
Lease liabilities	15,174	-	15,174
Trade and other payables	969,293	-	969,293
Derivatives	-	646	646
Other current liabilities	91,280	-	91,280
Current financial liabilities	**1,350,207**	**646**	**1,350,853**
Total	**1,729,009**	**646**	**1,729,655**

In the first half of 2024, the Parent issued 34 promissory notes on the Alternative Fixed Income Market for an amount of Euros 654 million, leaving an outstanding balance at 30 June 2024 of Euros 99 million (Euros 239 million at 31 December 2023) recorded under "Bonds and other marketable securities" of the current liabilities of the Summary Consolidated Statement of Financial Position. None of the outstanding promissory note issues at 30 June 2024 matures in more than one year. The cap under the promissory note programme is Euros 400 million of nominal outstanding amount at any given time (Euros 400 million at 31 December 2023).

In addition, during the first half of 2024 the Group has reduced its syndicated debt by EUR 172 million recorded under "Loans and borrowings" in non-current liabilities in the Summary Consolidated Statement of Financial Position.

In the first half of 2024 there were no further significant changes in either the nature or composition of the financial liabilities which, as indicated in Note 16 to the consolidated annual accounts for the year ended 31 December 2023, relate mainly to the syndicated loan, the issuance of promissory notes and other marketable securities and the financing contracts signed in 2017 and 2018 with European Energy Efficiency Fund, S.A., Efficiency Solutions and financing from the securitisation fund "Elecnor Eficiencia Energética 2020, FT", set up in 2020.

Lease liabilities mainly relate to lease agreements for office premises.

In addition, as indicated in Note 17 of the Consolidated Annual Accounts for the year ending 31 December 2023, the Elecnor Group uses derivative financial instruments to hedge the risks to which its business activities, transactions and future cash flows are exposed, mainly risks as a result of changes in exchange rates and interest rates. Details of the balances reflecting the measurement of derivatives at 30 June 2024 and 31 December 2023 are as follows:

	Thousands of Euros							
	30/06/2024				31/12/2023			
	Non-current assets	Current assets	Non-current liabilities	Current liabilities	Non-current assets	Current assets	Non-current liabilities	Current liabilities
INTEREST RATE HEDGES								
Cash flow hedges:								
Interest rate swap	136	441	-	-	170	2,067	-	-
EXCHANGE RATE HEDGES								
Cash flow hedges:								
Exchange rate insurance	-	69	100	1,321	-	69	-	646
	136	**510**	**100**	**1,321**	**170**	**2,136**	**-**	**646**

b) Financial assets at fair value

An analysis of financial instruments measured at fair value at 30 June 2024 and 31 December 2023 subsequent to their initial recognition, classified into levels 1 to 3 based on the fair value measurement method, is as follows:

- Level 1: their fair value is obtained from directly observable quoted prices in active markets for an identical asset or liability.

- Level 2: their fair value is determined using market inputs, other than the quoted prices included in level 1, that are observable for the asset or liability, either directly (i.e. prices) or indirectly (i.e. derived from prices).

- Level 3: their fair value is determined using measurement techniques that include inputs for the assets and liabilities that are not directly observable market data.

	Fair value at 30 June 2024 Thousands of Euros			
	Level 1	Level 2	Level 3	**Total**
Non-current financial assets				
Derivative financial instruments	-	136	-	**136**
Current financial assets				
Derivative financial instruments	-	510	-	**510**
Non-current financial liabilities				
Derivative financial instruments	-	(100)	-	**(100)**
Current financial liabilities				
Derivative financial instruments	-	(1,321)	-	**(1,321)**
	-	**(775)**	-	**(775)**

	Fair value at 31 December 2023 Thousands of Euros			
	Level 1	Level 2	Level 3	**Total**
Non-current financial assets				
Derivative financial instruments	-	170	-	**170**
Current financial assets				
Derivative financial instruments	-	2,136	-	**2,136**
Non-current financial liabilities				
Derivative financial instruments	-	-	-	**-**
Current financial liabilities				
Derivative financial instruments	-	(646)	-	**(646)**
	-	**1,660**	-	**1,660**

Adjustments-

The market value of the different financial instruments is calculated as follows:

- For derivatives quoted on an organised market, their quoted value at year end.
- For derivatives not traded on an organised market, in order to measure them, the Elecnor Group uses assumptions based on year-end market conditions. Specifically:
    - ✓ the market value of interest rate swaps is calculated by discounting the difference between the swap rates at market interest rates;

- ✓ the market value of forward exchange rate contracts is determined by discounting the estimated future cash flows using forward exchange rates prevailing at the close of the year;

- ✓ the fair value of contracts for the purchase of non-financial items to which IFRS 9 applies is calculated using the best estimate of future price curves for these non-financial items existing at the closing date, using, to the extent possible, prices established on futures markets.

Neither in the case of exchange rate hedges nor interest rate hedges did any circumstances arise in the first half-year of 2024 or during 2023 that required changing the hedge accounting policy initially adopted for recognising the derivatives. Likewise, at 30 June 2024 and at 31 December 2023 the Elecnor Group has no derivatives that do not meet the conditions for being considered accounting hedges, nor has it maintained any during the course of the periods concluded on those dates.

10. Equity

a) Issued capital

At 30 June 2024 and 31 December 2023 the share capital of Elecnor, S.A. was represented by 87,000,000 ordinary bearer shares of Euros 0.10 nominal value each, fully subscribed and paid in.

The shares of Elecnor, S.A. are listed on the Spanish electronic trading system.

b) Own shares

Pursuant to the resolutions adopted successively by the shareholders at the General Shareholders' Meeting of Elecnor, S.A., various acquisitions of own shares of Elecnor, S.A. have been made in recent years for their progressive disposal on the market.

The breakdown and changes in own shares during the first half-year of 2024 and 2023 are as follows:

	Notes	No. of Shares	
		First six-month period 2024	First six-month period 2023
No. of own shares at the start of the period		2,299,529	2,322,384
Acquisition of own shares		256,638	105,280
Sale of own shares		(248,231)	(108,715)
No. of own shares at the end of the period	3.b	**2,307,936**	**2,318,949**

Changes in own shares during the first half of 2024 and 2023 in thousands of Euros are as follows:

	First six-month period 2024	First six-month period 2023
Opening balance for the period	23,422	22,430
Acquisition of own shares	4,987	1,239
Sale of own shares	(2,649)	(1,055)
Closing balance for the period	**25,760**	**22,614**

Own shares are shown as a reduction under the heading "Equity".

In the first six months of 2024 and 2023, there was no significant profit/loss from selling own shares, which is recognised as a credit or debit to "Equity".

All the own shares held by the Parent at 30 June 2024 and 2023 represented 2.65% and 2.67% of the total share capital of Elecnor, S.A. at those dates.

c) Translation differences

The cumulative translation differences recognised in equity at 30 June 2024 and 31 December 2023 for each of the main currencies are as follows:

Currency	Thousands of Euros	
	30/06/2024	31/12/2023
Brazil	(78,793)	(191,098)
Canada	-	(1,287)
Chile	(12,311)	(10,175)
USA	11,987	4,107
Argentina	(9,489)	(9,274)
Venezuela	(42,536)	(42,536)
Other	(1,103)	1,152
Total	**(132,245)**	**(249,111)**

The changes in translation differences resulting from the Group's businesses in Brazil and Canada is mainly due to the exit of Enerfin from the consolidation scope (Note 4).

11. Income tax

Elecnor, S.A. pays tax in accordance with Spanish legislation contained in Royal Legislative Decree 27/2014, of 27 November on Corporate Income Tax and its implementing regulations.

The Corporate Income Tax expense has been calculated on the basis of our best estimate performed by the Parent's Directors of the weighted tax rate for the whole year multiplied by the consolidated profit or loss before tax corresponding to the six-month period.

The effective tax rate corresponding to the six-month period ended on 30 June 2024 was 47% (23% in the six-month period ended on 30 June 2023). The previous year's tax rate was affected by the exemption for tax purposes of the capital gain obtained on the disposal of the 50% stake in the Mexican companies Gasoducto de Morelos, S.A.P.I. de C.V. and Morelos O&M, S.A.P.I. de C.V.(EUR 21,562 thousand) (Note 8).

Elecnor has recently received notification from the tax inspection team of the completion of the verification and investigation actions for the years 2017 to 2020, both inclusive, for corporate income tax, value added tax and personal income tax withholdings. At the date of preparation of these Interim Summary Consolidated Financial Statements, the final assessments have yet to be received from the Chief Inspector of the Technical Office of the Tax Administration, at which time the Company expects to be in a position to determine the impact that such final assessments may have on its consolidated financial statements.

12. Related parties

"Related parties" to the Group are considered to be subsidiaries, associates and jointly-controlled entities, plus any significant shareholders and "Key Management Personnel" (members of the Company's Board of Directors and the Managers, together with their close relatives), as well as any companies over which the key Management personnel has any significant influence or has control.

The transactions carried out by the Group during the first six months of 2024 and 2023 with parties related to it and that have not been eliminated in the consolidation process are shown below. Related party transactions would be carried out at arm's length:

	Thousands of Euros	
	Other related parties	
	30/06/2024	30/06/2023
Income:		
Finance income	-	979
Net turnover	38,542	53,611
	38,542	**54,590**

The main transactions with related parties at 30 June 2024 relate to the invoicing for the construction of power transmission lines in Brazil for Euros 4.8 million (Euros 22 million at 30 June 2023), the construction of power transmission lines in Chile for Euros 17.9 million (Euros 20.2 million at 30 June 2023), the construction of power transmission lines in Peru for Euros 5.6 million (Euros 4.3 million at 30 June 2023), and for the maintenance of solar thermal facilities owned by the companies Aries Solar Termoeléctrica, S.L. and Dioxipe Solar, S.L. amounting to

Euros 9.9 million (Euros 6.8 million at 30 June 2023); all of which are companies belonging to the Celeo Concesiones e Inversiones Group which is consolidated using the equity method (Note 8).

The Directors of the Parent have not carried out any transactions other than ordinary business or applying terms that differ from market conditions with the Company or any other Group company.

13. Remuneration and other benefits paid to the Board of Directors and Senior Management of the Parent

Note 28 of the consolidated notes to the Group's Consolidated Annual Accounts for the year ended 31 December 2023 details the arrangements in place regarding remuneration and other benefits for members of the Board of Directors of the Parent and the Group's Management Team.

A summary of the key figures relating to those remunerations and benefits corresponding to the six-month periods ended 30 June 2024 and 2023 is shown below:

	Thousands of Euros	
	30/06/2024	30/06/2023
Members of the Board of Directors:		
Type of remuneration		
Fixed remuneration	1,336	1,847
Statutory allowances	1,507	1,500
Life insurance premiums	6	10
	2,849	**3,357**
Senior Management:		
Total remuneration received by Senior Management	6,622	4,965

There were no significant agreements other than those itemised in the aforementioned consolidated note to the Group's consolidated annual accounts for the year ended 31 December 2023.

14. Segment information

Note 6 of the notes to the consolidated annual accounts of the Group for the year ended 31 December 2023 shows the principles used by the Group for defining its operating segments.

The Group conducts its activity in two businesses:

- Elecnor (Essential Services and Sustainable Projects)

- Enerfín and Celeo (Investments in Infrastructure and Renewables)

Enerfín and Celeo make investments in infrastructure and renewables: development, financing, construction, investment and management of energy assets. Goals are established on an individual basis in order to analyse their activity separately, and their main figures are reported as separate segments in order to better understand the Group's businesses.

However, as explained in note 1.f of "Comparative information", the Enerfin subgroup is a complete business segment. The profit obtained by Enerfín in the first half of this year and in the past, up to the time of the sale as well, as the proceeds from its sale in this period, have been classified under "Profit for the year from discontinued operations" in the interim summary consolidated income statement at 30 June 2024 (Note 4).

Net turnover per segment at 30 June 2024 and 2023 is as follows:

	Thousands of Euros	
	30/06/2024	30/06/2023
Elecnor	1,729,130	1,809,266
Operations between segments	(15,212)	(62,340)
Total	**1,713,918**	**1,746,926**

The turnover of the segment "Transactions between segments" corresponds to the elimination at consolidated level of the work carried out by the Group for its own fixed assets, mainly for the Spanish wind farms and the solar PV plant in Colombia belonging to the Enerfín subgroup until the date of its sale. The difference compared to the same period last year is mainly due to the lower investment in the solar PV plant in Colombia, which ends this year (Note 7).

The reconciliation of the profit/loss per segment with the consolidated profit/loss at 30 June 2024 and 2023 attributable to the Parent is as follows:

	Thousands of Euros	
	30/06/2024	30/06/2023
Continuing operations		
Elecnor	40,257	47,379
Celeo	7,067	5,885
Group management and other adjustments	(22,042)	(12,254)
Operations between segments	(286)	(1,608)
	24,996	**39,402**
Discontinued operations		
Enerfín	823,438	7,993
	823,438	**7,993**
Total	**848,434**	**47,395**

The profit/loss attributable to the segment "Group management and other adjustments" at 30 June 2024 and 30 June 2023 mainly corresponds to general structural expenses, and in the current year was increased by expenses relating to the Enerfin corporate transaction that are not intrinsically linked to it.

No breakdown is shown of the information corresponding to finance expenses and taxes as they are not included in the information supplied to the Group’s Governing Body for management purposes.

15. Average workforce

The average headcount, by professional category, of employees during the first six months of 2024 and 2023 was as follows:

	Average headcount	
	30/06/2024	30/06/2023
Management	131	154
Executive	1,458	1,526
Technician	5,266	5,130
Basic	16,149	15,932
Total	**23,004**	**22,742**

In the first half of 2023, Enerfin's average workforce numbered 160 employees, and is included in the table above. The employees of this subgroup were not included in the first half of the year, given that it was sold (Note 4).

The Group's average workforce in the above table includes, in the first six months of 2024 and 2023, 4,423 and 4,975 employees, respectively, with temporary employment contracts.

The distribution of the workforce by gender at 30 June 2024 and 2023 is as follows:

	Year-end head count	
	30/06/2024	30/06/2023
Male	20,428	20,176
Female	2,955	2,984
Total	**23,387**	**23,160**

This table represents those persons who identify as male or female, so the numbers segmented by gender may not match the total presented due to persons who identify with another gender or who choose not to disclose information.

16. Events after the reporting period

There have been no events between the close of the first six months of 2024 and the drawing up of these Interim Summary Consolidated Financial Statements that could entail any significant alteration to the true and fair view of the financial statements of both Elecnor, S.A. and the subsidiaries making up the Elecnor Group.

Consolidated Interim Directors' Report - Elecnor Group

For the half-year period ended on 30 June 2024

Contents

1. Purpose and business model

The Elecnor Group is a Spanish corporation operating in more than 50 countries. It is an international leader in integrated renewable energy concessions, sustainable infrastructure projects and essential services for the energy transition and digitalisation of cities, distinguished for its profitability, recurrence and moderate risk.

Its purpose is to generate change and bring about well-being by deploying infrastructure, energy and services to territories all over the world in order to develop their potential.

It is a global enterprise whose purpose is driven by a people-centric business model and that believes in generating shared value and sustainability.

The Group’s activities are organised into three broad strategic lines:

- **Essential services**: Integration of energy distribution, telecommunications, maintenance and installation services, essential to drive change and generate well-being in cities and which feed back into the business of sustainable projects.

- **Sustainable projects**: Development, construction, operation and maintenance of clean energy generation and transmission infrastructure worldwide, improving the living conditions of communities and enhancing sustainable development.

- **Concessions and own projects**: Development and operation of projects aimed at long-term stability and profitability through concession contracts and strategic investments in projects of its own, strengthening its renewables and energy infrastructure portfolio and boosting the Group's long-term value.

Efficiency, diversification, financial robustness and personal commitment are the Elecnor Group’s value generation and expansion levers.

2. Economic context[1]

The global economy showed remarkable resilience in the first half of this year, as supported by macroeconomic data, despite the instability and heightened political risk that has prevailed in both 2023 and 2024, and despite the considerable interest rate hikes by central banks in recent times, aimed at maintaining price stability.

The International Monetary Fund (IMF) expects the global economy to maintain stable **growth** of around 3.2% in 2024 and 2025. This body foresees a slight acceleration in advanced economies (from 1.6% in 2023 to 1.7% in 2024) which will be offset by a modest slowdown in emerging and developing economies (from 4.3% in 2023 to 4.2% in 2024). The World Bank, less optimistic in its projections, forecasts growth of 2.6% this year and 2.7% in 2025.#

Against this backdrop of steady but slow growth, the IMF expects global **inflation** to fall gradually from 6.8% in 2023 to 5.9% in 2024 and 4.5% in 2025, with advanced economies reaching their inflation targets ahead of emerging and developing economies. Meanwhile, the World Bank expects headline inflation to ease to 3.5% in 2024 and 2.9% in 2025, with a slower decrease than forecast six months ago. As a result, many central banks are expected to take a cautious approach to the expected rate cuts. **Global interest rates** are, in any case, likely to remain high compared to recent decades, averaging around 4% over the 2025-2026 period, roughly double the average of the 2000-2019 period.#

The latest growth and inflation forecasts for the regions that have the most impact on the Group's financial statements are set out in the table below (according to the IMF):

	% growth		% inflation	
	outlook for 2024	2023	outlook for 2024	2023
Global	**3.2**	**3.2**	**5.9**	**6.8**
Spain	1.9	2.5	2.7	3.4
Italy	0.7	0.9	1.7	5.9
United Kingdom	0.5	0.1	2.5	7.3
Portugal	1.7	2.3	2.2	5.3
United States	2.7	2.5	2.9	4.1
Brazil	2.2	2.9	4.1	4.6
Mexico	2.4	3.2	4.0	5.5
Argentina	(2.8)	(1.6)	249.8	133.5
Colombia	1.1	0.6	6.4	11.7
Chile	2.0	0.2	3.2	7.6
Peru	2.5	(0.6)	2.3	6.3
Ecuador	0.1	2.3	1.4	2.2
Dominican Republic	5.4	2.4	4.2	4.8
Australia	1.5	2.1	3.5	5.6
Cameroon	4.3	4.0	5.9	7.2
Angola	2.6	0.5	22.0	13.6
Ghana	2.8	2.3	22.3	37.5
Senegal	8.3	4.1	3.9	5.9
Zambia	4.7	4.3	11.4	11.0

[1]Sources:
- World Bank. World Economic Outlook (June 2024)
- International Monetary Fund (IMF). World Economic Outlook (April 2024)

3. Economic and financial performance in the period

3.1. Key figures in consolidated profit/loss for the year

In this half-year period, the Elecnor Group obtained a profit of Euros 848.4 million, compared with Euros 47.4 million in the same period of the previous year. This result was achieved thanks to the sale of the Enerfin subgroup in which the Group has been building value for 26 years.

Elecnor, S.A. signed the public deed of sale of all its shares in Enerfín Sociedad de Energía, S.L.U. (Enerfin) on 23 May this year, effective on the same date, once all the conditions provided in the contract signed with Statkraft European Wind and Solar Holding AS (as communicated as Inside Information to the CNMV on 17 November last year) had been fulfilled.

The final sale price received by Elecnor, after the corresponding adjustments agreed in the contract, was Euros 1.560 billion. The transaction resulted in a capital gain of Euros 805 million, recognised under "Profit/loss from discontinued operations attributable to shareholders of the Parent" in the summary Consolidated Income Statement for the 6-month period ended 30 June 2024.

Since the Enerfín subgroup constituted a complete business segment within the Group, its contribution to each of the Income Statement items this year until the sale date is classified under the heading "Profit/loss from discontinued operations". Likewise, for comparative purposes, the Income Statement for the first half of 2023 has been restated. Therefore, the Enerfín subgroup does not contribute sales or EBITDA to the consolidated Income Statements for both periods, but does contribute to Profit/loss from Discontinued Operations.

At 30 June 2024 and 30 June 2023[2], the main figures of the Group's Income Statement are as follows:

(Thousands of Euros)	30/06/24	30/06/23	Change (%)
Profit/loss for the year attributable to the shareholders of the Parent	**848,434**	**47,395**	
CONTINUING OPERATIONS			
Turnover	1,713,918	1,746,926	*-1.9%*
Domestic	*750,920*	*727,798*	*3.2%*
International	962,998	*1,019,128*	*-5.5%*
EBITDA	60,138	117,794	*-48.9%*
Profit before tax	47,361	50,858	*-6.9%*
Net income attributable from Continuing Operations	**24,996**	**39,402**	***-36.6%***
DISCONTINUED OPERATIONS			
Net income attributable from Discontinued Operations	**823,438**	**7,993**	

[2] Figures restated by classifying the results of the Enerfín subgroup as Profit/loss from discontinued operations attributable to shareholders of the Parent. This restatement does not affect the total amount of Profit/loss attributable to shareholders of the Parent.

The evolution of the figures relating to Continuing Operations are analysed in the following section, for a better understanding, broken down by the different businesses into which the Group's Income Statement is segmented (see note 14 "Segmented information" of the Interim Financial Statements at 30 June 2024).

3.2. Business Performance from Continuing Operations

The Group operates through two mutually strengthening and complementary subgroups of companies that set their objectives individually. These subgroups report their key figures as separate segments for a better understanding of the Group's businesses, and are as follows:

The **Elecnor Group** pursues its purpose by generating change and well-being, deploying infrastructure, energy and services to territories all over the world in order to develop their potential, placing engineering and technology at the service of people's well-being.

Elecnor is an integrated manager of essential services and sustainable projects within the electricity, power generation, telecommunications and systems, facilities, gas, construction, maintenance, environment and water, railway and space sectors.

Celeo is a company dedicated to the development, investment and management of infrastructure and renewable energy assets, jointly owned and managed with APG.

Elecnor (Essential Services and Sustainable Projects)

The Group runs this business through its subsidiary Elecnor Servicios y Proyectos, S.A.U. and its subsidiaries. The following table compares the main figures of this business with those of the same period of the previous year:

Elecnor (Services and Projects)

(Thousands of Euros)	30/06/24	30/06/23	Change (%)
Turnover	1,729,130	1,809,266	*-4.4%*
Domestic	756,732	749,202	*1.0%*
International	972,398	1,060,064	*-8.3%*
EBITDA	78,340	126,153	*-37.9%*
Profit before tax	65,279	62,516	*4.4%*
Attributable consolidated net profit	40,257	47,379	*-15.0%*

In the first half of 2023, this Group business recognised a capital gain of Euros 21.6 million with a credit to "Net profit/loss on disposal of non-current assets and subsidiaries" deriving from a sale-purchase operation in which Elecnor and Enagás Internacional, S.L.U., as sellers, and MIP V International AIV, L.P., as the buyer, the conditions precedent having been fulfilled, transferred the shares held by the sellers in the share capital of the Mexican companies **Gasoducto de Morelos, S.A.P.I. de C.V and Morelos O&M, S.A.P.I. de C.V.,** in which each of the sellers held a 50% stake. The transaction price amounted to approximately US Dollars 190 million (Euros 172.5 million), calculated using a base price adjusted for certain working capital parameters and, being attributable to the Parent, the amount corresponding to its shareholding. The Elecnor Group has deducted the amount of US Dollars 26 million (Euros 23.7 million) from the proceeds of the sale to cover certain responsibilities pursuant to the contract, and the relevant provision has been recognised.

The following table compares the main figures of the Elecnor business income statement with the **figures for the first half of 2023 normalised**, i.e., excluding the proceeds from the sale of 50% of the Mexican companies Gasoducto de Morelos, S.A.P.I. de C.V and Morelos O&M, S.A.P.I. de C.V. (as explained in Note 8 to the accompanying Interim Summary Consolidated Financial Statements), as this is a non-recurring transaction.

Elecnor (Services and Projects)

(Thousands of Euros)	30/06/24	30/06/23 Normalised	Change (%)
Turnover	1,729,130	1,809,266	*-4.4%*
Domestic	756,732	749,202	*1.0%*
International	972,398	1,060,064	*-8.3%*
EBITDA	78,340	104,591	*-25.1%*
Profit before tax	65,279	40,954	*59.4%*
Attributable consolidated net profit	40,257	24,232	*66.1%*

Profit before and after tax thus measured is significantly higher than in the same period of the previous year.

In the **domestic market**, activity continued to grow on the back of the **essential services** developed for the electricity, telecommunications, water, gas and energy transmission and distribution sectors, where it provides an essential service for all utilities. It is worth highlighting the maintenance activity carried out for both the public and private sectors. Likewise, during this period, the construction of wind farms and solar PV projects, as well as projects related to self-consumption and energy efficiency, contributed to the growth of profit in the Group's **sustainable projects** activity.

In the **international market**, the Group has continued to undertake **sustainable projects** in Brazil and Chile (especially renewable energy initiatives and electricity transmission lines). The construction of solar PV plants in the Dominican Republic, wind farms in Brazil and Mauritania, hydroelectric plants in Angola, substations and transmission lines in Chile, Angola, Zambia and Senegal, among many others, also contribute to the Group's profit. Notable in these results are the activities of **essential services** at the US subsidiaries (Hawkeye, Belco and Energy Services), as well as the distribution and telecommunications contracts that Elecnor is implementing in Italy.

This period's EBITDA shows a like-for-like decrease compared to the previous year. This is because, pursuant to the regulations in force, a provision was allocated based on the estimate of a negative margin in relation to projects in Australia for an approximate amount of Euros 30.3 million, and this loss does not affect the calculation for that half year. If this loss, which was subsequently taken to EBITDA by applying the percentage of completion of the projects, had been recorded at this magnitude in the first half of last year, there would have been an **increase of +5.5%**.

With regard to the Group's projects in Australia, certain circumstances have increased the cost estimate for some of its contracts in the country, such as progress delays on the back of COVID-19 and the global economic instability unleashed by the disproportionate rise in raw material prices, labour and logistics expenses and local overheads as a result of spiralling inflation. These circumstances have led these contracts to recognise negative margins. Against this backdrop, and with the customer's collaboration, we are together seeking solutions to keep these projects—which are of strategic importance for the country—afloat. It is hoped that this joint work will lead to an improvement in future years in the situation as reflected in the consolidated financial statements for 2024.

Sales are slightly down (-4.4%) compared to the same period of the previous year, although the portfolio of production that can be executed in the next 12 months is up 4.0%, as shown in the table below.

Elecnor production pipeline that can be executed in the next 12 months

(Thousands of Euros)	30/06/24	31/12/23	Change (%)
Domestic	847,859	749,580	*13.1%*
International	1,834,100	1,828,073	*0.3%*
TOTAL	**2,681,959**	**2,577,653**	*4.0%*

The **production portfolio**, which can be executed in the next 12 months, **amounts to Euros** 2.682 **billion** (Euros 2.577,7 billion at the close of 2023). Of this portfolio figure, 68% relates to the international market, for the amount of Euros 1.834,1 billion, and 32% to the domestic market, for the amount of Euros 847.9 million. The domestic market portfolio comprises contracts for essential services activities, as well as sustainable construction projects for renewable energy plants in the amounts planned for execution in the next 12 months. The **international** portfolio includes both European countries (Italy and the United Kingdom), where service-related activities are carried out, and in other countries (Australia, the United States and Brazil, mainly) where major projects for the construction of renewable-energy power generation plants and power transmission projects.

Celeo (Concessions and own projects)

Celeo, a company owned and managed jointly with APG, one of the world's largest pension funds, has a stake in 7,942 km of electricity transmission lines in operation or under construction in Chile, Brazil and Peru (same figure at 2023 year-end), and in 345 MW of renewable energy (photovoltaic and solar thermal energy) in Spain and Brazil (same figure at 2023 year-end). Overall, it managed some Euros 6,317 million assets in operation at the end of last year.

In terms of new project awards, 2023 was a historic year for Celeo, having been awarded two new concession projects in Brazil (Leilao 1/2023 and 2/2023); two in Chile (expansion of the Hualqui and La Pólvora substations, as part of the International Public Tender for Expansion Works envisaged in Exempt Decree No. 200/2022) and another in Peru (third Concession Contract in the country in Piura Nueva-Frontera).

The main figures of Celeo Group (at 100%) are as follows:

Celeo (100% subgroup)

(Thousands of Euros)	**30/06/24**	**30/06/23**	**Change (%)**
Turnover	147,377	143,245	*2.9%*
EBITDA	101,626	97,514	*4.2%*
Profit before tax	37,971	34,039	*11.6%*
Income tax	(17,243)	(13,871)	*24.3%*
Profit/loss for the businesses attributable to non-controlling interests	(5,808)	(6,490)	*-10.5%*
Attributable consolidated net profit	14,920	13,678	*9.1%*

Celeo's transmission networks business performed well during the first half of the year compared to the same period of the previous year, spurred on by the increase in price indices affecting the sale prices applicable to transmission lines with a particular impact on Brazilian projects, while the solar thermal plants managed by Celeo in Spain experienced lower production than in the same period the year before.

Celeo is accounted for using the **equity method**. Accordingly, it does not contribute to the Group's consolidated turnover. In the first six months of the year, it contributed an attributable consolidated net profit of Euros 7.1 million (Euros 5.9 million in the same period of the previous year), after applying the relevant ownership percentages and consolidation adjustments. As a result of the consolidation method used, this profit coincides with the profit before tax and EBITDA contributed to the Group by this business.

Group management and other adjustments

The Group includes mainly structural overheads in the segment "Group management and other adjustments". The impact on the main figures of the Income Statement for this segment is as follows:

Group management and other adjustments

(Thousands of Euros)	**30/06/24**	**30/06/23**	**Change (%)**
EBITDA	(24,977)	(11,559)	*-116.1%*
Profit before tax	(24,693)	(15,384)	*-60.5%*
Attributable consolidated net profit	(22,042)	(12,254)	*-79.9%*

The increase in EBITDA in this segment is due to certain expenses directly or indirectly related to the Enerfín sale and purchase transaction, not intrinsically linked to it.

3.3. Profit/loss from discontinued operations

Enerfin was, until the time of its sale, a business segment, which set its objectives separately and presented its main figures separately for a better understanding of the business. Because the Elecnor Group sold of all its shares in Enerfín Sociedad de Energía, S.L.U. (Enerfin) the profit obtained by this segment in the year up to the time of the sale is classified in the Income Statement under "Profit/loss from discontinued operations". The profit obtained in the first half of the previous year have been reclassified under the same heading, thus restating the Group's income statement at 30/06/23, without affecting the "Profit attributable to the shareholders of the Parent" for that period.

Discontinued Operations

(Thousands of Euros)	**30/06/24**	**30/06/23**
Profit of the Enerfin subgroup attributable to the Elecnor Group	17,961	7,993
Capital gain from the sale	805,477	—
Net income attributable from Discontinued Operations	**823,438**	**7,993**

Accordingly, the profit attributed to the Group until the closing date of the transaction (23 May 2024), amounting to Euros 17,961 thousand, and the profit of the Enerfin subgroup for the first half of 2023, attributed to the Group, amounting to Euros 7,993 thousand, are included under the heading "Profit/loss from discontinued operations" for the first half of the year. The difference is mainly due to the fact that, once Enerfin's assets and liabilities were classified as Non-current assets held for sale, the assets ceased to record the depreciation and amortisation charge in the Group and, therefore, the profit attributable to the Parent, Elecnor, S.A., is higher.

This heading also includes the capital gain obtained by the Group on the sale of all of its holdings in Enerfín Sociedad de Energía, S.L.U. (Enerfín), as explained at the beginning of section 3.1 of this report ("Key figures in consolidated profit/loss for the year"). A capital gain of Euros 805,477 thousand was realised on the transaction.

3.4. Financial position

With regard to the Group's **financial strategy**, we note:

- The Elecnor Group maintains a **syndicated financing agreement** which it signed in 2014. Since the latest novation in 2021, this financing now has a cap of Euros 350 million, distributed between the Loan Tranche of Euros 50 million and a Credit Facility Tranche of Euros 300 million and a maturity of September 2026. This financing complies with the requirements laid down by the Sustainability Linked Loan Principles and, therefore, **it has been classified as sustainable**. At 30 June 2024, the drawn down balance of this agreement amounted to Euros 34.3 million, which corresponds to the US dollar tranche drawn down by Elecdor. At 31 December 2023, the balance drawn down was Euros 205.6 million (corresponding to Euros 50 million of the loan tranche, Euros 122 million of the euro loan tranche drawn down by Elecnor, S.A. and

Euros 33.6 million of the dollar loan tranche drawn down by Elecdor) at nominal value.

- In 2024, the Elecnor Group launched a new, multi-currency Promissory Note Programme in the **Alternative Fixed Income Market** (MARF) with a limit of Euros 400 million to fund working capital needs and new projects, both in Spain and abroad, in the areas of engineering, infrastructure development and construction, renewable energies and new technologies. This programme remains **linked to sustainability objectives**, including targets for reducing greenhouse gas emissions and accidents at work, which, if not met, imply a commitment to contribute to sustainable projects. This transaction is part of the Elecnor Group's strategy to diversify and optimise the cost of its sources of funding. This new programme gives the Group access to funding, both in Euro and US dollars, at terms of up to 24 months. The reputation and strength of Elecnor Group's business model is renowned on this market, allowing it to issue under beneficial terms. Over the last nine years, the Group has completed 337 issues for a total of Euros 9.160 billion, making it one of the main issuers of promissory notes in the Spanish market. At the close of the first half of 2024, the Group had Euros 99.4 million available under this programme (Euros 238.8 million at 2023 year-end).

- Since 2021, the Elecnor Group has held three long-term private placements totalling Euros 100 million:

    - Euros 50 million at 10 years, in **sustainable loan** format, placed by Banca March.

    - Euros 20 million at 10 years, which additionally fulfils the Green Loan Principles, as the funds are used for projects classified as **green**, placed by B. Sabadell.

    - Euros 30 million at 14 years, as **sustainable bonds**, also placed by B. Sabadell, included in the MARF. They have the Elecnor Group's BBB- rating (investment grade) issued by Axesor.

- The Group has had a **Securitisation Fund** called "ELECNOR EFICIENCIA ENERGÉTICA 2020, Fondo de Titulización" since December 2020, to which it has assigned the credit claims derived from the contracts for the management of energy services and maintenance of public street lighting installations which Elecnor executes for 43 municipalities and public entities in Spain. By means of this structure, Elecnor obtains financing for investments in contracts assigned in the amount of Euros 50 million. The securitisation fund issued bonds in the aforementioned amount, which are subscribed and fully paid in, and which are trading in Spain's Alternative Fixed Income Market (MARF). These bonds are compliant with the requirements established by the **"Green Bond Principles"**, and therefore qualify as green bonds for G-advisory, the Garrigues Group's consultancy firm. Axesor Rating has assigned the bonds issued by the Securitisation Fund an A+ rating, indicating a high capacity to meet its credit obligations. This is the first securitisation transaction for the sale of future credit claims derived from contracts with Public Entities to be conducted in Spain.

In the Statement of Cash Flows, the positive cash flow generated by investment activities (Euros 310 million) includes the proceeds from the sale of the Enerfín subgroup (Euros 1.560

billion) net of expenses and Enerfín's cash at the date of the sale, under the heading "Proceeds from the sale of group companies, associates and jointly controlled entities"; while its investment in financial assets (Euros 935 million) is recorded under the heading "Payments for the acquisition of financial assets". This cash flow, as well as the positive cash flow from operating activities (Euros 37 million) is mainly used to reduce net cash flows from financing activities (Euros 345 million).

The decrease in Net Financial Debt is shown in the table below:

Net Financial Debt (Thousands of Euros)	**30/06/24**	**31/12/23**
With recourse	*(1,049,953)*	*222,613*
Without recourse	*25,165*	*512,443*
Total	**(1,024,788)**	**735,056**

In addition to reducing corporate debt, as mentioned above, this robust financial asset and cash position will allow for shareholder remuneration and investment in new business opportunities. This is without prejudice to further strengthening the Group's current lines of business, as outlined at the Extraordinary and Ordinary General Shareholders' Meetings (on 24 January 2024 and 22 May 2024 respectively).

3.5. Material changes in accounting policies

The accounting policies and methods used to prepare the interim summary consolidated financial statements in June 2024 are the same as those applied to the Consolidated Annual Accounts in 2023.

All accounting principles with a significant effect have been applied in the drawing up of these Separate and Consolidated Annual Accounts.

4. Capital management policy

Key to the Elecnor Group's strategy is its policy of financial prudence. The capital structure is defined by the commitment to solvency and the aim of maximising shareholder returns.

5. Risk management policy

Elecnor Group is exposed to various risk factors linked to the sectors in which it operates and the long list of countries in which it is present, either consistently or by means of one-off projects.

Ultimate responsibility for identifying the key risks and for implementing and monitoring the internal control and information systems lies with the Group's Board of Directors, which is assisted by the Audit Committee in this function of supervising and assessing the risk management and internal control systems.

Notwithstanding the foregoing, the day-to-day management and effective running of the Elecnor Group's businesses and activities is undertaken by the Chief Executive Officer and the management team who, in the ordinary course of these responsibilities, and through the various business units and organisational structures, identify, assess, appraise and manage the various risks affecting the performance of the Group's activities.

To ensure that risks are properly identified and their management is integrated and coordinated at all levels and in all areas of the organisation, the Elecnor Group has a Corporate Risk Map, which is a structured list of risks in which each one is assessed according to its potential impact (measured by turnover, profitability and efficiency, reputation and sustainability) and its likelihood of occurrence, which determines the inherent risk associated with each event and the effectiveness of the control measures in place, resulting in a residual risk assessment. The result of this assessment exercise, which is at least reviewed every six months, makes it possible to prioritise these risks accordingly and to focus the organisation's resources on supervising and improving the management of the most significant risks.

5.1. Foreign currency risks

The Elecnor Group is exposed to the risk of exchange rate fluctuations due to its operations in international markets. Part of the revenues and costs incurred are denominated in currencies other than the Group's functional currency (Euro) and in certain projects the economic and financial inflows and outflows are in different currencies, and therefore the outcome of these projects is exposed to foreign currency risk.

To manage and mitigate the risk arising from exchange rate fluctuations, and when it is not possible to design and implement natural hedging structures, such as the use of financing referenced to the currency of the agreement, the Group uses other hedging strategies, such as taking out exchange rate insurance and cross currency swaps.

5.2. Interest rate risk

Interest rate fluctuations change the fair value of assets and liabilities that accrue interest at fixed rates and the future cash flows from assets and liabilities indexed to floating interest rates.

With regard to interest rate risk management, the Group uses hedging instruments to hedge the risk of interest rate fluctuations in financing transactions with floating interest rates. Furthermore, and depending on the market conditions prevailing at any given time, the Group assesses and, where appropriate and depending on its financial needs and the financing structure objectives established, arranges financing at fixed interest rates.

5.3. Liquidity risk

Liquidity risk is defined as the risk that the Group will not be able to meet its short-term financial obligations within the established deadlines.

In order to mitigate liquidity risk, the Group monitors its operating capital on an ongoing basis to optimise its management and maintains a solid liquidity position in current accounts and credit lines with sufficient limits.

5.4. Credit risk

The Elecnor Group's main credit risk arises from trade receivables, when the counterparty or customer does not meet their contractual obligations.

Given the business and the sectors in which it operates, the Elecnor Group generally has customers with high credit ratings. In any event, and mainly in international projects with non-recurring customers, the Group takes extreme measures to mitigate credit risk (non-payment or default), carrying out exhaustive analyses of the solvency of the counterparty and establishing specific contractual conditions to ensure the collection of the consideration, as well as using other mechanisms such as the collection of advances, irrevocable letters of credit or hedging through insurance policies.

With regard to transmission lines operated as concessions in Brazil, Operador Nacional do Sistema Elétrico (ONS) —through Celeo CI— is responsible for coordinating collections and payments within the country's electricity system and notifies the concession holder of the companies from which collections must be made: generators, major consumers and transmission entities. Prior to connecting to the system these companies deposit a guarantee. In the event of non-payment this guarantee will be executed, they will be immediately disconnected from the system and the payment obligation will be shared among the remaining users of the system. Accordingly, the concessionaire has the guaranteed payment from the national power grid system.

In relation to transmission lines in Chile, Celeo CI participates in both the National Transmission System and the Zonal Transmission System. The National Electricity Coordinator (CEN) is responsible for coordinating the flow of payments to the transmission companies for both systems. The current system remained until December 2018, whereby those responsible for paying the transmission companies were the generating companies. Since 2019, distributors have also been liable for payments, so the portfolio of payers became more diversified from that date on. The payment guarantee is based on a CEN Procedure which establishes that, in the event of non-payments by a coordinated company (company coordinated by CEN), the defaulting party is disconnected from the grid, and the payment obligation is spread among the remaining coordinated companies.

In addition, in Chile we also participate in dedicated transmission lines, committed to counterparties of proven solvency, most of which are rated Investment Grade. In these cases, the remuneration we receive is regulated in each of the long-term contracts that we have signed with these companies that use our infrastructure, either to evacuate the energy generated or to guarantee their electricity supply.

The Group regularly analyses its exposure to credit risk and makes the corresponding impairment adjustments.

5.5. Market risk

Elecnor Group closely monitors regulatory risk to adequately reflect its impact on the Consolidated Income Statement.

In the current context of high global inflation, the Group analyses risk related to increased prices of materials consumed and labour costs that may affect the projects it carries out, taking the appropriate measures to mitigate them.

5.6. Climate risk

This category would include risks arising from events associated with climate change, whether physical climate risks, which could cause discontinuity or significantly affect certain operations, or transition risks, which would be those related to new legal and/or market requirements in this area (regulations, reporting, third-party expectations, etc.).

Environmental risks are mainly managed through the Environmental Management System, which is integrated into the Group’s Integrated Management System and certified according to ISO 14001. This system is based on the following pillars:

- Identification and verification of legal requirements through the use of specific tools that enable the management of compliance with administrative obligations and other commitments acquired, in addition to those required by law.

- Design and deployment of policies and procedures to identify the environmental impacts of projects and to mitigate, compensate and avoid, where possible, their negative effects on the environment, promoting aspects such as the circular economy and the protection and conservation of biodiversity and the natural environment.

- Incorporation of environmental considerations into the decision-making processes, encouraging their being taken into account in cost-benefit analyses.

- Involving different stakeholders in the joint quest for useful solutions for preserving and developing the environment and using natural resources sustainably.

Furthermore, the Group has a Climate Change Strategy that lays down the goals in this area for the 2020-2035 period. This strategy constitutes the framework within which all of its initiatives to reduce greenhouse gas emissions, adapt to the impacts of climate change and take advantage of the associated opportunities are included. As a core part of the design and implementation of this strategy, the Group has identified the risks and opportunities related to climate change in its operations, following the recommendations of the Task Force on Climate-related Financial Disclosures (TCFD). Two scenarios have been considered in this study: the first part of the study focuses on the impact of climate change on the Elecnor Group’s physical assets while the second part focuses on how climate change impacts the construction of infrastructures in countries where the Elecnor Group has a current presence or significant medium- and long-term business opportunities. Based on this analysis, we have determined that the Elecnor Group’s exposure to the main risks associated with climate change is low, although there are major opportunities associated with the ambitious energy transition and decarbonisation plans at a global level.

The Elecnor Group has also taken another step forward in its commitment to decarbonisation by joining the Science Based Targets (SBT) initiative, establishing corporate emission reduction targets according to science, which were approved in 2022 by this initiative.

6. Sustainability

The sustainability of the Elecnor Group revolves around its purpose: generating change and well-being in the territories where it operates. This commitment to sustainability is inherent in every aspect of its activities and business strategy, as well as in its relations with stakeholders.

The Elecnor Group's **2023-2025 Strategic Sustainability Plan** reflects this commitment to people, society and the environment, always based on ethical and responsible management. The Plan’s six strategic axes focus on creating value and providing environmental, social and governance dividends.

Moreover, this commitment is backed by the certification of its Social Corporate Responsibility Management System in accordance with the IQNet SR10 standard, which confirms that the company has an effective sustainability management system in place.

As mentioned previously in this report, in the first half of 2024, the Elecnor Group has registered a new multi-currency commercial paper programme in the MARF, linked to the fulfilment of sustainability objectives, thus boosting its sustainable performance. As in the past, this programme targets for reducing greenhouse gas emissions and accidents at work.

The Elecnor Group is a key player in society's development and progress. Its infrastructure, renewable energy, energy efficiency, water and environmental projects contribute solutions to some of the current and future challenges such as climate change, the reduction of inequalities, and the energy gap, among others.

Climate change is a challenge and a strategic priority for the organisation that is embodied in its Climate Change Strategy, which establishes greenhouse gas emission reduction targets in line with the Science Based Targets initiative (SBTi). The Elecnor Group evidences its commitment to the environment by advancing towards the global objective of decarbonisation.

Likewise, the Group has a direct impact on employment, progress and social welfare. On the social front, it fosters equality and diversity, upholding a clear commitment to the communities in which it conducts its activity, and invests and develops infrastructures for the progress of society.

The company puts people at the heart of its performance, which is why the health and safety of its teams has been a priority from the outset of its activity. The Elecnor Group strives to achieve the goal of zero accidents, zero tolerance to any breaches of preventive measures and the constant fostering of safe conduct among all its employees and anyone linked to its projects.

7. Significant events subsequent to the end of the half-year period

Between 30 June 2024 and the preparation of the interim consolidated financial statements there were no significant events that might materially alter the true and fair view of those financial statements.

8. Outlook for 2024

8.1. Economic context

As explained in section 2, Economic context, of this report, faced with a global economic outlook of instability and heightened political risk, the world economy continues to show remarkable resilience, offering positive growth prospects and contained inflation.

8.2. Elecnor Group

The Elecnor Group's activities will benefit from the three major trends that are driving global economic development:

- Environmental and social sustainability
- Energy transition and electrification of the economy
- Urban planning and digitalisation of society

The solid portfolio of contracts and the current market situation, in which organisations with Elecnor's capabilities and uniqueness are in high demand, will allow the Group to continue to strengthen its leadership position and profitability over the coming years.

Furthermore, these capabilities, coupled with the Enerfin operation explained above, will enable the Group to achieve a historic result in 2024.

9. Share capital and acquisition of own shares

At 30 June 2024, the share capital of Elecnor, S.A. was represented by 87,000,000 shares, each with a nominal value of Euros 0.10 Euro, fully subscribed and paid in, implying a share capital of Euros 8,700,000.

Elecnor, S.A.'s shares are traded in Spain's SIBE electronic trading system, where shares in the leading Spanish companies are traded, and the market with the largest trading volume in Spain.

At 31 December 2023, Elecnor, S.A. had a portfolio of 2,299,529 shares. During the first half-year of 2024 it acquired 256,638 securities, and sold 248,231. Accordingly, at 30 June 2024 it had a total of 2,307,936 own shares, i.e., 2.65% of all shares in the company, (2.64% at the end of the previous year).

10. Related party transactions

With regard to the disclosures on related party transactions, see the details in the notes to the interim summary consolidated financial statements at 30 June 2024 and in the consolidated financial statements at 31 December 2023, as provided in article 15 of Royal Decree 1362/2007.

Appendix containing alternative performance measures

The Elecnor Group presents the Alternative Performance Measures, according to the guidelines published by the ESMA (European Securities and Markets Authority). These measures are widely used by investors, securities analysts and other agents as performance measures that are supplementary, and should be considered as such, and in no case as a replacement.

ALTERNATIVE MEASURES OF THE ELECNOR GROUP'S PERFORMANCE

Key figures

(Thousands of Euros)	30/06/24	30/06/23	Change (%)
Profit/loss for the year attributable to the shareholders of the Parent	**848,434**	**47,395**	
CONTINUING OPERATIONS			
Turnover	1,713,918	1,746,926	*-1.9%*
Domestic	*750,920*	*727,798*	*3.2%*
International	962,998	*1,019,128*	*-5.5%*
EBITDA	60,138	117,794	*-48.9%*
Profit before tax	47,361	50,858	*-6.9%*
Net income attributable from Continuing Operations	**24,996**	**39,402**	***-36.6%***
DISCONTINUED OPERATIONS			
Net income attributable from Discontinued Operations	**823,438**	**7,993**	

The main figures by business segment are shown below:

Turnover by segments

(Thousands of Euros)	30/06/24	30/06/23	Change (%)
Elecnor			
Domestic	*756,732*	*749,202*	*1.0%*
International	*972,398*	*1,060,064*	*-8.3%*
Total Elecnor	**1,729,130**	**1,809,266**	***-4.4%***
Operations between segments	(15,212)	(62,340)	—
	1,713,918	**1,746,926**	*-1.9%*

EBITDA and EBITDA by segments

EBITDA is defined as operating income plus expense for amortisation, depreciation, impairment and charges to provisions. The group deems EBITDA to be a useful supplementary indicator that can be used in assessing the Group's operating performance.

	30/06/24	30/06/23	Change in (%)
EBITDA = Gross Operating Profit:	**60,138**	**117,794**	*-48.9%*
Operating income	44,907	62,857	
- Expense for amortisation, depreciation, impairment and charges to provisions	(15,231)	(54,937)	

The breakdown of EBITDA by segment is as follows:

(Thousands of Euros)	30/06/24	30/06/23	Change (%)
Elecnor	78,340	126,153	*-37.9%*
Celeo	7,067	5,885	*20.1%*
Subtotal Businesses	**85,407**	**132,038**	***-35.3%***
Group management and other adjustments	(24,977)	(11,559)	
Operations between segments	(292)	(2,685)	
	60,138	**117,794**	*-48.9%*

Profit before income tax by segment

(Thousands of Euros)	30/06/24	30/06/23	Change (%)
Elecnor	65,279	62,516	*4.4%*
Celeo	7,067	5,885	*20.1%*
Subtotal Businesses	**72,346**	**68,401**	***5.8%***
Group management and other adjustments	(24,693)	(15,384)	
Operations between segments	(292)	(2,159)	
	47,361	**50,858**	*-6.9%*

Net income attributable from Continuing Operations by segment

(Thousands of Euros)	30/06/24	30/06/23	Change (%)
Elecnor	40,257	47,379	*-15.0%*
Celeo	7,067	5,885	*20.1%*
Subtotal Businesses	**47,324**	**53,264**	***-11.2%***
Group management and other adjustments	(22,042)	(12,254)	—
Operations between segments	(286)	(1,608)	—
	24,996	**39,402**	*-36.6%*

Elecnor (Services and Projects)

The main figures of the Elecnor segment (Services and Projects), compared to the first half of the previous year restated and normalised, excluding a non-recurring transaction in that period, are detailed below.

(Thousands of Euros)	30/06/24	30/06/23	Capital gain GdM 2023 (*)	30/06/23 Normalised	Change (%)
Turnover	1,729,130	1,809,266	—	1,809,266	*-4.4%*
Domestic	*756,732*	*749,202*	—	*749,202*	*1.0%*
International	*972,398*	*1,060,064*	—	*1,060,064*	*-8.3%*
EBITDA	78,340	126,153	21,562	104,591	*-25.1%*
Profit before tax	65,279	62,516	21,562	40,954	*59.4%*
Attributable consolidated net profit	40,257	47,379	23,147	24,232	*66.1%*

(*) Normalised figures: adjusted for the capital gain on the sale of 50% of the Mexican companies Gasoducto de Morelos, S.A.P.I. de C.V. and Morelos O&M, S.A.P.I. de C.V.

Normalised EBITDA at 30/06/23 is also calculated, excluding the provision made for the estimate of a negative margin in relation to projects in Australia, which has subsequently been assumed in EBITDA through the stage of completion of the works.

	(Thousands of Euros)
30/06/23 Normalised EBITDA	104,591
Allocation to the provision of projects in Australia	30,300
30/06/23 Normalised EBITDA net of provisions in Australia	**74,291**
Percentage increase in EBITDA as of 30/06/24 over previous year	*5.5 %*

Elecnor's (Services and Projects) portfolio of production that can be executed in the forthcoming 12 months is as follows:

(Thousands of Euros)	30/06/24	31/12/23	Change (%)
Domestic	847,859	749,580	*13.1%*
International	1,834,100	1,828,073	*0.3%*
TOTAL	**2,681,959**	**2,577,653**	*4.0%*

ALTERNATIVE DEBT MEASURES

Net Financial Debt

(Thousands of Euros)	30/06/24	31/12/23
With recourse	*(1,049,953)*	*222,613*
Without recourse	*25,165*	*512,443*
Total Net Financial Debt	**(1,024,788)**	**735,056**

Calculation of Total Net Financial Debt

	30/06/24	31/12/23		
		Debt items on the assets and liabilities side of the balance sheet	*Non-current assets and liabilities held for sale*	TOTAL
+ Non-current liabilities. Financial liabilities from issuing bonds and other marketable securities	29,684	*29,672*	*11,673*	41,345
+ Current liabilities. Financial liabilities from issuing bonds and other marketable securities	99,372	*238,818*	*10,540*	249,358
+ Non-current liabilities. Financial liabilities on loans and borrowings	143,986	*315,184*	*495,656*	810,840
+ Current liabilities. Financial liabilities on loans and borrowings	69,356	*35,642*	*27,704*	63,346
+ Non-current liabilities. Derivative financial instruments	100	-	*10,589*	10,589
+ Current liabilities. Derivative financial instruments	1,321	*646*	*10,391*	11,037
+ Loans granted by public entities	1,829	*2,256*	-	2,256
- Current liabilities. Derivative exchange rate hedging instruments	(1,321)	*(646)*	*(5,830)*	(6,476)
- Non-current liabilities. Derivative exchange rate hedging instruments	(100)	-	-	-
- Non-current liabilities. Derivative energy price hedging instruments			*(10,589)*	(10,589)
- Current liabilities. Derivative energy price hedging instruments			-	-
	344,227	***621,572***	***550,134***	**1,171,706**
- Current investments in related companies	(323)	*(318)*	-	(318)
- Derivative financial instruments (of Current assets)	(510)	*(2,136)*	*(10,050)*	(12,186)
- Derivative financial instruments (of Non-current assets)	(136)	*(170)*	*(5,746)*	(5,916)
- Cash and cash equivalents	(386,368)	*(317,019)*	*(67,152)*	(384,171)
- Other current financial investments	(981,747)	*(19,531)*	*(13,606)*	(33,137)
- Debt service reserve account under "Other cash equivalents"	-	-	*(14,627)*	(14,627)
+ Derivative financial instruments (from current assets of the Consolidated Balance Sheet) for exchange rate hedges	69	*69*	-	69
+ Derivative financial instruments (from current assets of the Consolidated Balance Sheet) for price hedges			*10,050*	10,050
+ Derivative financial instruments (from non-current assets of the Consolidated Balance Sheet) for price hedges			*3,586*	3,586
	(1,369,015)	***(339,105)***	***(97,545)***	**(436,650)**
Total Net Financial Debt	**(1,024,788)**	***282,467***	***452,589***	**735,056**
(increase on previous year's close)	(239)%			34%