ENERGY FOR ACTION

Jean-Yves GRANDIDIER
Chairman & Founder

FOREWORD

2022 was a year marked by several crises (the outbreak of the war in Ukraine, rocketing gas prices, droughts) and by a newfound ambition around zero carbon targets. One year on, and 2023 turned out to be a record year in many respects. First, a record-breaking amount of new installed renewable energy capacity: the world added 507 GW in 2023, which was a whole 50% more than in 2022! A record in terms of ambition, next, with the targets of the Fit for 55 directive revised upwards, and a COP 28 in Dubai that ratified the tripling of renewable energy capacities between now and 2030 to reach 11,000 GW.

But these results and these targets, prompted by the crises, are only half of the story. Firstly, because current regulations do not make it possible to meet the targets that we have set ourselves, according to a report by the IEA, and this pace still sadly remains too slow. And secondly, because these results are confronted by another reality: 2023 was a record year for carbon emissions.

French and European lawmakers have tried their best to forge ahead with a number of texts packed with measures designed to produce this acceleration. In France, for example, with the "Acceleration Act" for the production of renewable energy, adopted in early 2023, whose goal is to make ecological planning a regional remit. And in Europe too, with a multitude of new measures around the European Green Deal: more than 100 were tabled and adopted over the course of the year. And most importantly, a directive on renewable energy, RED III, even more ambitious than before, with an agreement struck during the year on a target of 42.5% of renewables in final energy consumption, and here too, planning and simplification measures. Yet it can be observed that this acceleration ambition is struggling to find traction on the ground, and the planned timetables are not being fully complied with.

The VALOREM teams stayed the course and sustained their energy for action with remarkable achievements across most of the Group's entities: a portfolio 11% up on 2022, production up by 18%, increased development abroad with a new partnership, new offices in Helsinki, a revised governance with the arrival of two new members in the ExCom, a new organisation at OPTAREL and VALREA, etc.

In short, VALOREM has not wasted any time, and is stepping up its efforts within the industry's various trade associations to ensure that the voice of Renewable Energies is heard!

CONTENTS

3 QUESTIONS TO

VIRGINIE JOYEUX

The VALOREM Group adopted the status of a mission-driven company in December 2021. With the Mission Committee having completed its first two years of work, we meet Virginie Joyeux, the Group's CSR Manager, and ask her about the role of the Mission in the company's activity.

What are the first impacts of the Mission on the company?

First of all, it's a formal and official undertaking. Adopting this status means including a social or environmental purpose in the company's articles of association. Ours is "Promoting local energies together to pave the way for a sustainable and inclusive future." We also created a Mission Committee to ensure we comply with the Mission's objectives, and make recommendations for action.

There is also a very distinct notion of transparency and duty. The company must publish regular reports on the progress made towards its Mission objectives, audited by an independent third party body. We announce our commitments, and we have to deploy the requisite means to fulfil them.

How can the Group's Mission have a connection with business activity?

The aim of the Mission is to enable VALOREM to make a positive contribution to society and the environment through its activities. VALOREM has always incorporated social or environmental support measures in its renewable energies projects. That is the very essence of how we work.

The role of the Mission Committee resides in the view it takes of the Group's activities: thanks to this distance, its role is to challenge what we do to help us go further. Among its achievements, it has helped trigger in-depth or transformational processes for the Group, or renew targets that had already been set on the environment strategy or the Responsible Purchasing policy.

How has this new status been received by your employees?

In general, quite positively: I think it has helped reinforce the Group's identity and corporate culture. In our company, the Mission gives structure to tangible actions in communities, which is why it is a major source of pride for our people. It contributes to reinforcing their commitment and brings them together around a shared vision which gives meaning to what we do. But beyond the Mission, I think our employees subscribe to these concrete actions: they are therefore attentive to them being actually and properly implemented.

Rose des Vents (Mayenne, France)

01

2023 OVERVIEW

THE GROUP'S
FOOTPRINT

11 Development branches

11 Maintenance sites

OUTSIDE FRANCE

FINLAND

New offices opened in Finland

In June we celebrated the opening of the new offices of VALOREM Energies Finland Oy in Helsinki.

It provided an opportunity to shine a light on the strong growth of VALOREM in Finland, with a portfolio of more than 1.5 GW of projects under development.

The 313.5-MW Viiatti wind farm projects currently under construction (in which VALOREM owns the 148-MW Matkussaari farm) will produce 1 TWh of energy, which equates to approximately 1.2% of Finland's annual electricity demand. VALOREM is proud to contribute to Finland's 2035 net-zero target and play a part in the country's transition towards energy self-sufficiency!

OUR

GOVERNANCE

THE EXECUTIVE COMMITTEE IS GROWING!

At the end of 2023, the Executive Committee welcomed two new members to its ranks; Nathalie Nutten and Tristan Maes. Now comprising seven members, it is the body that steers decisions revolving around operational matters and the deployment of the Group's strategy.

Jean-Yves GRANDIDIER
Chairman & Founder

Marc ROUBEROL
CEO

Philippe ETUR
Deputy CEO

Bertrand GUIDEZ
Deputy CEO

Philippe TAVERNIER
Deputy CEO

Nathalie NUTTEN
Legal Counsel and General Secretary

Tristan MAES
CFO

Frédéric PREVOST
CEO of VALEMO

In 2023, Frédéric Prevost became CEO and company officer at VALEMO.

Having joined the Group in 2006, Frédéric Prevost set up the Operation & Maintenance activity in the Group and was director of the subsidiary's technical department since its creation in 2011.

OUR

HUMAN CAPITAL

2023 was another year of growth and expansion for the Group. In terms of human resources, our teams responded to substantial recruitment challenges in all the Group's entities, but also dealt with structural and onboarding issues. The year was also productive for dialogue with our social partners. Certain agreements were signed, including one on standby duties, the culmination of several years of work and discussions.

New CSE

The VALOREM has more than 500 employees spread between the parent company, the three operational subsidiaries and the endowment fund. In 2023 the Group took the decision to keep a single CSE (works council) for the entire economic and social entity. To give fresh impetus to this new body, the CSE team, made up of five commissions, works in themes aligned with the subjects that matter to employees: training, gender equality, housing information and support, occupational health and safety, and an additional commission on the environment.

The new team established local representatives to maintain ties between the head office and the Group's various branches in France. A volunteer employee was appointed in each branch that did not have an elected staff delegate. This local presence offers a way of directly escalating specific requirements and issues.

NEW
A local representative appointed in each branch

First company-wide agreement on standby duties

The culmination of several years of work, the Group signed its first company-wide agreement on standby duties in 2023. The aim is both to secure and align practices between the various teams affected, but also to give structure to an operating method for a constantly developing Group.

This agreement sets out a framework for standby duties in three departments: maintenance and operation at VALEMO and the IT department at VALOREM.

The agreement was drafted along the following lines: a general section applicable to all departments, regardless of the type of standby duty, and a more specific section with dedicated applicability to each department (value of compensation, organisation of duties and justification of the need for standby personnel).

This agreement supports the development of the Group's activities. Furthermore, it was the opportunity to increase standby bonuses for all departments, with retroactive effect to 1 January 2023.

Maintaining a high value-added onboarding programme

How can we grow and continue to develop our activities in France and Europe while retaining the core values and, above all, the specific corporate culture of the VALOREM Group?

There's no magic formula! These are challenges that all companies face, but the Group has chosen to invest a lot of time and energy in the onboarding process. This programme has been in place at VALOREM since 2011, and has been gradually expanded as the Group has grown. The principle is simple: each new recruit is introduced to the activities of all the Group's departments. In 2023, 136 induction courses were organised for all new arrivals (open-ended contracts, fixed-term contracts, apprentices and trainees). The induction programme is made up of around twenty modules lasting an average of 1 hour, providing an essential "cement" for discovering the business, the job disciplines, the internal organisation and the corporate culture. The onboarding programme is a strategic factor in recruiting and retaining new talent, and provides an opportunity to discover the company's history and mission, understand management's vision, and embrace its values and CSR commitments.

It takes some time for teams to implement the programme, but the results of this investment are a real plus in the long term. The programme is appreciated by new employees. In 2023, new arrivals gave the programme and its content an average score of 4.6/5.

4.6/5

The average mark given by the new hires to the training programme and its content.

Employer brand action plan

The Group has been working on its employer brand since 2022 with three main goals: improve its ability to attract and retain new talent, develop awareness and enhance its corporate culture.

In 2023, several major projects were brought to fruition. Firstly, the online recruitment platform to improve the candidate experience, the creation of new HR pages on the Group's website to promote our strengths and offer a view of what it is like to work in the company. In addition, ten specialist discipline videos were made to show our areas of expertise, the variety of job disciplines available and careers in the Group. Finally, we signed up to a partnership with Welcome to the Jungle to develop the visibility of job vacancies at the VALOREM group.

2023 KEY FIGURES

VALOREM BUSINESS

DEVELOPMENT

6.3 GW
+11% vs 2022

FRANCE
3.8 GW
1.4 GW
2.3 GWp
0.1 GW

ABROAD
2.5 GW
1.4 GW
1.1 GWp

FINANCING

83 MW
financed

representing the equivalent of 196 GWh annual production and **€165 million** of investment

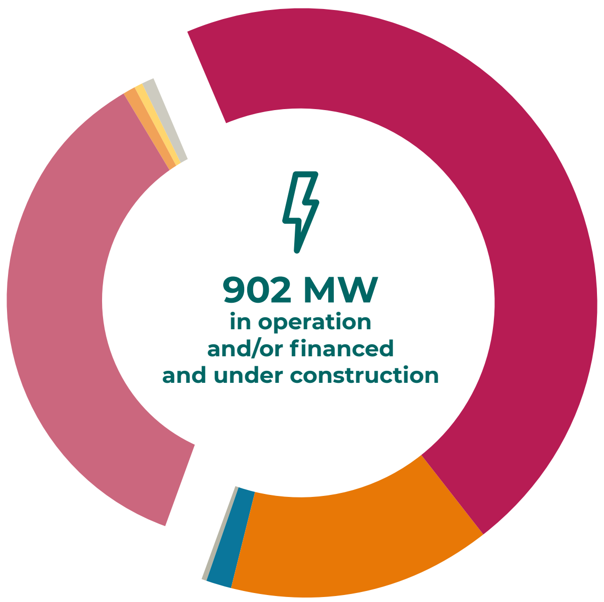
OPERATION

RECORD YEAR
1,253 GWh
produced in 2023

1,076 GWh
164 GWh
13 GWh

CONSTRUCTION AND OPERATION

DE-RISKED GROSS MW AT END 2023



SUBSIDIARIES

VALREA
Projects ongoing
FRANCE | FINLAND | GREECE
343 MW for VALOREM
198 MW for third parties
€42 M revenue
18 employees

VALEMO
1.1 GW in operation
305 MW under maintenance
€14 M revenue
131 employees

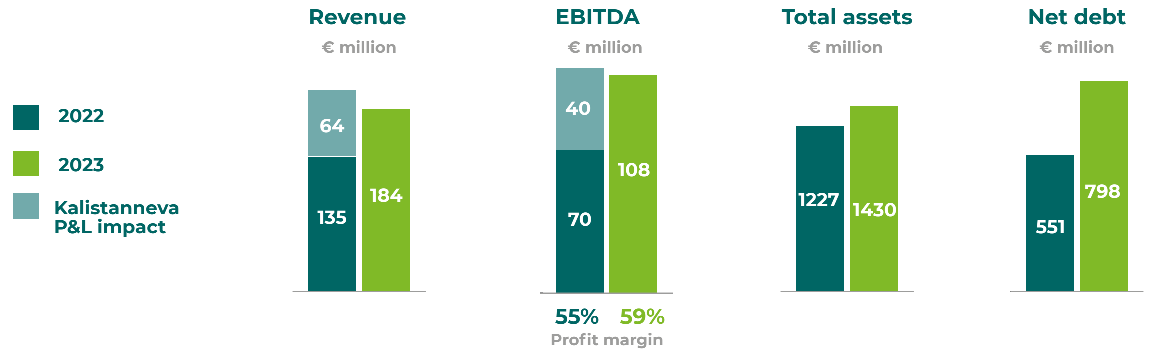
OPTAREL
6 MWp commissioned for third parties
1ST FINANCING CONTRACT FOR OPTAREL
5 MWp
Bativolta
€2 M revenue
17 employees

HUMAN CAPITAL

473
employees, including 17 outside France

FINANCIAL DATA

In 2022, the Group disposed of the Kalistanneva wind farm (165 MW) in Finland that generated €64 million in turnover and €40 million in EBITDA.
In 2023, the Group maintained similar performances without asset disposals.




Longueil (Seine-Maritime, France)

ASSETS **IN OPERATION**

Macroeconomic background

In 2022, we witnessed three independent and concomitant energy crises, which placed a strain on the French and European electricity systems:

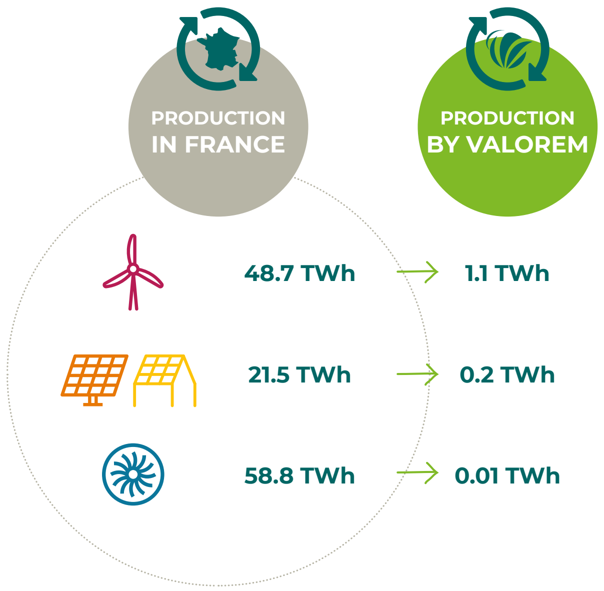
- Soaring gas prices leading to supply difficulties (war in Ukraine),
- French nuclear production at its lowest level since 1988,
- Crisis in hydroelectric production due to low rainfall,
- Rising carbon prices and their impact on the price of fossil fuels.

2023 was marked by a fall in electricity consumption in France, combined with strong growth in the production of electricity from carbon-free sources. As a result of supply and demand balancing out again, electricity selling prices on the market fell.

Record capacity: a sharp rise in electricity production from all carbon-free sectors

With favourable weather conditions, wind and solar power production reached record levels in France: 50.7 TWh in wind power and 21.5 TWh in solar power.

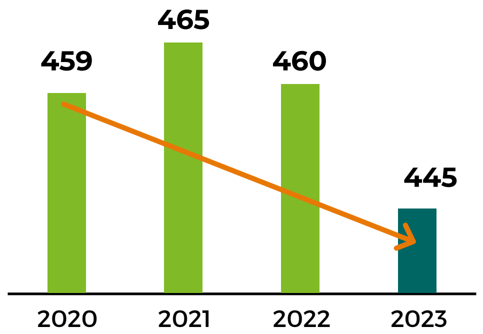
By securing supplies, renewable energies now play a central role in the energy landscape: they account for a significant proportion of France's electricity mix, i.e. almost 15% of total production in 2023, to which VALOREM contributes 1.3 TWh.



Drop in household electricity consumption

The continued drive for energy sobriety witnessed in 2022 continued into 2023. Combined with a persistent inflationary effect and the high temperatures recorded in 2023, electricity consumption fell to a level below that of the lockdown periods in 2020 (445 TWh in 2023 vs 459 TWh in 2020).

VARIATION IN CONSUMPTION IN FRANCE
(in TWh)



Source : RTE France

Lower electricity prices

The lower pressure on the security of supplies resulted in lower prices on the spot market (from an average of €276/MWh in 2022 to an average of €97/MWh in 2023) and on the futures markets, with an improvement in the determinants of the supply-demand balance.

With production exceeding its usual level and supply outstripping demand, the market also saw an increase in instances of negative prices on its operating assets (source: RTE France).

21 MW commissioned

While the **Longueil wind farm (12 MW)** continues to illustrate the importance of the Group's relationships of trust with local authorities, landowners and residents, it also exemplifies a deep-seated human commitment to a mutually supportive and inclusive energy transition. The commissioning of the four Vestas V126 turbines tied in with the **signature of an agreement between VALOREM and the Estran Cité de la Mer nonprofit** (an aquarium on the Normandy coast in Dieppe) to set up social inclusion schemes at the wind farms in the Seine Maritime department. This social undertaking includes landscaping work and assistance with the implementation of environmental measures, along with activities and visits for the general public and schoolchildren.

This farm, where output commenced in May 2023, included a €300 K crowdfund by 160 investors, and drew extensively on **the local economic fabric for its construction.**


Rose des Vents (Mayenne, France)

The **Rose des Vents wind farm (9MW)** in the department of Mayenne comprises three Nordex N117 turbines each with 3MW capacity. The project took eight years to complete, from kick-off in 2015 to commissioning in October 2023.

New PPAs

With a view to diversifying and securing its electricity sales contracts, the Group signed new PPAs in 2023: short-terms PPAs with ENERCOOP and ENARGIA, and long-terms PPAs with the LES MOUSQUETAIRES group. A power purchase agreement is a contract concluded between two parties, i.e. a (green) electricity producer and a buyer of this electricity, such as a consumer or an electric utility.

The Group welcomes these two partnership, which will make it possible to supply just green electricity to two leading economic players in France.

Buyer	Contract	Duration	Farms involved
enercoop L'énergie militante	1 long-term PPA	30 years – from 2022	• La Tour Blanche 5 MWp
enercoop L'énergie militante	2 short-term PPAs	20 months – from 2023	• Saint-Secondin 12 MW • Longueil 12 MW
ENARGIA	2 short-term PPAs	24 months – from 2022	• Lafitte 9 MWp • Lhuitre 12 MW
Les Mousquetaires	2 long-term PPAs	2 years – from 2025	• Rose des vents 9 MW • Amourès 14 MW

Economic benefits for the government and local authorities

In 2023, green energy made substantial contributions to the tax revenue of central and local authorities. The Group for instance paid the following contributions:

→ Local taxation

The annual financial accounts for 2023 show a €5 million expense by our operating companies under the local taxation heading.

→ Corporate income tax

€2 million corporate income tax was booked in the accounts of assets in operation.

→ Contribution to infra-marginal annuities

The contribution in 2023 amounts to €32.5 million, up 25% compared with 2022. This contribution goes towards the nationwide energy price cap.

In total, the VALOREM Group contributed €40 million to the French public finances in 2023

Acquisitions and Disposals

Acquisition: Additional shares in SOULANES

In February 2023, the VALOREM Group acquired a further 6.7% share of the Soulanes wind farm made up of five turbines and with total power capacity of 10MW. The Group now holds 26.7% of this wind farm which was developed by VALOREM and which is twinned with the Albine farm (6MW, wholly owned by VALOREM).

Disposal: Operation Calypso

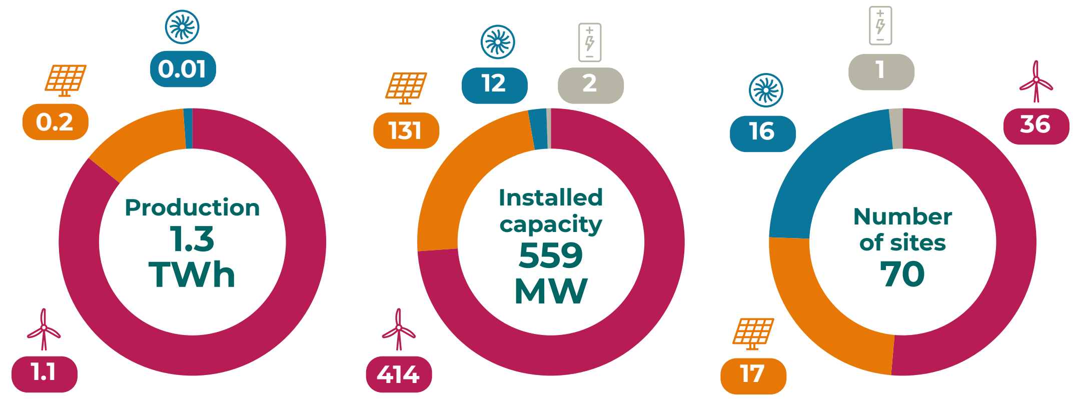
The Banque des Territoires (a subsidiary of the Caisse de Dépôts group) and VALOREM signed a long-term partnership on 18 December 2023 to support the Group's development. This agreement takes the form of the creation of the Calypso investment platform. In 2023 it was used for the partial sale a 49% share in 13 assets. The VALOREM Group maintains a preferential buyback clause for these shares should the Banque des Territoires seek to sell them on.

"The partnership with the Banque des Territoires will help us develop our green energy product capacity even further while also joining forces with a public body which shares our approach to value creation in communities," says Jean-Yves Grandidier, chairman and founder of the VALOREM Group.

INDICATORS AND KEY FIGURES

€161 M
Electricity revenue
+23% COMPARED WITH 2022

€133 M
Electricity EBITDA
+26% COMPARED WITH 2022



92.4%
Farm availability
93% IN 2022

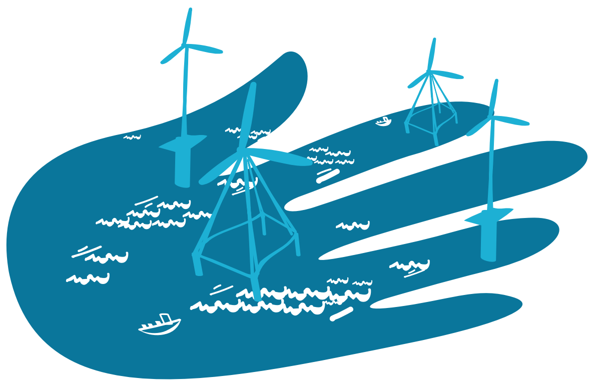
494,000 TCO_2 avoided
+11% COMPARED WITH 2022

OFFSHORE DEVELOPMENT

2023: founding year of the Offshore Development Business Unit

Following the Group's announcement in 2022 that it was to embark upon the adventure of offshore project development, 2023 was naturally a year to give structure to the activity. The team expanded and settled into the Group by drawing on existing expertise and know-how. In total in all the Group's entities, this extended multidisciplinary team comprises around fifty members including the teams from the VALEMO subsidiary for Operations and Maintenance aspects.

- **2014** – VALEMO – 1st Offshore mission by VALEMO
- **2015** – VALOREM co-founds SEENEOH SES – VALOREM
- **2022** – EOLINK – VALOREM supports EOLINK, notably on the FRANCE ATLANTIQUE project
- **2022** – Decision to create the Offshore Development department at VALOREM – VALOREM
- **2023** – FONDATION OPEN-C – VALOREM founding member of FONDATION OPEN-C



First steps in offshore development!

Clearly signalling the Group's determination to forge ahead with the adventure, in 2023 VALOREM signed its first partnership with RWE, one of the world's leading names, to jointly bid for the offshore wind farm project off the Ile d'Oléron (AO7). The "South-Atlantic offshore wind turbines" invitation to tender was issued in October 2022 and the winner is expected to be announced in late 2024 or early 2025.

This step is an illustration of the strategy that the Group wishes to pursue by joining forces with solid partners to position itself jointly on this type of European-scale project.

A complementary duo

In its AO7 bid, RWE points to its unique experience stretching back 20 years in the design, development, financing, construction and operation of offshore wind farms. The VALOREM Group meanwhile brings its longstanding experience in developing renewable energy projects in France and its strong local footprint associated with in-depth knowledge of the local region. Through their combined expertise, the two Groups promote a vibrant economic and industrial dynamic in terms of employment and innovation, focused in particular on the Charentes region. These priorities lie at the heart of the industrial plan to be deployed by RWE and VALOREM in their bid, aiming to make the Île d'Oléron offshore wind farm an exemplary project that will generate benefits for all stakeholders.

Meet Olivier ANGOULEVANT

Director of the Offshore Development Business Unit

How did you discover VALOREM?

As I had already been working for 17 years in offshore wind power, and had been living in the Bordeaux region for several years, I was already familiar with the VALOREM Group which is a well-known name in renewable energy. When the Group announced its desire to extend its activities to offshore development, I was immediately curious to find out more. Creating a new department and launching an activity is a rare challenge, and that's what appealed to me straightaway!

How would you describe 2023?

A year of construction! Even though the Group was already active in offshore through its VALEMO subsidiary, we drew up our development road map step by step. It was also an exercise in transposition: the VALOREM Group has a strong and distinctive positioning with a lot of social innovation. We have to put forward an offshore development proposition that falls within this scope, because it will be our key selling point to add values in this highly competitive and selective sector. VALOREM is also recognised for the way it listens to local communities and its ability to work with all of them. It's therefore up to us to show that this expertise is just as valuable in future offshore projects.

What's in store for 2024?

It is shaping up to be a year of new business! The team is working hard towards the submission of the AO7 bid with our partner RWE, it's quite a big job. The invitation to tender AO9 will also be issued, which is an extension of the AO5, 6 and 7 projects.

This year we also want to expand our playing field by acting upon the openings that we had previously detected. The team is studying development opportunities all over Europe, and we are going out to meet new partners and continue growing our business and creating complementary alliances.

DEVELOPMENT IN
FRANCE

Business Development

Never give up, always adapt, anticipate as far as possible, adapt by actively making proposals and staying attentive to communities and regulatory developments: such is the guiding principle of the Business Development France department.

2023 was marked by a significant increase in the number of new projects added to the VALOREM Group's portfolio. It was a record year in terms of the number of projects that entered the development phase, reflecting the Group's key role in accelerating the energy transition in all communities: wind power in northern France, photovoltaic in the south, deployment in the Grand Est and the Caribbean, and expansion into French Guiana.

The VALOREM Group has to study a multitude of issues in order to deploy successfully while engaging with community stakeholders:

- Technical issues: wind resources, sunshine, electrical connections, civil and military aviation constraints, radar,
- The human environment: type of housing, road, rail and waterway links, economic vitality, industrial and small business fabric,
- The natural environment: NATURA 2000, biodiversity, National Action Plan, Regional Nature Parks, agriculture, PDO and heritage classification (emblematic landscapes, historic monuments, listed, classified or UNESCO sites, etc.),
- Social acceptability.

Sharing value

By listening to the expectations of local stakeholders, the VALOREM Group has developed innovative and relevant solutions to embed itself into and support communities: green offers for local residents, crowdfunding, vocational inclusion clauses, charging stations and, in the future, collective self-consumption.

With the same aim of respecting local communities and stakeholders involved in the development of renewable energies, cartography plays a crucial role, as without it, land-use planning would be compromised. With this in mind, the VALOREM Group has been developing advanced Geographic Information System (GIS) solutions for several years now. GIS gathers, inventories, processes, analyses and then highlights areas that are suitable/favourable for the development of renewable energies. The cartography then enables us to explain to stakeholders the potential for renewable energy deployment in their communities.

The land issue

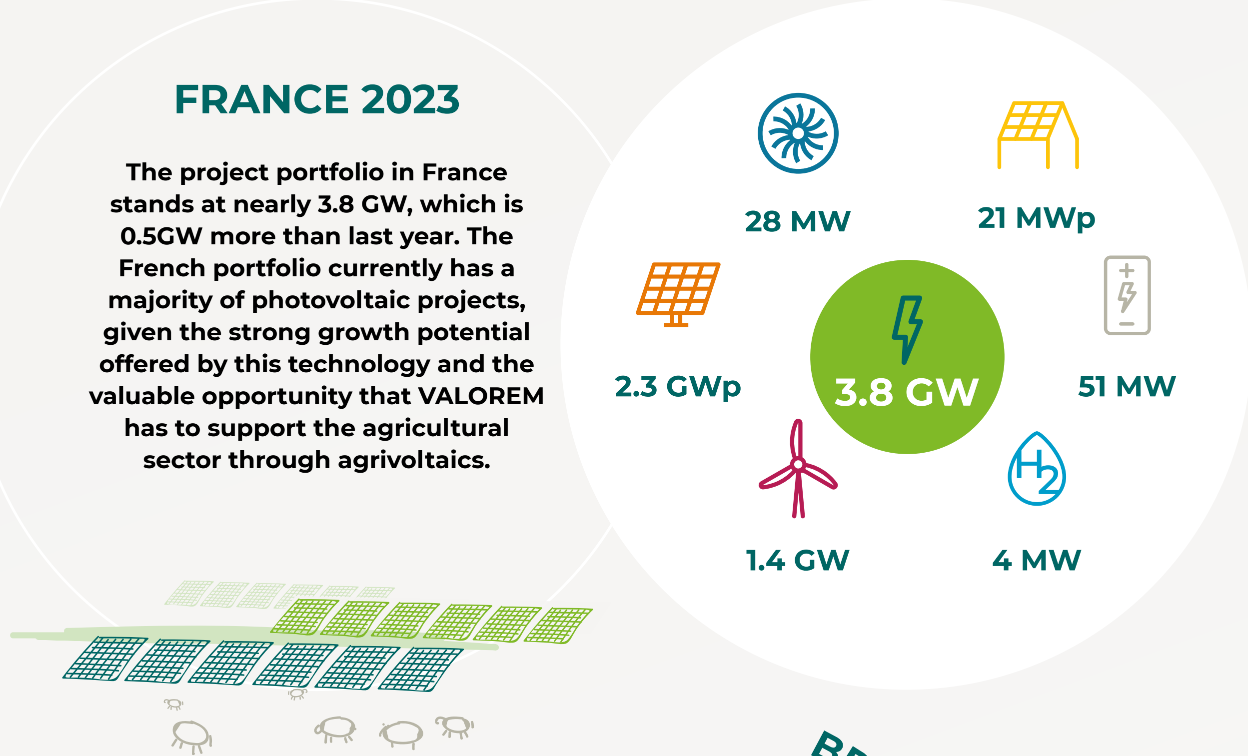
In addition to the motto "No land, no projects", there is also the motto "No compensatory land, no planning permission". In 2023, the Group implemented the framework agreement signed with CDC Biodiversité with regard to environmental land compensation requirements.

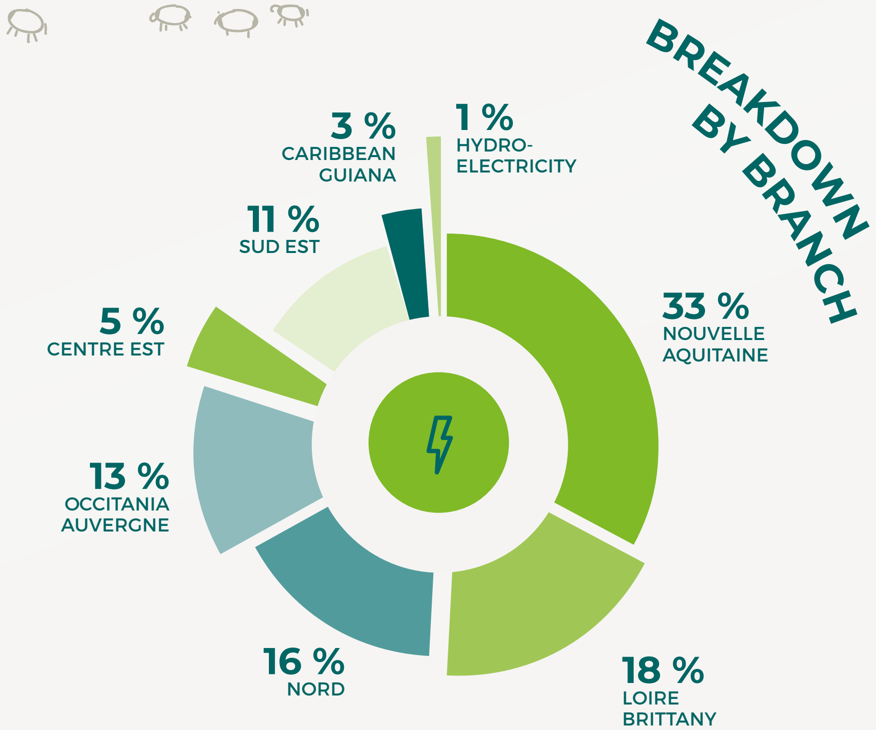
VALOREM trialled a new strategy in 2023: canvassing partners looking for long-term green energy contracts in order to benefit from their land in return. The innovation here is a win-win partnership where the buyer secures its supply of green energy at a competitive rate and the developer signs a lease commitment with its future buyer of green electricity.

PROJECT PORTFOLIO

FRANCE 2023

The project portfolio in France stands at nearly 3.8 GW, which is 0.5GW more than last year. The French portfolio currently has a majority of photovoltaic projects, given the strong growth potential offered by this technology and the valuable opportunity that VALOREM has to support the agricultural sector through agrivoltaics.

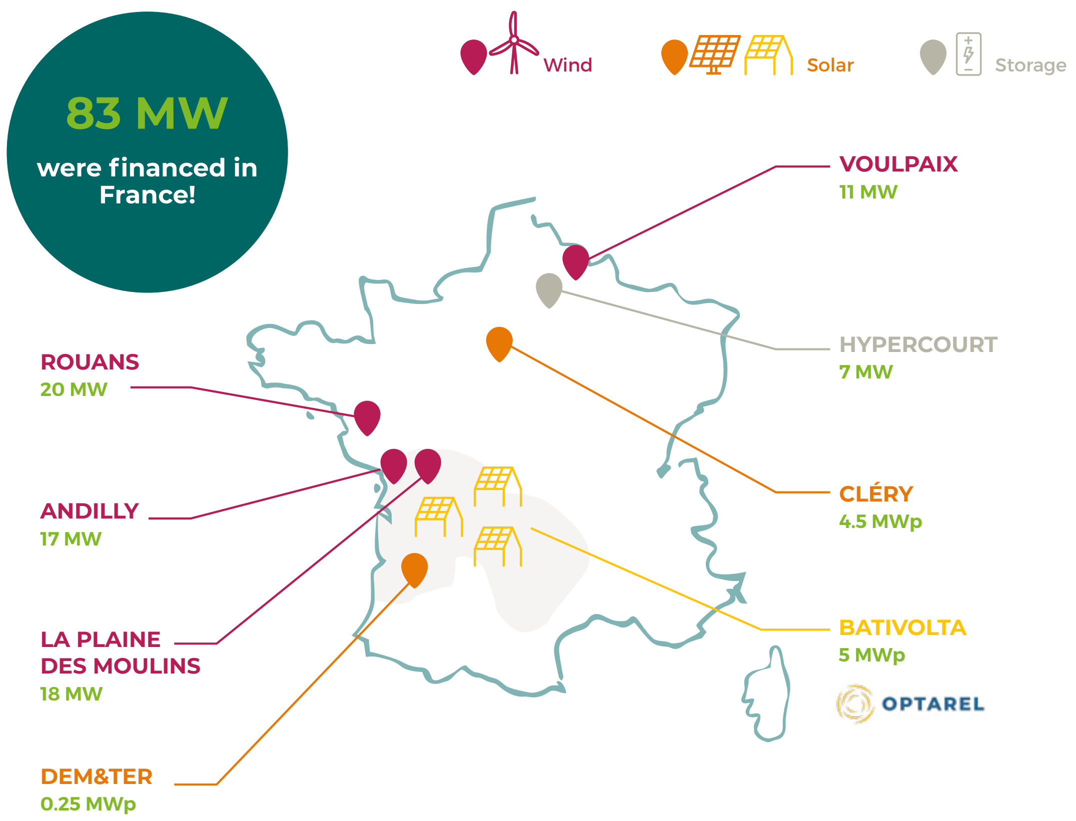




Financing in 2023

2023 saw eight projects financed in France, spread across the country as below.

83 MW were financed in France!



La plaine des Moulins

18 MW wind farm connected to the HV substation of the Lavausseau wind farm owned by VALOREM.

Rouans

With an additional 20.3 MW of wind power in the Pays de Retz, the financing of Rouans is an illustration of the trust, satisfaction and long-term relationship stretching back more than 10 years between local public officials and VALOREM.


Hypercourt (Somme, France)

Clery

With an additional 4.5 MWp of solar power capacity, the extension of the Mézières solar farm in the Loiret department was crowdfunded to the tune of €500 K. With a continuous focus on community support, this project includes environmental measures to safeguard protected species and maintain wetlands (creation of ponds for natterjack toads).

Hypercourt storage

Amounting to 7MW, this is the **first storage project** financed by VALOREM.

Batívolta OPTAREL

This is the funding of a cluster of 18 solar roof projects amounting to 5.3 MWp.

Close-up on an innovative and civic project: the Andilly-les-Marais wind farm

Financed in June 2023, the project had begun in 2017 at the instigation of the municipality of Andilly-les-Marais, which wanted to develop a source of green, local energy production in its local community. The specifications were clear: develop a wind farm in harmony with its environment and in co-construction with local authorities and citizens.

Backed by its distinctive approach to this market, VALOREM took up the challenge and was selected by the council in February 2018. From the outset, the project was conceived as a collaborative effort involving the various local stakeholders. It was built over time thanks to the participation of residents, the ANE!rs17 non-profit organisation, CDC Aunis Atlantique and the Terra Energies investment fund. A shareholders' agreement was signed with the latter at the end of 2021, formalising their stake in the project company.

KEY FIGURES

3 turbines
installed

200m
high at the tip

181 citizens
involved in financing the farm

45.8 GWh/year
electricity production (P90)

17 MW
total power generation


Andilly (Charente-Maritime, France)

Shared governance

With a 51% equity stake, this is the VALOREM Group's first wind farm governed in cooperation with its local community, alongside TERRA ENERGIES and COOPEC (a civic company with 300 members, eight neighbouring villages, private companies and non-profit organisations).

The wind farm

At an investment of €33.8m, the future wind farm will be equipped with three wind turbines, each with an output of 5.6 MW (giving a total output of 16.8 MW). The turbines are equipped with the longest blades in France at 80 metres, making the turbines 200 metres total height.

CSR INDICATORS

An "Energie Partagée" labelled project
This label was awarded at the second edition of the Renewable Energy Summit which distinguishes civic-led renewable energy projects.

CSR
INDICATORS

Le Haut Bosquet (Voulpaix)

The financing of this 11 MW wind farm project is also a first for the VALOREM Group.

This is because it includes carrying out an agricultural survey in partnership with the Chamber of Agriculture, of 21 farms and livestock buildings in the vicinity of the wind farm.

Through a series of comprehensive audits (audit of production, audit of facilities, livestock health diagnosis, etc.) the approach seeks to deliver an assessment of the state of the farms before and after the commissioning of the wind farm. This is a strong commitment to the local community, and its transparency is designed to provide tangible proof that the development of renewable energies is compatible with local agricultural development.

DEM&TER

Financed in July 2023, with a capacity of 250 KWp, DEM&TER is an experimental agrivoltaic platform in the Landes region, covering around 2 ha of agricultural land. Its aim is to provide scientific data on the crops that can be grown as part of agrivoltaic projects. The goals of this R&D project are to:

- Identify the Landes crops that are compatible with agrivoltaics,
- Contribute to building up return on experience on agrivoltaics,
- Form partnerships with local structures,
- Promote local jobs.

Construction began in January 2024.


DEM&TER agrivoltaic demonstrator (Landes, France)

Diversification in sources of finance

EuroPP

The Group's financing plan includes a bond issue totalling €75 million: the Euro PP (Private Placement). This bond was issued on 27 July 2023 for a term of 5 years. This financial instrument enables the Group to diversify its sources of financing by issuing green bonds subscribed to by a limited number of qualified investors.

At the same time, a Green Bond Framework was drafted and audited by an independent third-party expert, Ethifinance. This is a green financing framework document that sets out the Group's commitments in terms of sustainable finance.

Crowdfunding

In 2023, no less than €29 million was raised, which is the highest amount to date.

This exceptional figure owes much to the performance of our corporate fundraising, which amounted to €25 million. As a reminder, this financing is used to support the growth of the VALOREM Group as a whole, and in particular that of its new activities.

FOCUS

CSR
INDICATORS

During the course of 2023, various extreme weather events (heat domes, forest fires, devastating floods, etc.) offered a stark reminder of the urgent need for an energy transition, to minimise any harmful consequences for mankind and biodiversity. With this in mind, the VALOREM Group made the commitment to limit its greenhouse gas (GHG) emissions through 5 concrete actions, at the heart of the day-to-day work of its teams, with the aim of changing everyone's habits.

In 2023, the Group launched an in-depth project to establish a methodology (for estimating its emissions) specific to its activities and their impact on the outside world, coupled with an ambitious environmental strategy for the next 5 years.

All these commitments will enable the Group to go further and play an active part in the energy transition.

To curb its greenhouse gas emissions, the VALOREM Group has decided to:

Cease all air travel within the countries where VALOREM operates (except for flights with stopovers and emergencies/exceptional needs).

Set up a travel platform to offer alternatives to air travel.

Replace 50% of the fleet of vehicles coming to the end of their lease period with electric vehicles. The aim is to have a 100% electric fleet by 2028.

Change management support will be provided by the general administration and through continuous improvement.

Invest in biodiversity in association with various stakeholders (CDC BIODIV, Nature Conservatories, etc.), according to a budget defined in correlation with the number of MW in operation.

Improve the recycling of the Group's waste by seeking more environmentally friendly recovery solutions.

Have a positive impact on a range of non-protected species (e.g. pollinators) on sites in operation, by adopting specific measures right from the development phase, which will be included in the planning applications.

INTERNATIONAL **DEVELOPMENT**

In 2023, Gwenaël Jestin joined the Group as head of the International Business Unit. We look back on his arrival in this fast-growing team!

What were the big issues for international development in 2023?

This year it was important to adapt and structure our organisation to fulfil our new development strategy that was approved in 2023 and the setting up of two separate units, each covering a specific time span:

- → a business development unit to identify potential countries into which to expand and new partnership opportunities,
- → and a project development unit to deploy projects in a uniform way and to high standards.

In our country subsidiaries, we have focused on the autonomy of business managers by delegating responsibility to them for greater efficiency and responsiveness.

What milestones have you reached over the past year?

As far as our portfolio of projects under development is concerned, we have expanded our footprint in Poland through the signature of a solar co-development partnership with the local company T&T Proenergy. In 2023, our teams also worked on setting up a new co-development partnership in a new European country to maintain the Group's development. In the construction field, two wind farm projects are nearing completion and will be commissioned in the second half of 2024: more than 300 MW in Finland with our partners Helen and Alandsbanken, and 27 MW in Greece. This contributes to reinforcing our footprint in these countries where we continue to grow our portfolio.

What is the outlook for 2024?

We intend to make further progress on projects under development, and source new projects in countries where we currently operate. Our activities in Poland are set to expand with the signing of a new wind or battery partnership. The other countries are pursuing the growth of their portfolios, and we are continuing to strengthen our teams, particularly in Finland, where work has begun on preparing the next financing package for a wind energy project. In addition to current activities, the teams are working on assessing the possibility of opening up a new European country, probably through a co-development partnership, in line with the pre-defined conditions.

VALOREM has solid expertise in France, reflected in teams that are loyal to the Group and deployed all over the country. One of the main tasks for the future will be to support the various departments in the Group's international expansion and strengthen the intercultural dimension, which is relatively new.

POLAND

Katarzyna NAPORA
Country Manager Poland

We focused our efforts on building our organisation. 2023 was a really busy year, with a whole range of activities to launch. We opened our offices and started to build our development team locally with the recruitment of two project managers.

One of the major milestones in 2023 was the signature of a cooperation agreement with T&T PROENERGY for the development of solar power projects of over 300 MW in Poland. This partnership represents an important step for VALOREM, as it consolidates our position as an independent producer of renewable energy in Europe. By joining forces with T&T PROENERGY, a local partner that has been firmly established in Poland since 2011, we are together contributing to the country's energy targets and strengthening our commitment to sustainable development.

This is an exciting step for the future of our business. We are fully integrated into the Group's global strategy, which is based on all forms of energy. The team has secured leases for the development of solar projects, and we are looking at opportunities around wind and storage projects.

2024 is going to be a busy year too, and we are actively working to find a new partner to co-develop new wind and/or battery storage projects.

GREECE

Thomas STAVROU
Country Manager Greece

In 2023, we focused much of our efforts on our territorial approach and our relations with local authorities and representatives, as well as with private stakeholders. VALOREM builds its project development strategy on consultation and dialogue with local stakeholders. This is a key area that we want to develop here in Greece. All these opportunities to meet local people are also occasions to talk about the environmental issues that affect us all and the need to install green energy. This education is crucial if we are to understand the projects and the issues at stake. The renewable energy sector is also very competitive in Greece, so we can differentiate ourselves by this local approach.

In terms of projects, we have of course the construction of our 27 MW Magoula wind farm! Work is progressing well, and the wind farm will generate an estimated 71 GWh a year, equivalent to the electricity consumption of 18,000 households.

In 2024 we will be commissioning Magoula and perhaps even opening our new offices in Athens!

FINLAND

Minna JUKOLA
Country Manager Finland

2023 was a great year for the team in Finland! Our team grew and we achieved some major milestones. We brought on board four new wind farm projects as part of a co-development partnership, we started developing a greenfield project and we also identified our very first solar photovoltaic projects. We have recruited four new colleagues and, in June, we celebrated the inauguration of our new offices with a lot of guests: partners, suppliers, consultants and investors... And of course, in 2023, construction of the Viiatti wind farm project continued.

Looking back, it was really a fantastic year for us in Finland. Our team is growing and I'm very proud to be working with such a great and dedicated team. It was a year of strong growth. Today, we have a really robust team and a large and diverse portfolio of projects, and we're officially bringing the VALOREM name to a wider audience in Finland.

I'm very excited about 2024. We want to start crowdfunding renewable projects in Finland! We want to develop new business areas, and our colleagues from VALREA and VALEMO will be setting up in Finland to support the Group in the construction, operation and maintenance of our assets. The Group has also decided to study the possibilities offered by offshore in Finland. Finally, we will have the commissioning of Matkussaari and Kalistaneva (the Viattii project, in which VALOREM now holds 148 MW). We've got plenty of work ahead of us!

GROUP
SUBSIDIARIES

VALREA

2023 was marked by the development of activity outside France with progress on the Viiatti wind farm (313.5 MW) in Finland and the opening of the first project site in Greece with the Magoula wind farm (27 MW). It was a very busy year with a lot of projects occupying the team outside France.

In parallel, in France, business was very brisk with 11 worksites regarding projects owned by VALOREM and two worksites on projects owned by third parties. Among the 11 Group sites, two were commissioned.

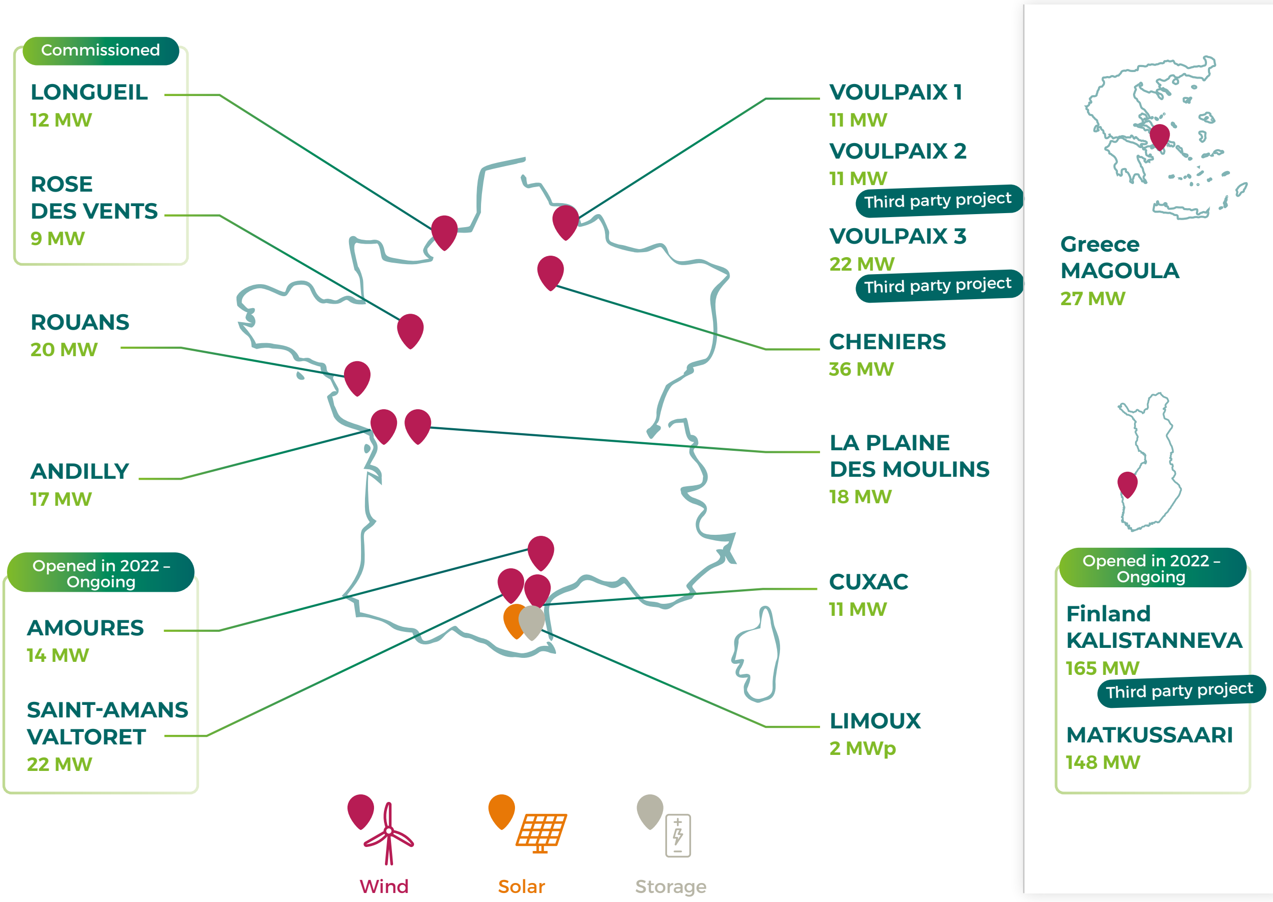
VALREA also introduced a policy in 2023 to reduce the carbon footprint of projects through the systematic use of CEM III cement in wind turbine foundations.

2023 KEY FIGURES

541 MW under construction	**21 MW** commissioned	**€41.6 M** revenue	**100%** delivered on time and to budget

For the first time, VALREA employed workers on social inclusion schemes on these wind farm projects.
Number of hours worked under social inclusion schemes on worksites run by VALREA : 4,271 h in 2023 (1,474 h in 2022).

In parallel in France, activity was brisk with the opening of eight VALOREM project sites and two third party project sites.



The Cléry (4.5 MW), Dem&Ter (0.25 MW) and Hypercourt Storage (7 MW) sites will be launched in 2024. The Optarel subsidiary will be in charge of building the solar roofs of the Bativolta cluster.


Rouans (Loire-Atlantique, France)


Cheniers (Marne, France)


Magoula (Greece)

VALEMO

A multi-energy operator (onshore & offshore wind, solar, hydropower, high voltage substations), VALEMO is a company specialising in the operation, maintenance and control of green power stations with a portfolio of more than 1 GW of renewable energy assets under its management. To maximise assets productivity, VALEMO relies on its 24/7 remote supervision centre and its engineering and technical auditing departements. In 2014 VALEMO began working in offshore operation and maintenance, progressively acquiring solid credentials.

Business in 2023

2023 was a watershed year for VALEMO. With revenue amounting to €14 million, the company achieved 12% growth compared with 2022.

VALEMO operates 111 power plants totalling 1.1 GW and maintains 156 power plants totalling 305 MW. To support its development, VALEMO continues to strengthen its teams, which now number over 130 employees.

Optimising & adding value

During 2023, VALEMO began a process to transform its organisation and practices in the aim of offering an ever higher level of service in the way it operates its clients' facilities. This strategic process led to the restructuring of the company's departments, with an even greater focus on operations, drawing on the expertise provided by the control centre on the one hand and the engineering hub on the other.

This includes, for example, the systematisation of asset performance audits, continuous monitoring of performance levels, turbine vibration monitoring, the widespread use of supervision tools for HV substations and photovoltaic/hydroelectric power plants, and the extended operation of the control centre, which is now active 24 hours a day, 7 days a week. Inaugurated at the end of 2023, this centre is operational non-stop. It supervises, controls and remotely maintains the safety of sites in France and abroad.

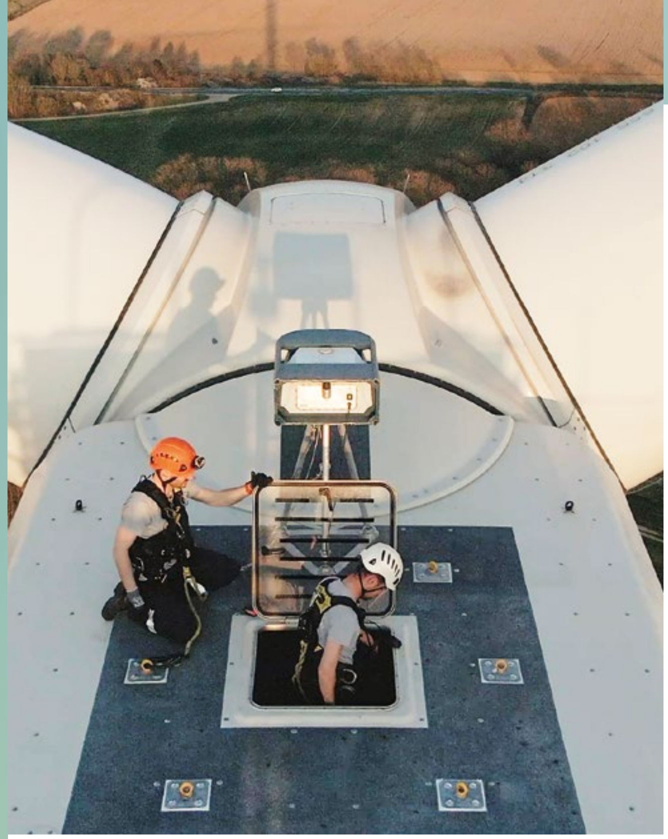
This system will allow VALEMO to broaden its service offering and optimise its activities.

VALEMO's other key mission is to enhance the value of the assets entrusted to it. To this end, the maintenance activity set up in 2011 guarantees a high quality maintenance of power plants, enabling clients to plan for the long term. This enables the owners of these assets to make the best possible use of the energy produced, whether at already fully depreciated plants or in recently commissioned plants with high availability commitments.

2023 KEY FIGURES

Operations centre 24/7/365

€14 M revenue	131 employees	1.1 GW in operation 111 plants	305 MW under maintenance 156 plants



VALEMO also brings this value to assets through several centres of expertise: the 24/7 control centre for real-time and continuous breakdown management, the methods hub, which provides the tools/resources/documentation needed to carry out maintenance operations, the engineering hub, which develops and installs the software and hardware tools needed to monitor and analyse breakdowns, and the audit team, which regularly checks the condition of power plants, etc.

The aim of all these developments is to optimise and add value to the production of the assets under management, in improved safety conditions. The range of offshore services is also broadened and rounded out, with a growing number of contracts for technical assistance, operation, maintenance and audits conducted in 2023.

2024 outlook

In 2024, VALEMO will continue to vigorously pursue its growth dynamic. Significant growth is expected in its activities through the following channels:

- Expansion of the operating portfolio: VALEMO expects to commission more than ten new wind farms in 2024, which will contribute to an increase in its operating portfolio. The ambitious target is to increase the existing operating portfolio by at least 50% (with the major contribution of the first Finnish and Greek wind farms). VALEMO also intends to draw on the VALOREM group's references to develop its storage battery operation business, and will also continue to develop its HV substation operation service offerings.
- Structuring our resources to accelerate the development of maintenance: new CMMS, technical documentation management, spare parts inventory management, in-house team training tools, etc.
- International expansion: opening of subsidiaries in Finland and Greece, development of activities in the Caribbean, international expansion of offshore operations, capitalising on its expertise.
- Supporting Akrocean's growth: as a strategic partner, VALEMO will continue to support the growth and development of Akrocean, which is continuing to expand outside France.

2024 is therefore shaping up to be a promising year for VALEMO with a strategic orientation clearly focussing on growth, innovation and international expansion.

CHANGES TO DEPARTMENT ORGANISATION

- Operation
- Audit
- Engineering
- Control
- Maintenance

OPTAREL

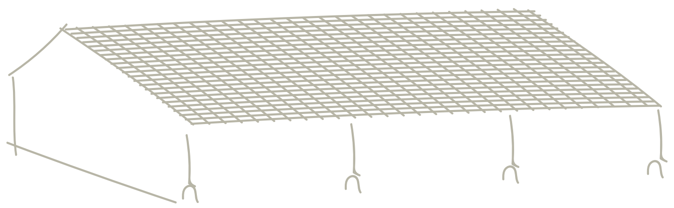
OPTAREL, a wholly owned subsidiary of VALOREM, pursues the Group's ambitions in the area of solar photovoltaic roofs and carports. Supported by its experience spanning more than 20 years in electrical energy, OPTAREL accompanies its customers and partners in their energy transition.

Rouffiac (Cantal, France)

A look back on 2023

With strong roots in its local communities, OPTAREL is consolidating the deployment of its solutions that are both operational, with industrial and agricultural storage buildings, and socially responsible, procuring additional income for farmers. Pre-empting environmental issues such as soil artificialisation and the life cycle of materials, OPTAREL focused on renovating farm buildings in 2023, thereby extending the life of existing buildings.

From Loire Atlantique to Occitania, OPTAREL reaffirmed its ability to meet a wide range of demands, with a constant focus on adapting to the specific needs of each customer. To satisfy the ambitions of the Climate and Resilience Act (2021) and the desire of stakeholders to achieve energy self-sufficiency, in 2023 OPTAREL stepped up the diversification of its business by increasing its presence among industrial clients. The year saw an acceleration in the installation of solar panels on the roofs of new buildings, retail premises and car parks.



At the same time, OPTAREL obtained AQPV (Alliance Qualité Photovoltaïque) certification in 2023, to be able to address specific markets and improve quality. It also obtained all the necessary authorisations to operate as a prime contractor (EPCist). 2023 marks a turning point for OPTAREL, which is now in a position to control the entire value chain of its projects.

Furthermore, 2023 saw a change of management with the arrival of Mariane Tharaud as CEO of OPTAREL. The team at VALOREM's subsidiary improved its technical expertise on its projects, delivering larger-scale power plants, including some connected to the HV grid.

Nanteuil-en-Vallée (Charente, France)

2024 outlook

In 2024, OPTAREL will adopt a structure capable of catering to the growing demand for its services, while continuing to guarantee high quality to its lessor and investor partners. The application for ISO 9001, 14001 and 45001 certification will help to achieve this.

The year will also be spent preparing for wider deployment across France.

As a historic pioneer in renewable energies, the Group will continue to break new ground, and OPTAREL will accompany it in 2024 by launching its first collective self-consumption projects.

Finally, the synergies between OPTAREL and VALOREM will continue to grow, with OPTAREL lending its expertise to the Group to offer a comprehensive green energy operator service range to an ever wider audience.

CLOSE-UP ON

Loyal customers

OPTAREL's local footprint in communities and its relations with its housing and investment clients have allowed the VALOREM subsidiary to forge a reputation as a reliable, high-quality and competitive company. And what could offer better proof than when a satisfied client awards you with another project? In 2023, no fewer than 35% of OPTAREL's projects were signed with repeat clients!

2023 FACTS & FIGURES

2
projects financed
(12 MWp) in 2023, including one for the VALOREM Group

50
worksites
per year

5.3 MWp
commissioned
(+32% power commissioned)

17
employees

Certified
AQPV

Capability in
EPC

WATT FOR CHANGE

Access to energy is a fundamental need. Without access, or with insecure access, to energy, development and prosperity are impossible. Green energy brings emancipation because it can be installed anywhere, including in the most isolated rural communities. That's why Watt For Change has been fighting since 2016 to ensure that everyone has decent, sustainable access to energy.

2023 was a year packed with projects for the Watt For Change teams, both in France and internationally. It was also the last year of VALOREM Foundation's activities under the aegis of the *Fondation pour la Nature et l'Homme* (FNH), which was dissolved on 31 December 2023. Watt For Change now wants to focus on public-private partnerships for its international projects. Many thanks to the teams at FNH for their support over the past four years.

Discover our African projects

Since 2016, Watt For Change has been working in West Africa and Madagascar to promote a fair and inclusive energy transition.

After a first trip to Senegal last year to meet project sponsors, a delegation comprising four members of Watt for Change and a representative of the Mirova Foundation endowment fund, a partner since 2021, travelled to Togo and Benin in October 2023 to meet the programmes' beneficiaries.

Over the years, the Watt For Change team has forged solid, multi-annual partnerships with charities involved in local outreach initiatives. In total, 13 projects have been supported to the tune of €253,575.

10 days

2 countries

13
PROJECTS SUPPORTED
€253,575 donated

CLOSE-UP ON

WATT SOLIDAIRE ÉNERGIES

First WATT SOLIDAIRE ENERGIES project

Watt Solidaire is an original idea dreamt up by the Watt for Change teams. The aim is to help low-income households beat energy insecurity by installing solar PV panels on the roof of their dwelling.

The first Watt Solidaire project materialised on 13 October in the department of Gironde. The sale of the electricity produced by the 24 solar panels installed (9kWp) made it possible to start energy renovation work, pay the remaining costs of the energy renovation, and lift a family out of energy insecurity. The improvements made include a heat pump, a wood burner, new doors and windows, a ventilation and extraction system, and an overhaul of the electric junction board.

KEY FIGURES FOR 1ST PROJECT

41%
energy savings

€7,200
rent paid to homeowner

10 MWh
annual production

3.8 t
less carbon dioxide emissions per year

Launch of call for projects to combat energy insecurity

In June, Watt for change and the Mirova Foundation issued a call for projects aiming to "accelerate home energy renovation for the lowest income households".

This partnership is designed to support initiatives, offering both general support to households and solutions to finance the remaining costs of the energy renovation work by households experiencing energy insecurity. After deliberating, the selection committee picked eight winning non-profits.

CSR INDICATORS

€1.5 M
endowment
representing funding for each charity of between €150,000 and €210,000 over 3 years.

1,000
households
will be supported
and lifted out of energy insecurity thanks to this call for projects.

02

THE VALOREM MISSION

Jean-Yves GRANDIDIER
Chairman & Founder

EDITORIAL

VALOREM became a mission-led company in December 2021, and a lot has been achieved since then. In addition to a first successful assessment this year, the system introduced to monitor our Mission has found its space in the firm's organisation. Our committee, made up of employees and experts in energy and environmental matters, has been heavily involved in improving our impact towards our four stakeholders: communities, our employees, our economic partners and society.

We have fine tuned our roadmap, proposed new indicators and taken several tangible and substantial initiatives.

We were the first mid-sized enterprise in renewable energy to obtain the RFAR label (standing for responsible supplier relations and purchasing). This label acknowledges the first substantial efforts through our purchasing process – from commitment to our suppliers through to social integration clauses in our construction worksites. However, this label also constitutes a step that sets the tone for new ambitious commitments, in particular in our choice of turbines or solar panels.

Furthermore, we have consolidated our skills in a cross-disciplinary five year environment strategy, bringing together all our environmental initiatives, whether required by law or voluntary, at all levels: from internal and institutional challenges to those relating to our renewable energy projects. This cross-disciplinary approach will help us deepen our consideration of these challenges.

Finally, through Watt for Change, our endowment fund in association with the Mirova Foundation, this year we issued a major call for projects to increase support for energy renovation in the lowest income households, allotting 1.5 million euros to the cause. Seven non-profits were selected in several rural and urban areas for the quality and efficiency of their initiatives. They will receive support over three years to amplify their activities.

This work for our Mission obliges us as an organisation, but also involves all our people, and we are fully aware that it is only just a beginning.

ABOUT THE MISSION COMMITTEE

The Mission Committee is appointed by the VALOREM Group's shareholders for a two-year term. It is responsible for managing the Mission, signing the Mission report and accompanying VALOREM on the path to its transformation.

In practice, it formally meets at least three times a year to monitor the roadmap; it discusses and puts forward new indicators or actions. The Committee's proposals are then debated and decided upon by the VALOREM management.

EXTERNAL MEMBERS

AMORCE
(national network of communities committed to the green transition)

Legal entity represented by **Julie FERRY.**

Deputy Head of Energy division Responsible for renewable energy

Cédric PHILIBERT
Associate Researcher at the Institut Français des Relations Internationales (IFRI)

Independent consultant and senior analysist on energy and climate issues

Sylvie PERRIN
Legal Adviser at De Gaulle Fleurance

Founder of La Plateforme Verte

Sylvie FERRARI
Economist, Lecturer at University of Bordeaux

Member of ACCLIMATERRA

"Being a member of the VALOREM Mission Committee means sharing one's experience and vision of best practice, finding the keys to gain buy-in from employees, and expand one's scope of thought and knowledge."

Sylvie PERRIN

INTERNAL MEMBERS

"As a staff representative, the mission-led company has enabled me to act in a different way for employee wellbeing."

Emilien STEPHAN, staff representative, Mission committee chairman.

Émilien STEPHAN
Operating Manager
Staff Delegate

MISSION COMMITTEE CHAIRMAN

Philippe ETUR
Deputy CEO of VALOREM

Mélodie KHAYAT
Head of Legal Affairs

M&A/Financing France

MEETING CALENDAR

MEETING OF 11 JANUARY 2023
BÈGLES / VIDEO LINK

Last committee meeting of 2022
(postponed from November) - Bordeaux

- Approval of Mission's 2023 roadmap
- Launch of work on 2022 Mission report

MEETING OF 20 APRIL 2023
BÈGLES / VIDEO LINK

- Review of 2022 roadmap
- Sign-off of 2022 Mission report

MEETING OF 11 JULY 2023
BÈGLES / VIDEO LINK

- Results of audit of mission report
- Work priorities for 2023-2023
- Outlook

MEETING OF 26 OCTOBER 2023
PARIS, DE GAULLE FLEURANCE OFFICES / VIDEO LINK

- Renewal of mission committee
- Environment update
  Presentation of VALOREM environment strategy

2023 developments

Watt for Change: a major call for projects in association with the Mirova Foundation to combat energy insecurity.

Watt for Change, the VALOREM Group's endowment fund, aims to promote access to renewable energy for local development, improved living conditions and environmental protection.

Energy insecurity, defined as the difficulty or even the inability to obtain the energy supply we need to satisfy our basic needs, is a major social issue. Watt for Change strongly believes that renewable, clean, free and inexhaustible energy sources can help combat this plague by financing the energy renovation of homes for the most vulnerable, and supports non-profit organisations working to combat energy insecurity in their communities.

This year, Watt for Change and its partner Mirova Foundation joined forces through an ambitious call for projects in an attempt to structure community-based schemes to help low-income households carry out comprehensive, high-performance energy renovation in their homes.

The two funds amassed €1.5 million to support seven non-profit organisations in several French départements over a three-year period: Alec 07 in Ardèche, GERES in Bouches du Rhône, Apremis in the Somme, Solidar'Toit in Deux-Sèvres and Vienne, Soliha in Mayotte, Creaq in Gironde, and the Compagnons Bâtisseurs and Stop Exclusion Energétique associations nationwide. In addition to financial support, an impact assessment will be carried out at the end of the call for projects, with a view to drafting a position paper in favour of speeding up energy renovation for the most vulnerable.

VALOREM, the first mid-sized renewable energy company to earn the RFAR label

The RFAR ("Responsible Supplier Relations & Purchasing") label is designed to distinguish French companies that have demonstrated sustainable and balanced relationships with their suppliers. Backed by the ISO 20400 standard, it deals specifically with the balance and quality of relations between clients and suppliers to ensure "positive impact" purchasing. It is the first label in this field to be awarded by the public authorities, and is valid for three years.

It revolves around five areas, each with different assessment criteria:

1. Commitment and governance of the organisation on a responsible purchasing policy.
2. Quality of supplier relations.
3. Respect for suppliers' interests.
4. Incorporation of social responsibility in the purchasing process.
5. Impact of purchasing on the economic competitivity of the ecosystem.

The Group drew up an action plan around these five areas. The label also includes an annual audit to follow up on the company's actions and commitments.

Responsible purchasing is a strategic topic for the Group's development, which is why VALOREM sits on the OBSAR (Responsible Purchasing Observatory) board of directors. The aim of this body is to engage in collective thought and draw on contributions from experts in the interests of improvement.

Definition of a five-year environmental strategy

The VALOREM Group has always placed the environment at the centre of its concerns. In 2023, VALOREM thus decided to draw up an ambitious strategy for deployment over the next five years across the entire Group. Throughout the year, a small team worked on proposing clear focus areas and goals.

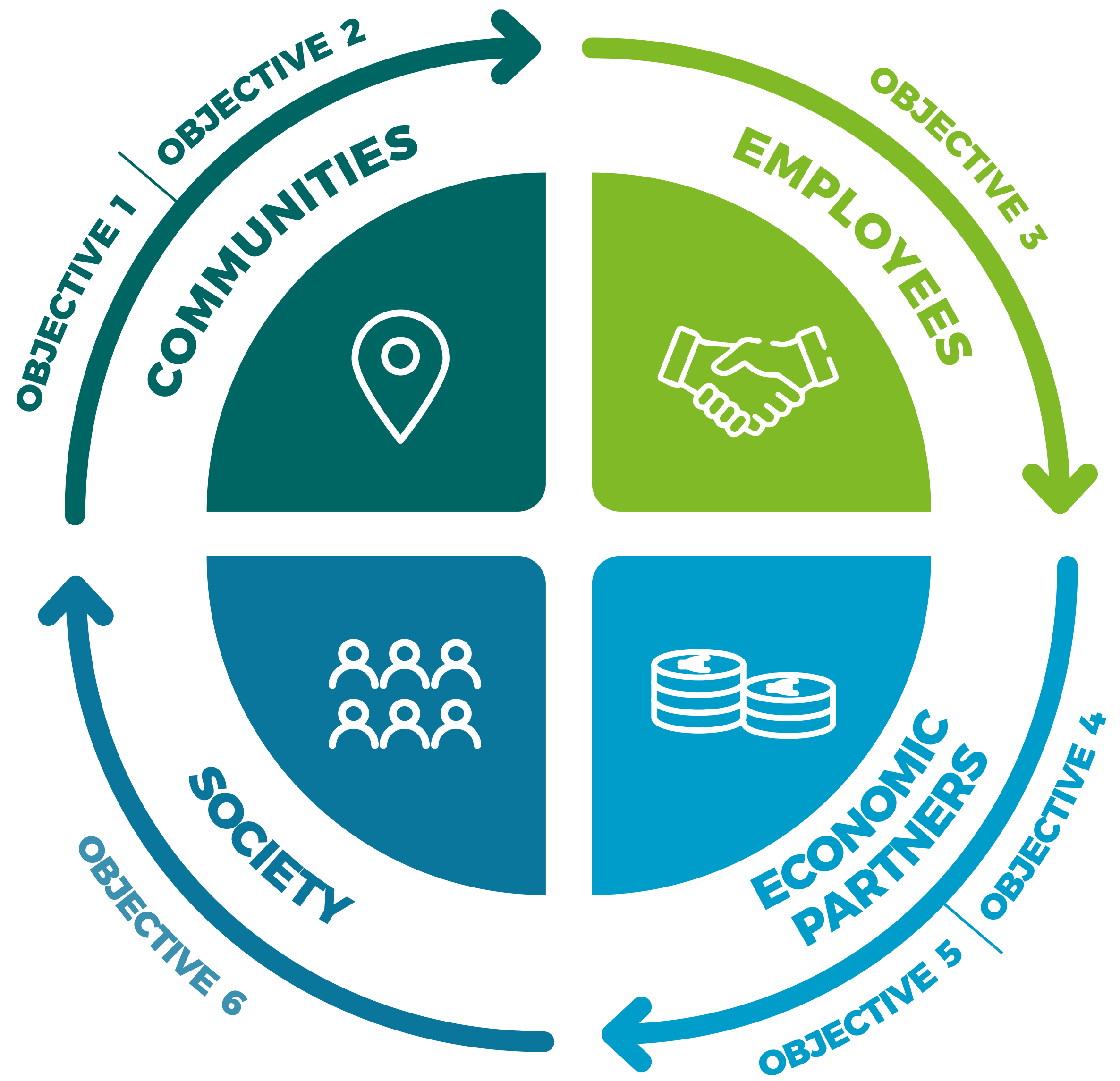
By bringing together all the contributors involved in this area, the objective was to achieve consistency between our mission, our corporate social responsibility(CSR) commitments, and our quality, safety and environment (QSE) policy.

Three areas were identified as priorities, with specific goals:

- Reduce our greenhouse gas (GHG) emissions.
- Limit our impact on biodiversity.
- Control our waste and improve its recovery.

Each of these areas applies to all the institutional activities of the Group both in France and abroad, in all trades and in all renewable energy projects.

The VALOREM mission roadmap sets out six objectives, relating to each of the Group's four stakeholders. In this first year of operation, the committee set the indicators that will be monitored for each objective.



RESULTS

COMMUNITIES

OBJECTIVE 1

Produce renewable energy in conjunction with local stakeholders and share the economic value created with them.

Results indicators

1. During project development, VALOREM proposes to set up committees to encourage public consultation.

→ **2023 results-1:** In 2023, 20 public consultation committees* were held.

* A public consultation committee comprises at least three members, including the local authority.

Scope: Projects in France, all renewables, presentation of proposal during development.

→ **2023 results-2:** Since 2023, VALOREM indicates this proposal in a letter to the local authority two months before the formation of the company that will develop the renewable energy plant project.

Scope: Projects in France, for all project companies founded in 2023.

2. In consultation with the local authority, VALOREM offers to open up at least 10% of the capital of its projects. Since 2023, the group has presented a standardised offer in advantageous conditions.

→ **2023 results:** Since 2023, VALOREM indicates this proposal in a letter to the local authority two months before the creation of the company that will develop the renewable energy plant project.

Scope: Projects in France, for all project companies founded in 2023.

3. VALOREM undertakes to ensure that at least 40% of its renewable energy projects benefit from a crowdfunding campaign by 2025 (these campaigns all include a specific offer for local residents in France).

→ **2023 results:** 36.2% of VALOREM projects included at least one crowdfunding campaign.

Scope: All projects in France and abroad, all renewables, from pre-feasibility study approval to renewable energy farm operation.

4. VALOREM aims to increase the proportion of local purchases in its renewable energy projects: in 2023, the Group put in place a reliable indicator to measure local jobs created by its projects.

→ **2023 results:** In 2023 our subcontractors for roads and utility works, civil engineering and networks, all contractually undertake to communicate on the conclusion of the project a declaratory database that will make it possible to measure a local jobs indicators and the mobilisation of the local employment catchment area on the scale of the department, region and country.

Scope: Projects in France, on all the construction sites of renewable energy farms commenced in 2023.

COMMUNITIES

OBJECTIVE 2

Ensure the preservation of natural ecosystems and increase the positive impact of our projects on the environment.

Results indicators

1. By 2024, 100% of our new development projects will benefit from support measures in addition or complementary to the regulatory framework.

→ **2023 results:** 100% of our new projects under development benefit from additional studies.

Scope: All projects in France, all renewables, for which an application for environmental permit was submitted in 2023.

2. From 2022, all our photovoltaic projects being developed on land used for natural, agricultural or forestry purposes will have the following characteristics:

- Anticipation of the draft Net Zero Artificialisation (ZAN) decree with a maximum land occupation rate of 50%,
- Limiting the number of through-tracks in our solar projects,
- A more environmentally friendly site, following Environmental Management System (EMS) methodology,
- Systematic environmental monitoring during the operation of the plant.

→ **2023 results:** 100% of our photovoltaic projects under development in natural, forestry or agricultural areas are being developed according to the abovementioned characteristics.

Scope: All ground-mounted photovoltaic projects in France, in agricultural, forestry or natural areas defined by town planning documents: Schémas de Cohérence Territoriale, Plans Locaux d'Urbanisme, etc. Projects for which planning permission applications were submitted in 2023.

3. Identify environmental issues when prospecting for sites to develop projects in line with our environmental standards.

As early as the pre-feasibility studies, our environment department sets out its recommendations in an environmental brief. When the project enters development stage, an environmental opinion is drafted (go, with reserves or no-go) to indicate whether the project should be pursued, amended or abandoned.

→ **2023 results:** procedure ongoing.

Scope: All projects in France, all renewables.

EMPLOYEES

OBJECTIVE 3

Enable our employees to be stakeholders in ecological transition, by providing them with an engaging and fulfilling working environment.

Results indicators

1. Every two years, the well-being of our teams will be measured. We undertake to publish and communicate the results and an action plan to employees, and implement corrective actions in 2024.

→ **2023 results:** Measurement carried out in 2023. Next edition in 2025.

Scope: All employees of the VALOREM (France) Economic and Social Unit (ESU) with three months' service at the time the questionnaire was sent, including work-study students, as well as employees of international subsidiaries. Excluding trainees.

2. We undertake to work with employee representatives to develop at least one additional mechanism each year to encourage our employees to participate in the ecological transition.

→ **2023 results:** VALOREM offered a long-term bike rental scheme, subsidised by the employer.

Scope: All employees of VALOREM ESU (France) on open-ended contracts. Excluding trainees. Each beneficiary undertakes to cycle to work at least 80 days a year. In accordance with the regulations in force, this offer does not entitle the employee to bike mileage expenses.

3. By 2026, employee shareholders will account for 4% of the total shareholder base.
An initial share-focussed employee holding company was set up in 2019. Then in 2022, VALOREM set up a Fonds Commun de Placement en Entreprise (FCPE - mutual fund), which issues convertible bonds (ORAN). VALOREM plans to set up another mechanism to bring employee share ownership up to the 4% mark by 2026.

→ **2023 results:** Employees hold 1.92% of VALOREM's capital (employee holding company and FCPE combined). On the occasion of the last share issue at the end of 2022, 75% of VALOREM's employees were shareholders under these two schemes.

Scope: Employees of VALOREM ESU (France) on completion of trial period, excluding work-study students, excluding trainees.

4. We undertake to devote at least 3.5% of our payroll to employee training to ensure their expertise is kept up-to-date and their skills are upgraded.
In addition to essential technical and safety training, VALOREM is committed to providing ongoing training in cross-disciplinary skills to strengthen management skills and cohesion between departments.

→ **2023 results-1:** In 2023, VALOREM dedicated 3.32% of its payroll to training.

→ **2023 results-2:** In 2023, VALOREM dedicated 2.31% of its payroll to non-legally required training.

Scope: Employees of VALOREM ESU (France), excluding work-study students and excluding trainees, regardless of length of service.

ECONOMIC PARTNERS

OBJECTIVE 4

Grow, innovate and take action to produce affordable renewable energy.

Results indicators

1. In 2028, the ground-mounted wind and photovoltaic plants in France developed by VALOREM will represent 4% of the French total.

→ **2023 results:** 3.6% of the ground-mounted solar power plants and onshore wind farms in operation in France at the end of 2022 were developed by VALOREM.

Scope: Projects in France, wind farms and ground-mounted solar power plants with a capacity of more than 1 MW.

2. We undertake to increase the innovation budget (technical innovation projects) year on year to €2 million in 2025.

→ **2023 results:** €1.34 million devoted to research and innovation.

Scope: Projects in France eligible for research tax credit (CIR) and Innovation tax credit (CII).

3. We undertake to put forward proposals for the introduction of a regulatory framework for an affordable and environmentally sustainable energy transition.

→ **2023 results:** 19 representation actions declared to the HATVP including 6 participations in public debates or consultations.

Scope: France. Declaration made to the High Authority oft the Transparency of Public Life (HAVTP).

OBJECTIVE 5

Develop balanced and lasting relationships with our partners.

Results indicators

1. By the end of 2024, 100% of our employees will have been trained in our code of ethics and conduct.

→ **2023 results:** The code of ethics and conduct has been finalised.

Scope: France and international.

2. By 2024 (or the end of 2023), 90% of our employees will have been trained in our supplier relations code of conduct.

→ **2023 results:** The supplier relations code of conduct has been finalised.
VALOREM was awarded the Responsible Supplier Relations and Purchasing (RFAR) label on 23 December 2023

Scope: France and international.

3. By 2025 (or the end of 2024), 80% of our supplier spend will be assessed by EcoVadis and 100% of our calls for tender will include CSR criteria.
ECOVADIS is a CSR scoring platform that provides performance assessments and analyses in terms of corporate sustainability. VALOREM wants to involve all its suppliers in improving practices in the sector while adapting to their constraints, which is why the Group will incorporate the same CSR criteria in its own calls for tender.

→ **2023 results:** Today, 60% of our supplier spend is assessed by EcoVadis.

Scope: France and international. On all calls for tender managed by the VALOREM purchasing department.

SOCIETY

OBJECTIVE 6

Defend and implement a shared vision of the energy transition.

Results indicators

1. We are making it a general practice to implement a social inclusion project through economic activity in connection with our farms under construction and in operation, reserving at least 10% of the hours worked during the construction of our solar farms for employees on social inclusion schemes.

→ **2023 results:** 8% of the hours worked on our ground-mounted solar power plant sites were dedicated to employees on social inclusion schemes.

Scope: *Only one photovoltaic project in 2023.*

2. Every year, VALOREM devotes a budget to Watt for Change, with a minimum of €400,000 to combat energy insecurity in France and around the world.

→ **2023 results:** VALOREM Group contribution to the Watt for Change endowment fund: €592,572 including €30,572 in skills sponsorship.

03

CONSOLIDATED FINANCIAL STATEMENTS

ANALYSE DES RÉSULTATS

DES 5 DERNIERS EXERCICES (IFRS)

en millions d'euros

	2019	2020	2021	2022	2023
Situation financière en fin d'exercice					
Immobilisations corporelles	588	717	750	828	1 040
Trésorerie	29	114	119	155	152
Total Actif	**736**	**938**	**990**	**1 227**	**1 430**
Capitaux propres	70	53	101	197	191
Nombre d'actions composant le capital social	17 227	17 302	1 908 006	1 908 006	1 908 006
Dettes financières	469	672	688	706	949
Total Passif	**736**	**938**	**990**	**1 227**	**1 430**
Résultat global					
Chiffre d'affaires (hors taxes)	89	89	102	199	184
EBITDA	**46**	**49**	**55**	**110**	**108**
Résultat opérationnel	**21**	**21**	**12**	**40**	**25**
Charge d'impôts	(7)	(7)	5	(3)	(3)
Résultat net	**1**	**(4)**	**3**	**21**	**-**
Personnel					
Effectif moyen	237	271	314	358	418
Montant de la masse salariale	17	20	25	32	39

CONSOLIDATED FINANCIAL STATEMENTS

AS OF DECEMBER 31ST, 2023

Contents

Consolidated statement of financial position
in thousands of euros

ASSETS	Notes	2023-12	2022-12
Intangible assets	4	4,276	3,803
Tangible assets	5	1,040,110	828,345
Equity method securities	6	4,520	1,983
Non-current financial assets	7	118,501	126,874
Deferred tax assets	23	12,700	11,443
Total non-current assets		**1,180,106**	**972,448**
Inventories	8	1,369	1,945
Trade receivables and related accounts	9	54,173	62,569
Other current assets	9	42,882	35,892
Cash and cash equivalents	10	151,752	154,478
Total current assets		**250,176**	**254,886**
Total Assets		**1,430,282**	**1,227,334**

LIABILITIES	Notes	2023-12	2022-12
Share capital		9,548	9,540
Paid-in Capital in excess of par		26,323	26,323
Consolidated reserves		123,348	125,891
Group translation reserves		(17)	-
Result - attribuable to the group		210	20,732
Shareholders' Equity attribuable to the Group	11	**159,413**	**182,486**
Non-controlling interest	12	31,701	14,382
Shareholders' Equity	11	**191,114**	**196,868**
Non-current provisions	13	20,910	14,121
Non-current bonded debt	14	136,138	53,007
Non-current right-of-use debt	14	33,523	32,035
Other non-current financing	14	777,595	625,178
Non-current financial liabilities	14	3,982	79
Other non-current liabilities	15	10,881	23,802
Deferred tax liabilities	23	34,787	42,813
Total non-current liabilities		**1,017,817**	**791,034**
Current bonded debt	14	2,660	1,410
Current right-of-use debt	14	3,965	3,594
Current financing	14	101,213	79,471
Trade payables and related accounts	15	49,831	30,121
Current tax liabilities	15	49,338	42,011
Other current liabilities	15	14,345	82,825
Total current liabilities		**221,352**	**239,431**
Total Liabilities and Equity		**1,430,282**	**1,227,334**

Consolidated income statement
in thousands of euros

	Notes	2023-12	2022-12
Revenue	18	**183,740**	**198,791**
Cost of Goods Sold and Change in Inventories		(43,964)	(52,470)
Personnel Expenses	19	(38,970)	(32,048)
External Expenses		(34,538)	(28,621)
Duties and taxes		(5,468)	(5,964)
Depreciation and Amortization	20	(49,865)	(46,128)
Provisions for Liabilities and Charges	20	(2,430)	(3,791)
Change in inventories of in-progress and finished goods		(987)	(174)
Other Operating Revenues		48,735	34,238
Other Operating Expenses		(296)	(80)
Current Operating Result		**55,957**	**63,752**
Non-recurring Operating Income	21	852	3,115
Non-recurring Operating Charges	21	(33,332)	(27,109)
Operating Result		**23,477**	**39,758**
Share in income from equity-accounted company	6	1,418	444
Operating income after share of equity-accounted companies net income [in line with the Group' operations]		**24,895**	**40,202**
Income from Cash and Cash Equivalents		876	105
Gross Financial Debt Cost		(24,393)	(14,460)
Other Financial Income		12,625	7,344
Other Financial Charges		(9,212)	(9,522)
Financial Result	22	**(20,104)**	**(16,533)**
Income Tax Expense	23	(3,105)	(2,813)
Net Result from Continuing Operations		**1,686**	**20,856**
Share Attributable to Non-controlling Interests	12	1,476	124
Net Result Attributable to the Group		**210**	**20,732**

EBITDA is used by the Group as an alternative performance indicator (defined in additional information, Note 1).

Statement of comprehensive income
in thousands of euros

	Notes	2023-12	2022-12
Net Result		**1,686**	**20,856**
Items that may be reclassified subsequently to net result :			
Revaluation of derivatives qualified as cash flow hedge	27	(34,228)	100,302
Share of other items from the comprehensive result of equity-consolidated companies		(471)	416
Tax on the revaluation of derivatives qualified as cash flow hedge		8,534	(25,075)
Items that will not be reclassified subsequently to Profit and Loss :			
Revaluation of Liabilities for Defined Benefit Plans (Actuarial Gains/Losses)	13	462	-
Tax on Revaluation of Liabilities for Defined Benefit Plans (Actuarial Gains/Losses)		(115)	-
Total of Other Comprehensive Income		**(25,819)**	**75,642**
Net Result and Other Comprehensive Income		**(24,132)**	**96,476**
Share Attributable to the Group		(24,433)	93,034
Share Attributable to Non-controlling Interests		300	3,442

Consolidated cash flow statement
in thousands of euros

	Notes	2023-12	2022-12
CASH AND CASH EQUIVALENTS AT BEGINNING OF THE YEAR (A)	10	**154,220**	**118,866**
Net result (Including non-controlling interests)		**1,686**	**20,856**
Elimination of income and expenses with no impact on cash flow or not related to operating activities:			
Depreciation, amortization and provisions, net	20/22	53,196	52,939
Unrealized gains and losses related to changes in fair value	22	5,034	1,153
Other items without cash impact (1)		3,545	0
Gains and losses on sales		239	(706)
Share of income from equity-accounted companies	6	(1,418)	(444)
Dividends received (non-consolidated investments and investments in associates)		204	141
Cash flow from operations after net cost of financial indebtedness and taxes		**62,486**	**73,940**
Interest expense	22	24,393	14,460
Income tax expense/(credit)	23	2,531	2,268
Cash flow from operations before net cost of financial indebtedness and taxes		**89,410**	**90,668**
Income taxe paid		1,005	(1,492)
Change in working capital requirements related to operations (2)		(56,813)	73,043
Net cash flow from operating activities (B)		**33,602**	**162,220**
Acquisition of intangible assets	4	(2,651)	(1,246)
Disposals of intangible assets		0	167
Acquisition of tangible fixed assets	5	(257,918)	(115,582)
Sale of tangible fixed assets		446	826
Acquition of financial assets (3)	7	(19,568)	(17,670)
Sale of financial assets		4,917	6,603
Debt on the acquisition of fixed assets		(1,627)	(21)
Acquisition of subsidiaries less cash acquired		0	2,130
Sale of a subsidiary, net of cash transferred (4)		(11,687)	1,338
Other flows linked to investing activities		753	(639)
Net cash flow from investing activities (C)		**(287,335)**	**(124,095)**
Dividends paid by the parent company		(3,500)	(3,275)
Dividends paid by subsidiaries		(293)	0
Increases (decreases) of capital (5)		22,263	994
Loan issuance (6)	14	351,817	99,162
Loans repaid (7)	14	(93,589)	(85,558)
Interests paid		(24,393)	(14,460)
Current accounts of associated enterprises and joint ventures	7	(1,855)	316
Other flows linked to financing activities		(66)	51
Net cash flow from financial activities (D)		**250,383**	**(2,771)**
Impact of change in exchange rates (E)		10	0
Change in cash and cash equivalents		**(3,339)**	**35,355**
Cash and cash equivalents at end of year (A)+(B)+(C)+(D)+(E)	10	**150,881**	**154,220**
Control of changes in cash and cash equivalents		**(3,339)**	**35,354**

(1) Other items without cash impact are mainly related to the impact of the elimination, up to the Group's interest percentage, of transactions with associates.

(2) Change in working capital requirements related to operations is made up of €(0.6) million from the change in inventories, €0.5 million from the change in receivables and €(56.7) million from the change in liabilities. In 2023, the Group reimbursed the 2022 credit notes on contracts in addition to remuneration (see Note 3 - Significant events and Note 15 - Suppliers and related accounts, other current and non-current liabilities).

(3) The acquisitions of financial assets are mainly related to financing granted by Valorem to its non-consolidated subsidiaries in connection with the development of their projects.

(4) Viiatti Gridco has undergone a change in its consolidation method, resulting in the deconsolidation of its cash position for €11.7 million. This company is now consolidated under the equity method.

(5) The CALYPSO transaction, which involves a change in the share of interests in consolidated entities and is described in Note 3, enabled the Group to raise €22.6 million in capital from its partners.

(6) Bond issues include €75 million of EuroPP bonds and €10.7 million of ENERFIP bonds. The issuances also include €29 million in VAT loan. The remainder corresponds to loans raised by Matkussaari, Saint Amans, Longueil, Cheniers, Magoula, Le Haut Bosquet, Rouans, Amoures and La Plaine des Moulins in the context of the financing of their activities.

(7) Loan repayments include €17 million of VAT loan.

Consolidated statement of change in shareholders' equity
in thousands of euros

	Share capital	Share Premiums	Reserves and Profit for the Year	Cash flow hedge reserve	Revaluation of Defined Benefit Plan Liabilities	**Shareholders' Equity attributable to the group**	Equity attributable to non-controlling interests	**Total Shareholders' Equity**
Situation at the beginning of the 2022 financial year	**9,540**	**26,323**	**66,552**	**(8,469)**	**(369)**	**93,579**	**7,228**	**100,807**
Net income for the year	-	-	20,732	-	-	20,732	124	20,856
Other comprehensive income	-	-	-	72,302	-	72,302	3,318	75,620
Net income and other comprehensive income	**-**	**-**	**20,732**	**72,302**	**-**	**93,034**	**3,442**	**96,476**
Dividends paid	-	-	(3,134)	-	-	(3,134)	-	(3,134)
Subsidiary disposals	-	-	(120)	-	-	(120)	-	(120)
Closing	-	-	(452)	-	-	(452)	1,369	918
Interest Rate Variation	-	-	(321)	-	-	(321)	2,343	2,022
Other Movements	-	-	(98)	-	-	(98)	-	(98)
Total Transactions with the Owners of the Company	**-**	**-**	**(4,124)**	**-**	**-**	**(4,124)**	**3,712**	**(412)**
Situation at the begining of the 2023 financial year	**9,540**	**26,323**	**83,160**	**63,833**	**(369)**	**182,486**	**14,382**	**196,868**
Net income for the year	-	-	210	-	-	210	1 476	1,686
Other comprehensive income	-	-	297	(24,940)	-	(24,643)	(1,176)	(25,819)
Net income and other comprehensive income	**-**	**-**	**507**	**(24,940)**	**-**	**(24,433)**	**300**	**(24,133)**
Dividends paid	-	-	(3,449)	-	-	(3,449)	(293)	(3,742)
Subsidiary disposals	-	-	-	-	-	-	(1,257)	(1,257)
Change in Deferred Tax Limitation on Fair Value	-	-	946	-	-	946	(946)	-
Interest Rate Variation (1)	-	-	3,856	-	-	3,856	19,550	23,405
Other Movements	-	-	7	-	-	7	(34)	(27)
Total Transactions with the Owners of the Company	**-**	**-**	**1,359**	**-**	**-**	**1,359**	**17,019**	**18,378**
Situation at the end of the financial year 2023	**9,540**	**26,323**	**85,027**	**38,893**	**(369)**	**159,413**	**31,701**	**191,114**

(1) The change in the interest percentage is related to the CALYPSO transaction described in Note 3.3.

Notes to the consolidated financial statements
Year ending December 31, 2023

NOTE 1
ACCOUNTING PRINCIPLES AND CONSOLIDATION RULE

VALOREM S.A.S. ("the Company") is based in France. The company's head office is in Bègles (Aquitaine).

The VALOREM group is a vertically integrated green energy operator, offering multiple expertise in the field of renewable energies and providing assistance and support to local and regional authorities and their partners throughout every stage of a project: design, development, financing, construction, operational monitoring and maintenance.

The VALOREM Group's financial statements for the year ended December 31, 2023 include the Company and its subsidiaries (together referred to as the "Group") as well as the Group's interests in associates and joint ventures as listed in Note 2.

They were approved by the Chairman on April 17, 2024. The going concern accounting policy was adopted by the Chairman, particularly in view of the level of available cash and cash equivalents. Management estimated that the Group's cash requirements would be covered for the next 12 months.

1.1 – Accounting standards

1.1.1 – Basis of preparation of financial information

The consolidated financial statements have been prepared in accordance with International Financial Reporting Standards ("IFRS"), as adopted by the European Union at December 31, 2023. The accounting principles, rules and methods applied by the Group in preparing the consolidated financial statements for the year ended December 31, 2023 are described in the notes below. Unless otherwise indicated, these methods have been applied consistently to all the years presented.

1.1.2 – New mandatory implementing texts as of January 1, 2023

- Amendments to IAS 1 – Presentation of Financial Statements and Practice Statement 2 – Disclosure of Accounting Policies
- Amendments to IAS 8 – Definition of Accounting Estimates and Change of Method
- Amendments to IAS 12 – Deferred Taxes on Single Transaction Assets and Liabilities
- Amendments to IAS 12 – Global Minimum Taxes, Pillar II

The financial statements have not been impacted by the implementation of these amendments and improvements.

1.1.3 – New non-mandatory implementing texts as of January 1st 2023

- Amendments to IAS 1 - Classification of current/non-current liabilities, with mandatory application from 1st January 2024 (subject to adoption by the European Union)
- Amendment to IFRS 16 – Leaseback liabilities, with mandatory application as of January 1st, 2024 (subject to adoption by the European Union)
- Amendments to IAS 7 and IFRS 7 – Supplier Financing Arrangements (effective for annual periods beginning on or after January 1st, 2024)
- Publication of the first two IFRS sustainability reporting standards, which will be mandatory from 1st January 2024.

These new texts have not been applied in advance by the Group or are not applicable.

1.2 – Consolidation procedure

1.2.1 – Consolidation methods

→ *Subsidiaries*

A subsidiary is an entity controlled by the Group within the meaning of IFRS 10 "Consolidated financial statements". The Group controls a subsidiary when it is exposed to, or entitled to, variable returns from its relationship with the entity, and has the ability to influence those returns through its control over the entity. The financial statements of subsidiaries are included in the consolidated financial statements from the date of their creation or acquisition until the date on which control ceases.

Changes to the Group's equity interest in a subsidiary, but with control maintained, are recognized as transactions affecting equity.

IFRS 10 requires the exercise of judgment and an ongoing assessment of the control situation. The analysis of control is based not only on voting rights, but also on other facts and circumstances, such as representation on the entity's management body, participation in the policy-making process, and in particular participation in decisions relating to material transactions or the provision of essential technical information.

When the Group loses control of a subsidiary, it derecognizes the assets and liabilities, as well as any non-controlling interests and other equity items relating to that subsidiary. Any gain or loss arising from the loss of control is recognized in net income.

→ *Interest in entities consolidated using the equity method*

Group interests in entities consolidated using the equity method include interests in associates and joint ventures. Associates are those over which the Group has significant influence to participate in financial and operational policy decisions with either control or joint control of these policies. Joint ventures are joint arrangements in which the Group holds joint control and has rights to the net assets of the arrangement but no asset rights or obligations to assume under liabilities. Group interests in associated entities and joint ventures are recognised using the equity method. If the investor's share in the losses of an associate or joint venture is equal to or more than its interest in the investee, the investor's interest is reduced to zero or less. No liability will be recognised for additional losses unless the Group has contractually incurred a legal or constructive obligation or made payments on behalf of the associate or joint venture.

→ *Transactions eliminated in the consolidated financial statements*

All intragroup transactions and positions are eliminated as part of consolidation. All earnings from transactions with entities accounted for by the equity method are eliminated under investments in associates, in proportion to the Group's interest in the business. Losses are eliminated in the same way as earnings, as long as the losses do not indicate impairment. The list of subsidiaries, joint ventures and partners can be found in Note 2.

1.2.2 – Foreign currency translation

The consolidated financial statements are presented in euros, which is the functional currency of each Group company, except for the Val Pologne company, which closes its accounts in Zloty. The Group's consolidated financial statements and the notes to the financial statements are presented in thousands of euros, unless otherwise stated.

Receivables and payables in foreign currencies are converted into euros using the official exchange rate at the closing date. Any unrealised exchange gains or losses will be recognised on the consolidated statement of profit and loss under "Other financial income or expense". Transactions in foreign currencies are initially recognised in euros using the exchange rate on the date of the transaction.

The rates of the currencies used within the Group are as follows:

	2023-12		2022-12	
Currency	Closing rate	Average rate	Closing rate	Average rate
Zloty	4.3395	4.5419	4.6808	4.6860

1.2.3 – Basis for measurement

Consolidated financial statements are prepared on the basis of historical cost, except derivatives, which are recognized at fair value, with the exception of derivative financial instruments and ORAN valuated at fair value. Non-consolidated equity securities are valuated at historical cost.

1.3 – Accounting estimates, judgments and policies

To prepare the consolidated financial statements in accordance with IFRS, Management must make estimates and apply assumptions that it deems reasonable and realistic.

Even though these estimates and assumptions are regularly reviewed by Group management, in particular on the basis of past experience and expectations, certain facts and circumstances may lead to changes or variations in these estimates and assumptions, which could affect the future book value of the Group's assets, liabilities, shareholders' equity and earnings. The final amounts could then differ from these estimates.

The main financial statement items dependent on estimates are as follows:

- Measurement of the tangible and non-tangible assets recoverable amount (1.3.3)
- Development costs criteria (1.3.2a)
- Estimation of lease terms to determine right of use (1.3.14)
- Estimated depreciation periods for production assets (1.3.2)
- The capitalization of deferred tax assets in respect of tax loss carryforwards (1.3.10 and note 23)
- Estimated provisions (1.3.8)

The judgments made in applying the accounting policies that have the most significant impact on the amounts recognized in the consolidated financial statements relate to:

- Determining the level of control or influence over subsidiaries, joint ventures and associates, and classifying subsidiaries as "business" or not in order to determine whether or not their acquisition corresponds to a business combination (1.2.1 and note 2)
- Identification of agreements containing a lease contract (1.3.14)
- Revenue recognition (1.3.11)

1.3.1 – Goodwill

In accordance with IFRS 3, business combinations are recognised using the acquisition method. According to this method, the assets acquired, and liabilities assumed are measured at fair value (excluding exceptions).

Goodwill represents the difference between the consideration transferred for the business combination and the amount of the identifiable assets and liabilities acquired after deducting the transferred liabilities.

Goodwill is provisionally determined at acquisition and revised within a period of twelve months from the acquisition date. Goodwill is not amortised but rather impairment tests are performed. Acquisition costs are expensed when incurred. Any contingent considerations are measured at fair value and included in the transferred consideration. For each business combination, the Group can measure non-controlling interests at either fair value or at their proportionate share in the identifiable net assets of the acquiree at their acquisition-date fair value (excluding exceptions). The Group decides which option to apply to recognise non-controlling interests on a case-by-case basis.

On the date of effective control, any prior interest held by the Group is remeasured at fair value through profit or loss. However, it should be noted that if securities are purchased in a project company (i.e., a special purpose vehicle), considering that (i) the acquisition in substance concerns a purchase of assets, and that (ii) the company acquired has no employees or processes, it is concluded that no business has been acquired as defined in IFRS 3 (IFRS 3, B7). On this basis, the transaction must be considered as the acquisition of a series of individual assets and liabilities, and not as the acquisition of a business combination under IFRS 3.

At 12/31/2023, goodwill was nil, as at 12/31/2022, in the absence of a business acquisition within the meaning of IFRS 3 (IFRS 3, B7).

1.3.2 – Tangible and intangible assets

→ *Tangible assets*

Tangible assets are recognised at acquisition cost or cost price, less any aggregate impairment or depreciation. The cost price of non-current assets produced intragroup includes direct and indirect, external, and internal development costs, which are capitalised if the corresponding projects are likely to be successful. These costs exclude the cost of prospecting and sales and marketing expenses.

The Group considers that the activation criteria have been met when a project enters the P2 phase, i.e. when it meets the following conditions: control of the land, favorable deposit, feasible electrical connection, acceptable environmental constraints and technical and regulatory constraints that are not prohibitive.

If the conditions for recognizing a non-current asset produced intragroup are not satisfied, development costs are recognized as expenses for the period in which they are incurred. Costs relating to such projects will cease to be capitalized and depreciation will be recognized when the wind turbine or solar farms are ready for commissioning. The costs of loans and borrowings specifically to produce non-current assets are included in production costs for wind turbine and solar farms, since they are assets with a lengthy production period.

Depreciation of tangible assets is recognized as an expense and on a straight-line basis over the following estimated useful lives:

Wind farm components (foundations, turbines, grid connections, site development)	20 years
Components of photovoltaic parks (foundations, PV equipment, grid connection, site development)	25 years
Water park components (foundations, buildings, network connections, area development)	25 to 30 years
Fixtures and fittings	3 to 10 years
Industrial equipment and tooling	3 to 10 years
Office and computer equipment	2 to 10 years
Operating transport equipment	3 to 5 years
Furniture	3 to 10 years

The Group records a provision for dismantling and site restoration costs for each park in service (see Note 1, 1.3.8).

→ *Intangible assets*

Intangible assets are carried at cost less accumulated amortization and accumulated impairment losses.

These mainly comprise patents and prototypes, software and electricity contracts recognized in connection with the acquisition of project entities. They have a finite useful life. They are amortized on a straight-line basis over the following estimated useful lives:

Software	1 to 5 years
Patents and prototypes	1 to 5 years
Electricity contracts	20 years

1.3.3 – Impairment of assets

In accordance with IAS 36 "Impairment of assets", the Group regularly assesses whether there is any indication of impairment of intangible assets and property, plant and equipment with a finite useful life. The Group considers that there is a trigger event for impairment test when the related assets production is lower than 50% of the target (P90 WIND, P50 PV) during 2 consecutive years, or when the bank requires the existing debt to be restructured. If any such events exist, the Group performs an impairment test to assess whether the carrying amount of the asset does not exceed its recoverable amount, defined as the higher of fair value less costs to sell and value in use. Goodwill and unamortized intangible assets are tested annually for impairment.

Assets that do not generate cash inflows largely independent of other assets are grouped together in Cash-Generating Units (CGUs). The Group has identified each project as a CGU.

Impairment losses on fixed assets in progress in project companies are assessed on a project-by-project basis, according to the risks associated with each project.

In the Valorem Group's business, only projects with sufficient initial profitability are built and operated. Insofar as, in the absence of a production incident, the resources generated by the project are predictable, the risk of not generating the expected level of cash flow is low. On the basis of historical experience, the Group reviews its portfolio of projects in progress and tests for impairment where there is uncertainty.

Recoverable value is generally assessed on the basis of value in use, which corresponds to the discounted cash flows generated by the CGU.

The data used to perform the discounted cash flow tests are taken from the projects' business plans and cover the duration of the electricity sales contracts. The underlying assumptions are updated at the test date.

1.3.4 – Inventories and work-in-progress

Inventories and work-in-progress are valued at the lower of cost and net realizable value.

Inventories mainly comprise work-in-progress relating to the external portion of projects under development, the internal portion being recorded as fixed assets. Work-in-progress is valued in accordance with the following principles: production-related labor hours, direct and indirect production costs, and borrowing costs are taken into account.

1.3.5 – Non-derivative financial assets

Financial assets comprise trade receivables, guarantees, current accounts, loans, unconsolidated securities and cash and cash equivalents. Financial assets are initially recognised at fair value plus any directly attributable transaction costs. They are subsequently measured at fair value or amortised cost depending on the associated asset class.

Financial assets are classified based on two cumulative criteria:

- The Group's business model for the management of financial assets.
- And the characteristics of contractual cashflow for the financial asset, depending on whether the asset corresponds to principal repayments and the payment of interest only, or not.

After being thus classified, financial assets are measured as follows:

- Trade receivables, guarantees and current accounts are recognised at amortised cost.
- UCITS-type cash equivalents (French OPCVM/SICAV) are measured at fair value through net profit or loss.
- Unconsolidated securities are measured at fair value through net profit or loss.

Trade receivables and contract assets (invoices to be established) are impaired based on expected losses over the life of the receivables as per IFRS 9.

1.3.6 – Non-derivative financial liabilities

Financial liabilities comprise financial debt and trade payables. Borrowings are initially recognised at original fair value less any directly attributable transaction costs. Borrowings are measured at amortised cost at each year-end, using the effective interest rate method.

The Group has also issued convertible bonds corresponding to either compound instruments (with a debt component and an equity component) or to hybrid instruments (with a debt component and an embedded derivative component). However, the equity components and derivatives embedded in these instruments are not material.

The Group has granted put options to third parties with non-controlling interests in some consolidated businesses, to sell all or part of their interests in these businesses. A financial 19 liability has consequently been recognised for an amount corresponding to the current value of the strike price for the option, with a corresponding entry in equity on the transition date.

1.3.7 – Derivative financial instruments

The Group takes out variable rate loans as part of its financing operations. In accordance with its hedging policy for financial risks, the Group systematically uses derivatives (interest rate swaps) to cover interest rate risks for variable rate loans.

Derivatives with a positive fair value are recognised within "non-current financial assets" and those with a negative fair value are recognised within "non-current liabilities".

If the derivatives are not considered cash-flow hedges for accounting purposes, changes in the fair value of these instruments are recorded under profit or loss. Otherwise, the effective portion of the hedge is recognised under other comprehensive income, and the ineffective portion is recognised under financial income or expense.

1.3.8 – Provisions and contingent liabilities

A provision is recognised when the Group has a present obligation (legal or constructive) to a third party because of a past event; the obligation can be reliably estimated; and it is probable that an outflow of Group resources will be required to settle the obligation.

In application of IAS 37 "Provisions, Contingent Liabilities and Contingent Assets", provisions are measured as the best estimate of the expenditure required to settle the obligation. If the effect of the time value of money is material, the amount of the provision is discounted. If a sufficiently reliable estimate of the amount or timing of the obligation cannot be made, the obligation is a contingent liability and constitutes an off-balance sheet commitment.

→ *Provisions for decommissioning*

If a power station must be decommissioned due to a legal or contractual obligation, a provision for decommissioning is recognised as a cross-entry to the related asset, for which the cost is regularly estimated based on quotes by external service providers. If the estimate changes materially, increasing the provision, the net value of the related asset is also increased. If the change leads to a decrease in the provision, the asset is impaired.

1.3.9 – Retirement benefit obligations

When Group employees retire, they are entitled to retirement benefits according to the rules defined in the applicable collective bargaining agreement or under ordinary law. These commitments are considered defined benefit plans and are provisioned under balance sheet liabilities. The amount of the commitment is calculated using an actuarial method that considers employee turnover, life expectancy, the rate of salary increases and a discount rate. The calculation is based on the projected unit credit method using the end-of-career salary. Service cost is recognised under personnel expenses. It includes current service cost (i.e., resulting from the current period); past service cost (i.e., the change in the present value of the obligation resulting from plan amendment or curtailment), fully recognised under profit or loss for the period in which the cost was incurred; and any gain or loss on settlement. Interest expense is recognised under other financial income and expense, comprising the accretion of commitments.

Remeasurements of the net defined benefit liability (actuarial gains and losses) are recognised as non-recyclable items of other comprehensive income.

1.3.10 – Duties and taxes

→ *Income tax*

Income tax includes current tax expense (income) and deferred tax expense (income), calculated in accordance with the applicable tax rules of the countries where the earnings are taxable. Current and deferred taxes are generally recognised under profit or loss unless related to a business combination or items recognised under other comprehensive income or directly under equity, to reflect the underlying transaction.

Current tax expense (income) is the estimated amount of the tax owed on taxable income for the period, determined based on the tax rates adopted or nearly adopted at year-end. Deferred tax corresponds to temporary differences between the carrying amounts of assets and liabilities and their tax base. However, no deferred tax is recognised for temporary differences generated by:

- The initial recognition of an asset or liability for a transaction other than a business combination, with no effect on accounting profit or taxable profit (or taxable loss) at the transaction date.
- Interests in subsidiaries, joint ventures, and associates, if the Group controls the date on which the temporary differences will reverse and if these differences are unlikely to reverse within the foreseeable future.

Deferred tax assets and liabilities are measured at the expected taxation rate for the period during which the asset will be realised, or the liability settled, and which have been adopted or nearly adopted at year-end. Deferred taxes are revised at each year-end, particularly to integrate changes to tax law and the prospects of recovering any tax-deductible temporary differences. Deferred tax assets are only recognised for deductible temporary differences and unused tax losses and tax credits if it is probable that the Group will recognise future taxable profits from which the former can be deducted. Future taxable profits are measured with respect to the reversal of the taxable temporary differences. If the amount of the temporary differences is insufficient to recognise the entire deferred tax asset, future taxable profits, adjusted for the reversal of temporary differences, are measured based on the business plan for each Group subsidiary.

The Group opted to recognise the CFE (corporate property tax) under operating income and expense, under the "Duties and taxes" heading, and considered that the CVAE tax basis falls within the scope of IAS 12 "Income Taxes".

1.3.11 – Revenue

In accordance with IFRS 15 "Revenue from Contracts with Customers", revenue is recognised when each performance obligation is satisfied, i.e., when the control of the asset or service is transferred to the customer for the expected amount.

Revenue mainly comprises:

- The sale of power generated by the production units. This power is sold in accordance with the various agreements for which prices are defined by decree.
- Sales of services based on:
  - Wind turbine or solar farm construction contracts.
  - Rendering development, operation, and maintenance services for farms.
  - Sale price net of costs of disposals of non-consolidated entities.

With respect to power sales, the revenue recognised corresponds to the sale of power generated and sold to the operator, at each power plant, as per the various agreements, which particularly guarantee power prices according to the number of MWh generated and sold.

Revenue is calculated based on electricity production, which is a performance obligation, over the period in question. These agreements are generally concluded for a 20-year term. These agreements contain a single performance obligation, for which revenue is continuously recognised. The Group uses the exemption which allows it to recognise revenue monthly concurrently with invoices. These agreements provide for the monthly payment of power generated.

Sales of services mainly comprise the construction of wind turbine and solar farms, for which the Group is the contracting authority and oversees maintenance operations:

- Revenue from construction depends on the type of contract, which can be a turnkey package or a service agreement (assistance, contracting). This revenue is recognised on a percentage-of-completion basis.
- Revenue from maintenance or operating activities involves multi-year contracts, generally for 1 to 10 years. This revenue is recognised on a straight-line basis.
- Some contracts can include availability or performance clauses leading to penalties, which are taken into consideration in the initial recognition of the revenue, unless it is highly likely that such penalties will not apply.

1.3.12 – Other non-recurring operating income and expensess

"Other non-current operating income" and "Other non-current operating expenses" refer to non-current elements that are not numerous yet clearly identified, material to consolidated performance, and generally mentioned in corporate financial communications.

These items are presented separately in the statement of profit and loss and include a limited number of income and expense headings such as:

- Specific gains and losses from the sale of non-current tangible or intangible assets.
- Specific impairment of non-current tangible or intangible assets.
- Specific restructuring expenses.
- Provisions for accrued expenses relating to a major risk or dispute for the Group. In this respect, the contribution to the inframarginal annuity has been recognized for €32,5 M in the 2023 consolidated financial statements (note 3 and note 21).

1.3.13 – Cash and cash equivalents

Cash and cash equivalents include funds in bank accounts and short-term, highly liquid investments that are readily convertible to known amounts and unlikely to change in value.

1.3.14 – Leases

In accordance with IFRS 16 "Leases", when a contract is signed, the Group assesses whether the contract is, or contains, a lease.

The contract is, or contains, a lease if it conveys the right to use an identified asset for a period in exchange for consideration. To assess whether a contract entitles the holder to control an identified asset throughout the period of use of the asset, the Group assesses whether:

- The contract conveys the use of an identified asset: the asset can be identified explicitly or implicitly and must be physically distinct or substantially represent all the capacity of a physically distinct asset. If the lessor has the substantive right to substitute an asset, then the asset is not deemed identified.
- The Group has the right to receive substantially all the economic benefits from use of the asset throughout the period of use.
- The Group has the right to control the use of the asset, i.e., the right to make the most relevant decisions about how and for what purpose the asset is used. In rare cases, when the decision about how the asset is used and for what purpose are predetermined, the Group has the right to direct use of the asset if:
  - The Group has the right to operate the asset
  - The Group designed the asset in a way that predetermines how and for what purpose it shall be used.

The Group leases land for its power generation facilities; offices for administrative activities; and vehicles and administrative equipment. On the other hand, it was determined that customer power supply agreements do not meet the definition of a lease considering that the business does not have the right to direct how the asset is used.

Leases for wind turbine and solar farmland generally have fixed terms of between 20 and 25 years, including renewal options at the Group's discretion. The terms used for accounting purposes do not include renewal periods since the Group does not have any contracts old enough to know whether renewal clauses will be exercised.

Leases are mainly fixed and indexed.

Overhang and height requirements for the wind turbine blades, and easements and subsoil rights for underground electrical cables on land adjacent to the solar farms, are granted for the same general terms as the land lease and subject to either ad hoc or recurring payments. Overhang and height requirements and subsoil rights meet the above-mentioned criteria defining a lease, but easements do not. Therefore, lease payments for the latter are not included in the lease liability.

Office leases are mainly conventional French commercial leases (known as 3-6-9 leases because they are cancellable every three years). The enforceable period used for accounting purposes is generally 9 years since office locations are of no particular importance to operations, no significant leasehold improvements have been undertaken, and there are no other types of lease termination penalties. Rents are mainly fixed and indexed.

Leases for vehicles and computer hardware are established in consideration of a fixed rent and 3-to 6-year terms.

At the commencement date of the lease, the Group recognises a right-of-use asset and a lease liability The right-of-use asset is initially measured at cost, i.e., the initial amount of the lease liability, adjusted by the amount of any prepaid or accrued lease payments at the commencement date, plus all initial direct costs incurred, and less any lease incentives received.

The right-of-use asset is then depreciated using the straight-line method from the effective date of the lease and up to the termination of the contract. In addition, the carrying amount of the right-of-use asset is adjusted to account for remeasurement of the lease liability and, if applicable, impairment as per IAS 36.

At the date of initial application, the lease liability is measured at the present value of remaining lease payments, discounted using the lessee's incremental borrowing rate for a term equivalent to that of the lease.

Lease payments included in the measurement of the lease liability include:

- Fixed payments, including in-substance fixed payments.
- Variable lease payments that depend on an index or a rate, initially measured using the index or rate as at the commencement date.

The lease liability is remeasured if there is a change in future lease payments resulting from a change in an index or a rate, if the Group changes its assessment of an option to purchase the underlying asset, or if the lease is extended or terminated.

When the lease liability is remeasured, the carrying value of the right-of-use asset is adjusted or recognised under profit and loss if the amount of the right-of-use asset has been reduced to zero.

Finally, the Group opted not to recognise right-of-use assets or lease liabilities for short-term leases, i.e., with a term of 12 months or less, or for leases for which the underlying assets are of low value (i.e., less than 5,000 euros). These leases are recognised as expenses.

1.3.15 – Off-balance sheet commitments

The Group's monitoring of off-balance sheet commitments includes information on the following main commitments given and received:

- contractual commitments for payments under supplementary credits or supply contracts.
- security interests (mortgages, pledges, etc.).
- purchasing and investment obligations.

Off-balance sheet commitments are presented in note 17.

1.3.16 – Operating segments

IFRS 8 requires operating segments to be identified on the basis of management reporting used internally by the chief operating decision-maker to make decisions on the resources to be allocated to the segment and to assess its performance. The Group is organized internally to report to management, the main operating decision-maker, on the basis of consolidated information. Consequently, development, construction, electricity sales and maintenance activities constitute operating segments under IFRS 8. The disposal of non-consolidated entities is the main component of the "Other" operating segment.

Breakdowns by region and business sector are presented in note 18.

1.3.17 – Consolidated cash flow statement

The cash flow statement is prepared using the indirect method, and presents separately: cash flows from operating, investing and financing activities.

Cash flow from operating activities is calculated by adjusting net income for changes in working capital requirements, non-cash items (amortization, depreciation, etc.), gains on disposals and other calculated income and expenses.

In 2023, the Group repaid the 2022 credit balance on remuneration supplement contrats (see Note 3 – Significant events).

Cash flows from investing activities correspond to cash flows from acquisitions of fixed assets, net of payables on fixed assets, disposals of fixed assets and other investments.

Financing activities are transactions resulting from changes in the size and composition of the entity's contributed capital and borrowings. Capital increases and the raising or repayment of borrowings are classified in this category.

Additional information
in thousands of euros

EBITDA is a non-GAAP financial indicator used by the Valorem Group. The purpose of this note is to present this indicator and reconcile it with the aggregates of the IFRS consolidated financial statements.

EBITDA	2023-12	2022-12
Revenue	**183,740**	**198,791**
Cost of Goods Sold and Change in Inventories	(43,964)	(52,470)
Personnel Expenses	(38,970)	(32,048)
External Expenses	(34,538)	(28,621)
Duties and taxes	(5,468)	(5,964)
Provisions for Liabilities and Charges	(2,430)	(3,785)
Change in inventories of in-progress and finished goods	(987)	(174)
Other Operating Revenues	48,735	34,238
Other Operating Expenses	(308)	(77)
Share of equity method entities in EBITDA	2,099	1,040
EBITDA	**107,909**	**110,930**
Net Changes in Depreciation on Fixed Assets	(49,865)	(46,128)
Other Operating Products and Charges	(32,468)	(24,003)
Share of Net Profit (excluding EBITDA) from equity-accounted company	(681)	(597)
Operating income after share of equity-accounted companies net income [in line with the Group's operations]	**24,895**	**40,202**

The presentation of the impact of equity method entities has changed compared to the financial statements published in 2022. In 2022, the group presented in EBITDA the share of equity method entities in net income. In 2023, the Group considered that this presentation did not adequately reflect the performance of these entities in EBITDA as it included non-EBITDA items. From now on, equity method entities contribute to Group EBITDA up to the proportion of their own EBITDA. And the difference between the share of net income and the share of EBITDA is presented on a separate line, below EBITDA.

The sale of Kalistanneva has generated a €63.5 millions revenue and a positive impact of €40.1 millions on EBITDA at 12/31/2022.

NOTE 2
SCOPE OF CONSOLIDATION

VALOREM controls the companies that are consolidated: all contracts relating to development, construction, operation, and management are contracted with VALOREM.

In practice, only VALOREM has experience in the renewable energy sector. The Group is responsible for the day-to-day management of the company's operations, through administrative and commercial management contract. Companies are included in the scope of consolidation when financing has been completed or when employees are present.

Acquisitions, takeovers and deconsolidations in 2023 had no material impact on the consolidated financial statements.

The consolidated and equity-accounted companies within the scope of consolidation are the following:

		2023-12		2022-12		2021-12	
Name	SIREN	Interest Rate	Conso-lidation Method	Interest Rate	Conso-lidation Method	Interest Rate	Conso-lidation Method
VALOREM	**395 388 739**	**100%**	**Parent**	100%	Parent	100%	Parent
OPTAREL	441 054 038	100%	FC	100%	FC	100%	FC
VALEMO	487 803 777	100%	FC	100%	FC	100%	FC
VALREA	494 550 734	100%	FC	100%	FC	100%	FC
AMOURES-BOUISSAC	501 419 600	100%	FC	100%	FC	100%	FC
VALEOL	503 934 754	100%	FC	100%	FC	100%	FC
AVRE	515 375 517	100%	FC	100%	FC	100%	FC
SAINT AMANS	517 942 595	100%	FC	100%	FC	100%	FC
VALOREM PEE	523 787 711	100%	FC	100%	FC	100%	FC
SOULANES	487 695 124	27%	EM	20%	EM	20%	EM
SAINTE ROSE	531 817 567	65%	FC	65%	FC	65%	FC
LE HAUT BOSQUET	751 091 075	100%	FC	100%	FC	50%	EM
VALCARE	498 219 880	100%	FC	100%	FC	100%	FC
DAMPIERRE ET MASSAY	513 072 587	100%	FC	100%	FC	100%	FC
BOIS D'OLIVET	828 978 478	100%	FC	100%	FC	100%	FC
BAALON	793 320 292	100%	FC	100%	FC	100%	FC
VALDENOR	483 866 828	100%	FC	100%	FC	100%	FC
PLUMIEUX	818 940 835	70%	FC	70%	FC	70%	FC
CŒUR MEDOC	819 808 106	51%	EM	51%	EM	51%	EM
RESSE	840 051 700	100%	FC	100%	FC	100%	FC
HOMBLEUX	520 363 490	100%	FC	100%	FC	100%	FC
SAINT SECONDIN	823 800 396	100%	FC	100%	FC	100%	FC
LA FIBAT	837 537 638	55%	FC	55%	FC	55%	FC
LONGUEUIL	909 796 997	100%	FC	100%	FC	100%	FC
VS ENERGIES	882 138 936	100%	FC	100%	FC	100%	FC
PONTENX LES FORGES	830 340 691	61%	FC	61%	FC	61%	FC
EOLIENNES EN ACTION	512 170 432	100%	FC	100%	FC	100%	FC
LA LIMOUZINIERE	494 943 715	38%	EM	38%	EM	38%	EM
MEZZA	487 803 819	100%	FC	100%	FC	100%	FC
VASCO	824 534 846	100%	FC	100%	FC	100%	FC
DOSNON	487 805 020	100%	FC	100%	FC	100%	FC
LA PLANCHE	484 739 743	100%	FC	100%	FC	100%	FC
BEUVRAIGNES ENERGIES	481 793 701	100%	FC	100%	FC	100%	FC
PAYS DE RETZ	482 866 076	100%	FC	100%	FC	100%	FC
FERME EOLIENNE DE SMCC	480 108 828	100%	FC	100%	FC	100%	FC
LAUCOURT	481 555 753	100%	FC	100%	FC	100%	FC
SOR	487 761 397	100%	FC	100%	FC	100%	FC
THIBIE	498 859 693	100%	FC	100%	FC	100%	FC
CRIEL	452 536 881	100%	FC	100%	FC	100%	FC
SAINT HILAIRE	487 803 587	100%	FC	100%	FC	100%	FC
LA LUZETTE	517 981 908	65%	FC	65%	FC	65%	FC
CORROY	519 029 474	100%	FC	100%	FC	100%	FC
VALFIN	503 592 495	100%	FC	100%	FC	100%	FC
MATKUSSAARI WIND FARM OY		100%	FC	100%	FC	100%	FC
VIIATTI GRIDCO		50%	EM	50%	FC		

		2023-12		2022-12		2021-12	
Name	SIREN	Interest Rate	Conso-lidation Method	Interest Rate	Conso-lidation Method	Interest Rate	Conso-lidation Method
CALYPSO	952 741 288	51%	FC				
MEZZA 2	813 707 072	51%	FC	100%	FC	100%	FC
AUNIS	481 793 149	51%	FC	100%	FC	100%	FC
CHALEONS	487 802 159	51%	FC	100%	FC	100%	FC
ALBINE	482 405 198	51%	FC	100%	FC	100%	FC
SANTERRE	515 379 758	51%	FC	100%	FC	100%	FC
TEILLAY	484 739 172	51%	FC	100%	FC	100%	FC
ANGERVILLE ENERGIES	494 415 169	51%	FC	100%	FC	100%	FC
PUY BACOT	524 095 635	51%	FC	100%	FC	100%	FC
LES POINTES	503 450 462	51%	FC	100%	FC	100%	FC
ABLAINCOURT	531 817 427	51%	FC	100%	FC	100%	FC
BRACH ENERGIES	524 091 725	51%	FC	100%	FC	100%	FC
TERRES FROIDES ENERGIES	487 803 728	51%	FC	100%	FC	100%	FC
AZERABLES ENERGIES	498 219 526	51%	FC	100%	FC	100%	FC
SAINT SEBASTIEN	498 225 507	51%	FC	100%	FC	100%	FC
MEZZA 4	839 844 123	100%	FC	100%	FC	100%	FC
ALZONNE	789 244 399	99%	FC	99%	FC	99%	FC
BILLOM	524 093 069	100%	FC	100%	FC	100%	FC
CAMIAC	524 100 401	100%	FC	100%	FC	100%	FC
NOE	789 243 409	100%	FC	100%	FC	100%	FC
LASSICOURT	822 729 737	83%	FC	83%	FC	83%	FC
MEZIERES	823 713 920	100%	FC	100%	FC	100%	FC
MEZZA 5	850 245 218	85%	FC	85%	FC	85%	FC
HOLD CO FHA 1	851 541 391	85%	FC	85%	FC	85%	FC
FORCE HYDRAULIQUE ANTILLAISE	429 346 463	85%	FC	85%	FC	85%	FC
AQUAFI	443 207 691	85%	FC	85%	FC		
RIGALE	438 059 727	85%	FC	85%	FC		
MONTBARTIER	823 854 005	58%	FC	58%	FC	100%	FC
SAINT PERE EN RETZ	214 401 879	100%	FC	100%	FC	100%	FC
MAILLOL	829 738 913	58%	FC	58%	FC	58%	FC
MEZZA 6	850 482 399	100%	FC	100%	FC	100%	FC
PINVERT	823 855 978	100%	FC	100%	FC	100%	FC
MEZOS	823 713 961	100%	FC	100%	FC	100%	FC
LA POUYERE	830 375 622	100%	FC	100%	FC	100%	FC
LA TOUR BLANCHE	832 282 479	61%	FC	61%	FC	61%	FC
SAINT MARCEL	818 006 215	58%	FC	58%	FC	58%	FC
VALOREM ENERGIES FINLAND		100%	FC	100%	FC	100%	FC
REN VALOREM HELLAS		100%	FC	100%	FC	100%	FC
TÔTES	524 096 880	100%	FC	100%	FC	100%	FC
LHUITRE IG	487 802 266	63%	FC	63%	FC	16,66%	EM
CHENIERS	833 961 485	100%	FC	100%	FC		
FAGNIERES	892 885 070	100%	FC	100%	FC		
ROSE DES VENTS	832 277 354	100%	FC	100%	FC		
VALFIN 4	849 314 190	100%	FC	100%	FC		
MAGOULA		100%	FC	100%	FC		
VALTORET	882 044 530	100%	FC	100%	FC		
CUXAC	800 165 540	100%	FC	100%	FC		
LIMOUX	789 243 516	100%	FC				
VALFIN 6	893 233 205	100%	FC				
ANDILLY	884 561 598	51%	EM				
ROUANS	832 277 453	100%	FC				
CLERY	891 744 195	100%	FC				
DEMETER	911 434 512	100%	FC				
HYPERCOURT STOCKAGE	919 427 278	100%	FC				
MEZZA 3	849 069 901	100%	FC				
VALPOLOGNE		100%	FC				
LA PLAINE DES MOULINS	524 093 499	100%	FC				

FC : Full Consolidation
EM : Equity Method

NOTE 3
SIGNIFICANT EVENTS

In 2023, the Group commissioned 2 new wind farms, i.e. 21 MW.

The Groupe has also financed 4 wind projects, a ground-mounted solar project, an agricultural PV demonstrator, a cluster of rooftop solar projects and a storage battery for a total of 83 MW.

As a result, VALOREM will have 819 gross MW in operation or under construction by the end of 2023.

Thus, VALOREM holds 902 gross MW in operation or under construction at the end of 2023.

The VALOREM Group has also significantly increased its portfolio under development, which stands at 6.3 GW at the end of 2023 (compared with 5.7 GW at the end of 2022).

3.1 – Share-based payment

Bonds redeemable for VALOREM shares or for cash (ORAN) were issued on December 8, 2022 for a nominal value of €3.3 million. The holder of the ORAN is the VALOREM FPCE, which is held exclusively by the employee members of the VALOREM UES, who have subscribed to shares for an equivalent amount.

Due to the nature of the benefit granted to employees in connection with this issue and because of VALOREM's obligation to ensure the liquidity and redemption of the shares issued by it and placed in the VALOREM FPCE, leading to its settlement in cash, this transaction has been analysed as a "cashsettled" transaction within the meaning of IFRS 2, "Share-based payment".

Employee services received in this cash-settled share-based payment are measured indirectly at the fair value of the liability at the grant date recognised over the vesting period. The expense reflecting the recognition of the fair value of the estimated benefit at the grant date is presented in personnel expenses.

The fair value of the liability determined on the basis of an independent expert's report in accordance with the ORAN contract and presented under "Other non-current liabilities" in the statement of financial position.

The vesting period incorporating an implicit service condition has been estimated at 5 years, which also corresponds to the minimum holding period for VALOREM FPCE shares by employees who are members of the VALOREM UES.

At each reporting date, and ultimately at the settlement date, the fair value of the recognised liability is remeasured. Periodic remeasurement are recognised as financial expenses.

At the reporting date, the fair value amounted to €16.5 million, i.e., taking into account a vesting period of 5 years, an additional debt of €2.6 million, presented in the "Other non-current liabilities" in the statement of financial position and under "Other financial charges" in the income statement. Thus, the amount of debt relating to the issuance of ORANs amounts to €5.9 million.

3.2 – Implementation of the CALYPSO investment platform

In December 2023, Banque des Territoires and the VALOREM Group signed a long-term partnership agreement to support the development of VALOREM.

This agreement takes the form of the creation of the "Calypso" investment platform (new holding company of the Mezza 2 cluster), with an initial target of 500 MW of solar and wind power plants by 2027 in France, ultimately representing an annual production of more than 1.1 TWh. VALOREM retains operational control of the assets transferred to the platform, and also retains the possibility to buy back the shares sold within 15 years under predetermined conditions.

In consolidation, the sale of the 49% does not lead to a loss of control. As a result, the transaction leads to a 49% reclassification of shareholders' equity from group to minority shares. The transaction generated an improvement of €4.6 million in the group's share, to the detriment of the minority share.

3.3 – Successful placement of the inaugural Euro PP

The Group's financing plan includes a bond issue for a total amount of €75 millions: the Euro PP (for Private Placement in Euro). This bond was issued on July 27, 2023, for a term of 5 years. This financial instrument diversifies the Group's sources of financing through the issuance of 750 green bonds subscribed by a limited number of qualified.

At the same time, a Green Bond Framework was drafted and audited by an independent third-party expert, Ethifinance. It is a green financing framework document that specifies the Group's commitments in terms of sustainable finance.

The funds raised through this issue will be earmarked for projects that meet the criteria of the European taxonomy and will be used in particular to finance the completion of the construction of the plants whose closing was reached in 2022 and 2023.

3.4 – Additional remuneration contracts

As part of the emergency measures implemented in France to limit the increase in electricity prices for the final consumer, the amending finance law for 2022 adopted on August 16, 2022 introduced a retroactive modification to January 1, 2022 of a large part of the contracts of additional remuneration, i.e. those that benefited from a clause known as a cap on the revenues paid by the producer to the State.

This law redefined the revenue-sharing rules beyond the point where, for a given contract, the producer paid more to the state than he or she received. From January 1st, 2022, and due to a threshold price set at €44.78/MWh by a ministerial decree in December 2022, these revenues are now returned to the State over time. Since January 1st, 2022, VALOREM pays the difference between the market prices received and the reference rates of its additional remuneration contracts.

On the other hand, differential income for 2021, deemed definitively acquired by the producer, generated an income in the VALOREM 2023 Group's accounts for an amount of €6.2 million.

3.5 – Inframarginal rent of electricity production

In line with the measures taken in 2022 by the French government in respect of the contribution on the revenues of so-called inframarginal electricity producers, the Valorem group has recorded a €32.5 million accrued expense in non-recurring Operating Charges in its 2023 consolidated financial statements.

In 2023, Lhuitre joined the 9 power plants that were already covered by this contribution in 2022.

3.6 – Fair value of financial instruments

As part of its financing operations, the Group subscribes to floating-rate loans. In accordance with its financial risk hedging policy, the Group systematically uses derivative financial instruments (interest rate swaps) to hedge the interest rate risk of floating rate loans.

As of 12/31/2023, the change in the fair value of financial instruments had a negative impact of €36.6 million, of which €36.2 million had an upward impact on other comprehensive income (€27.1 million net of tax).

NOTE 4
INTANGIBLE ASSETS

Change in intangible assets as of December 31, 2023
in thousands of euros

CHANGE IN GROSS VALUES	2022-12	Acquisitions	Disposals	Others	2023-12
Research and development expenses	1,806	180	-	-	1,986
Concessions, patents and similar rights, patents, licences	3,947	275	(58)	254	4,417
Intagible assets in process	2,123	2,196	-	(978)	3,340
Other intangible assets	225	-	-	-	225
Total gross values	**8,100**	**2,651**	**(58)**	**(725)**	**9,968**

CHANGE IN AMORTIZATION	2022-12	Expenses	Reversals	Others	2023-12
Amortization of research and development expenses	(1,286)	(379)	-	-	(1,665)
Amortization of concessions, patents and similar rights, patents, licences	(2,689)	(611)	58	13	(3,228)
Depreciation of business assets	(94)	-	-	-	(94)
Impairments on intangible assets in process	(208)	(449)	-	-	(658)
Amortization of other intangible assets	(20)	(19)	-	(9)	(48)
Total impairment and amortization	**(4,297)**	**(1,458)**	**58**	**4**	**(5,693)**
Intangible assets	**3,803**	**1,194**	**-**	**(721)**	**4,276**

NOTE 5
TANGIBLE ASSETS

Change in tangible assets as of December 31, 2023
in thousands of euros

CHANGE IN GROSS VALUES	2022-12	Acquisitions	Disposals	New contracts	End of contracts	Withdrawals of scope	Others	2023-12
Land	2,080	-	-	-	-	(43)	(525)	1,512
Buildings	37,012	-	-	-	-	-	1,158	38,171
Technical installations, materials, and tooling	763,443	1,378	(538)	-	-	-	(33,406)	730,876
Other tangible assets	92,457	854	(269)	-	-	-	4,032	97,074
Tangible assets in process	101,843	256,481	-	-	-	(4,952)	28,457	381,829
Advances and deposit on tangible assets	576	-	-	-	-	-	(576)	-
Right to use	56,878	-	-	9,374	(847)	-	(2,181)	63,225
Total gross values	**1,054,289**	**258,713**	**(808)**	**9,374**	**(847)**	**(4,995)**	**(3,041)**	**1,312,686**

CHANGE IN AMORTIZATION	2022-12	Expenses	Reversals	New contracts	End of contracts	Withdrawals of scope	Others	2023-12
Amortization of buildings	(11,817)	(1,987)	-	-	-	-	-	(13,805)
Amortization of technical installations, materials and tooling	(164,582)	(37,577)	267	-	-	-	116	(201,776)
Amortization of other tangible assets	(22,679)	(5,097)	66	-	-	-	(1)	(27,711)
Impairment on tangible assets in process	(8,462)	(3,463)	2,580	-	-	-	(121)	(9,465)
Amortization of rights to use	(18,404)	(4,444)	-	-	847	-	2,181	(19,820)
Total impairment and amortization	**(225,944)**	**(52,568)**	**2,913**	**-**	**847**	**-**	**2,176**	**(272,576)**
Tangible assets	**828,345**	**206,145**	**2,106**	**9,374**	**-**	**(4,995)**	**(865)**	**1,040,110**

Movements presented in the “Other” column mainly correspond to transfers following commissioning of wind farms previously classified under "Property, plant and equipment in progress" to "Buildings", "Technical installations, equipment and tooling" or "Other property, plant and equipment".

The net impact in "Withdrawals of scope" corresponds to the disposal of the assets of Viiatti Gridco, which is now consolidated under the equity method.

The Group applies a method of depreciating inventories and fixed assets in progress, which consists in only depreciating projects presenting one of the following risks: refused authorization or development in an area presenting uncertainties. At December 31, 2023, impairment of property, plant and equipment in progress amounted to €9,5 million.

In accordance with IAS 36 "Impairment of assets", and given the identification of an indication of impairment, the Group carried out an impairment test on the assets of the FHA sub-group (with a net value of €60 million). This test resulted in the recoverable amount (determined on the basis of discounted future cash flows) being higher than the carrying amount, and hence in no impairment being recognized.

Change in rights of use as of 31 December 2023
in thousands of euros

CHANGE IN RIGHT TO USE GROSS VALUES	2022-12	Acquisitions	New contracts	End of contracts	Others	2023-12
Wind and photovoltaic rights to use	45,663	-	9,249	-	(2,181)	52,731
Property rental rights to use	10,387	-	126	(188)	-	10,324
Computer equipment rights to use	635	-	-	(635)	-	-
Various equipment rights to use	193	-	-	(23)	-	170
Total gross values	**56,878**	**-**	**9,374**	**(847)**	**(2,181)**	**63,225**

CHANGE IN AMORTIZATION OF RIGHTS TO USE	2022-12	Expenses	Reversals	End of contracts	Others	2023-12
Amortization of wind and photovoltaic rights to use	(15,820)	(3,693)	-	-	2,181	(17,331)
Amortization of property rental rights to use	(1,911)	(622)	-	188	-	(2,345)
Amortization of computer equipment rights to use	(550)	(85)	-	635	-	-
Amortization of various equipment rights to use	(123)	(44)	-	23	-	(144)
Total impairment and amortization	**(18,404)**	**(4,444)**	**-**	**847**	**2 181**	**(19,820)**
Rights to use	**38,474**	(4,444)	9,374	-	-	**43,404**

NOTE 6
EQUITY METHOD SECURITIES
in thousands of euros

The following table summarizes the financial information as published in the associates' own financial statements, after the impact of fair value adjustments made at the acquisition date and adjustments for differences in accounting policies.

	2023-12	2022-12
Non-current assets	67,368	41,996
Current assets	13,935	6,780
Non-current liabilities	52,473	23,390
Current liabilities	14,014	5,332
Net asset value	**14,816**	**20,054**
Net assets attributable to the group	**1,070**	**1,121**
Revenue at 100%	7,446	5,013
EBITDA at 100%	6,237	3,923
Net revenue at 100%	4,297	1,281
Share of equity method entities in EBITDA	**2,099**	**1,040**
Share in income from equity-accounted company	**1,418**	**444**

NOTE 7
NON-CURRENT FINANCIAL ASSETS

Change in non-current financial assets as at 31 December 2023
in thousands of euros

CHANGE IN NON-CURRENT FINANCIAL ASSETS	2022-12	Increase	Decrease	Withdrawals from scope	Revaluation	Translation adjustment	Reclassification	Others	2023-12
Equity securities	8,939	1,481	(963)		-	-	(12)	-	9,445
Loans to non-consolidated companies	21,984	14,630	(4,306)	7,534	-	(29)	1,424	-	41,237
Non-current derivative financial assets	101,139	-	-	-	(32,230)	-	(79)	(428)	68,402
Accrued interest on receivables and loans	76	326	-	-	-		200	-	603
Guarantees and deposits paid	2,237	211	(47)	-	-	-	-	-	2,400
Non-current non-derivative financial assets	1,191	3,711	(563)	-	-	-	-	-	4,339
Total gross values	**135,565**	**20,358**	**(5,879)**	**7,534**	**(32,230)**	**(29)**	**1,534**	**(428)**	**126,425**

CHANGE IN IMPAIRMENTS	2022-12	Expenses	Reversals	Withdrawals from scope	Revaluation	Translation adjustment	Reclassification	Others	2023-12
Impairment on equity securities	(1,824)	(1,549)	358	-	-	-	(2)	-	(3,016)
Impairment on loans to non-consolidated companies	(6,867)	(679)	3,012	-	-	-	(375)	-	(4,909)
Total impairments	**(8,691)**	**(2,228)**	**3,370**	**-**	**-**	**-**	**(377)**	**-**	**(7,925)**
Non-current financial assets	**126,874**	**18,130**	**(2,509)**	**7,534**	**(32,230)**	**(29)**	**1,157**	**(428)**	**118,501**

Information on derivative financial assets is provided in note 27.

NOTE 8
INVENTORIES AND WORK IN PROGRESS

Presentation of inventories and work in progress as of December 31,2023
in thousands of euros

INVENTORIES AND WORK IN PROGRESS	2023-12			2022-12		
	Gross value	Depreciation	Net value	Gross value	Depreciation	Net value
Inventories of goods, materials and other supplies	29	(11)	18	42	(9)	33
Inventories in process	1,423	(118)	1,305	2,443	(543)	1,900
Inventories - Finishes and semi-finished products	66	(20)	46	33	(20)	13
Total inventories and work in progress	**1,519**	**(149)**	**1,369**	**2,517**	**(572)**	**1,945**

NOTE 9
TRADE RECEIVABLES AND RELATED ACCOUNTS, OTHER CURRENT ASSETS

Presentation of trade receivables, related accounts and other current assets as of December 31, 2023
in thousands of euros

TRADE RECEIVABLES	2023-12			2022-12		
	Gross value	Depreciation	Net value	Gross value	Depreciation	Net value
Trade receivables and related accounts	56,226	(2,052)	54,173	64,663	(2,094)	62,569
Trade receivables and related accounts	**56,226**	**(2,052)**	**54,173**	**64,663**	**(2,094)**	**62,569**
Receivables from employees and social organisms	175	-	175	72	-	72
Tax receivables excluding corporate tax	35,511	-	35,511	25,006	-	25,006
State, tax on profits	2,461	-	2,461	5,075	-	5,075
Current account - assets	20	-	20	-	-	-
Other receivables	2,737	(430)	2,307	3,849	-	3,849
Prepaid expenses	2,407	-	2,407	1,883	-	1,883
Adjustment account (intra-group, bottom balance sheet)	-	-	-	7	-	7
Other current assets	**43,311**	**(430)**	**42,882**	**35,892**	**-**	**35,892**
Total trade receivables, related accounts and other current assets	**99,537**	**(2,482)**	**97,055**	**100,555**	**(2,094)**	**98,461**

Ageing balance of trade receivables, related accounts, and other current assets
in thousands of euros

TRADE RECEIVABLES	2023-12	< Y+1	From Y+2 to Y+5	> Y+5
Trade receivables and related accounts	54,173	54,173		
Trade receivables and related accounts	**54,173**	**54,173**		
Receivables from employees and social organisms	175	175		
Tax receivables excluding corporate tax	35,511	35,511		
State, tax on profits	2,461	2,461		
Current account - assets	20	20		
Other receivables	2,307	2,307		
Prepaid expenses	2,407	2,407		
Other current assets	**42,882**	**42,882**		
Total trade receivables, related accounts and other current assets	**97,055**	**97,055**		

Trade receivables and related accounts are overdue for €13.2 million. Only one receivable has been due for more than a year and has been written down in the 2023 accounts.

NOTE 10
CASH AND CASH EQUIVALENTS

Presentation of cash and cash equivalents
in thousands of euros

CASH AND CASH EQUIVALENTS	2023-12	2022-12
Marketable securities - Cash equivalents	46,193	1,603
Liquid assets	105,539	152,875
Accrued interests on current cash not due	20	-
Cash assets	**151,752**	**154,478**
Bank contributions (cash liabilities)	871	259
Cash liabilities	**871**	**259**
Net cash	**150,881**	**154,220**

Cash equivalents essentially correspond to short-term investments with high liquidity.

Financial notes to liabilities

NOTE 11
SHAREHOLDERS' EQUITY

Movements affecting the Valorem Group's shareholders' equity in 2022 and 2023 are detailed in the consolidated statement of changes in shareholders' equity.

At December 31, 2022, share capital comprised 1,908,006 shares with a par value of 5 euros, representing a total of 9,540,030 euros.

At December 31, 2023, share capital comprised 1,909,676 shares with a par value of 5 euros, representing a total of 9,548,380 euros.

NOTE 12
NON-CONTROLLING INTERESTS

The Group has granted put options on all or part of its interests in certain consolidated companies to third parties holding non-controlling interests.

A financial liability has been recognized for an amount corresponding to the present value of the option exercise price. These non-controlling interests are included in other non-current financing in the balance sheet.

Change on the period
in thousands of euros

CHANGE ON THE PERIOD	2023-12	2022-12
On 1st January	1,701	1,701
New options booked		
Exercice of options		
Change in options actual value		
On 31 December	**1,701**	**1,701**

The following table summarizes information on Group subsidiaries with non-controlling interests, after intercompany eliminations.

Presentation of non-controlling interests
in thousands of euros

	2023-12	2022-12
Non-current assets	473,490	190,302
Current assets	10,578	11,149
Non-current liabilities	368,144	131,980
Current liabilities	51,428	33,414
Net asset value	**64,496**	**36,057**
Net assets attributable to non-controlling interests	**31,701**	**14,382**
Revenue	65,264	20,656
Net Result from Continuing Operations	6,466	(2,906)
Net Result and Other Comprehensive Income	(10,230)	12,675
Total overall result	**(3,764)**	**9,768**
Share Attributable to Non-controlling Interests	**1,476**	**124**
Other comprehensive income allocated to non-controlling interests	**(1,176)**	**3,318**

The variation in the various aggregates is mainly explained by the CALYPSO operation (see Note 3 - Significant events).

NOTE 13
PROVISIONS

Change in provisions
in thousands of euros

PROVISIONS	2022-12	Expenses	Reversals	Others	2023-12
Provisions for decommissioning	8,839	134	-	2,660	11,632
Other provisions for charges	1,596	402	-	(469)	1,529
Provisions for pensions	1,440	1,365	(15)	(462)	2,329
Provisions for disputes	207	692	(110)	-	789
Provisions for risks	1,177	99	(496)	401	1,182
Investments in associates	862			2,588	3,450
Sub-total non-current provisions	**14,121**	**2,692**	**(621)**	**4,718**	**20,910**
Sub-total current provisions	**-**	**-**	**-**	**-**	**-**
Total provisions	**14,121**	**2,692**	**(621)**	**4,718**	**20,910**

Provisions for dismantling correspond to the estimated future costs (discounted to present value) of restoring operating sites (wind and photovoltaic), which will be borne by the Group in accordance with legal or contractual provisions. The "Others" changes in the provisions for dismantling are related to the revaluations carried out in the individual accounts following the new clause provided for by the decree of July 11, 2023.

There are no individually significant disputes.

The "Others" column corresponds mainly to the negative share of companies accounted for by the equity method, and to new provisions for dismantling relating to new wind farms.

Details of investments in associates are provided in Note 6 - Investments in associates.

Provisions for retirement indemnities
in thousands of euros

CHANGE IN PENSIONS COMMITMENTS	2023-12	2022-12
Start of the year	1,440	1,649
Cost of commitment	1,350	(209)
Actuarial gains or losses	(462)	-
End of the year	**2,329**	**1,440**

ASSUMPTIONS MADE	2023-12	2022-12
Age at retirement	64 years old	62 years old
Rate of social security charges	40%	40%
Discount rate	3,20%	3,75%
Mortality table	INSEE 2021	INSEE 2021
Salary increase rate (including inflation)	3%	1% to 2%
Revenue rate	Between 0 and 8% depending on age	Between 0 and 8% depending on age

NOTE 14
FINANCIAL DEBTS

Change in financial debts as of December 31, 2023
in thousands of euros

FINANCIAL DEBTS	2022-12	CASH		NON-CASH				2023-12
		Increase	Decrease	New contracts	Addition to scope	Withdrawals from scope	Others	
Bonded debts	53,007	85,860	-	-	-	-	(2,729)	136,138
Loans with credit establishments	607,066	195,011	(834)	-	-	-	(65,318)	735,925
Other loans and debts equivalents	16,411	36,979	(1,626)	-	-	(7,534)	(4,260)	39,969
Debts on rentals	32,035	-	-	5,830	-	-	(4,342)	33,523
Put on minority interests	1,701	-	-	-	-	-	-	1,701
Sub-total non-current financial loans and debts	**710,219**	**317,850**	**(2,460)**	**5,830**	**-**	**(7,534)**	**(76,649)**	**947,257**
Bonded debts	1,410	-	(1,479)	-	-	-	2,729	2,660
Loans with credit establishments	72,594	29,797	(78,513)	-	-	-	65,318	89,196
Other loans and debts equivalents	5,443	-	(5,822)	-	-	-	7,464	7,086
Accrued interests on loan	1,102	4,170	(1,220)	-	-	-	-	4,052
Debts on rentals	3,594	-	(4,096)	126	-	-	4,342	3,965
Current bank contributions	332	550	-	-	-	-	(4)	878
Sub-total current financial loans and debts	**84,475**	**34,517**	**(9,130)**	**126**	**-**	**-**	**79,850**	**107,838**
Total financial loans and debts	**794,695**	**352,367**	**(93,589)**	**5,956**	**-**	**(7,534)**	**3,201**	**1,055,095**

Payables to credit institutions mainly concern financing for the Group's fleets: they generally have maturities of between 15 and 20 years, and variable rates.

Bonds are mainly held by Valorem and will be amortized between 2025 and 2031. During the period, Valorem issued one Euro PP bond and 2 bonds with ENERFIP.

Other increases for the period were mainly due to the raising of debt for parks under construction.

Decreases correspond to loan repayments during the period.

The net impact in "Withdrawals from scope" corresponds to the outflow of the debts of Viiatti Gridco, now consolidated under the equity method.

Movements in the "Other" column correspond mainly to reclassifications from current to non-current.

Ageing balance of financial debts
in thousands of euros

AGEING BALANCE OF FINANCIAL DEBTS	2023-12	Y+1	From Y+2 to Y+5	> Y+5
Bonded debts	138,798	2,660	124,796	11,341
Loans with credit establishments	825,121	89,196	210,250	525,675
Other loans and debts equivalents	47,055	7,086	15,152	24,817
Accrued interests on loan	4,052	4,052	-	-
Debts on rentals	37,488	3,965	12,982	20,541
Put on minority interests	1,701	-	-	1,701
Current bank contributions	878	878	-	-
Financial debts	**1,055,095**	**107,838**	**363,180**	**584,076**

Loans taken out by the Group are subject to compliance with banking ratios. As at December 31, 2023, no cases of non-compliance with ratios resulting in immediate repayment had been identified.

Debt analysis by currency and by rate
in thousands of euros

FINANCIAL DEBT BY CURRENCY AND BY RATE	2023-12	Fixed rate	Variable rate	Euros	Other currencies
Bonded debts	138,798	138,798	-	138,798	-
Loans with credit establishments	825,121	111,373	713,748	825,121	-
Other loans and debts equivalents	47,055	47,055	-	47,055	-
Accrued interests on loan	4,052	3,298	754	4,052	-
Debts on rentals	37,488	37,488	-	37,488	-
Put on minority interests	1,701	1,701	-	1,701	-
Current bank contributions	878	878	-	878	-
Financial debts	**1,055,095**	**340,592**	**714,502**	**1,055,095**	**-**

Variable-rate debt amounts to €714,5 million, €605,7 million of which is hedged by interest-rate swaps.

NOTE 15
TRADE PAYABLES AND RELATED ACCOUNTS, OTHER CURRENT LIABILITIES

Presentation of trade payables, related accounts, and other current assets as of December 31, 2023
in thousands of euros

	2023-12	2022-12
Trade payables	49,831	30,121
Trade payable and related accounts	**49,831**	**30,121**
Social security debts	7,289	6,691
Taxes payables	49,338	42,011
Current accounts - Liabilities	1,587	-
Other payables - credit notes	5,468	76,134
Other current liabilities	**63,683**	**124,835**
Other non-current debts / investment grant	10,881	23,802
Other current and non-current liabilities	**124,395**	**178,757**

Tax liabilities include a €32,5 million contribution on infra-marginal annuities (see Note 3 - Significant events). Other non-current liabilities include €2.6 million for the revaluation of the fair value of ORANs (see Note 3 - Significant events).

In 2022, other payables/credit notes correspond for €76 million to credit notes to be drawn up in respect of additional remuneration contracts.

In the course of 2023, the Group carried out the repayment of the 2022 assets on the additional remuneration contracts and also proceeded to repay part of the debt carried towards its co-developer Megatuuli Oy in connection with the development of the Matkussaari and Kalistanneva projects.

Ageing balance of trade payables and other creditors and other current liabilities
in thousands of euros

AGEING BALANCE OF TRADE PAYABLES	2023-12	Y+1	From Y+2 to Y+5	> Y+5
Trade payables	49,831	49,831	-	-
Trade payable and related accounts	**49,831**	**49,831**	**-**	**-**
Social security debts	7,289	7,289	-	-
Taxes payables	49,338	49,338	-	-
Current accounts - Liabilities	1,587	1,587	-	-
Other payables - credit notes	5,468	5,468	-	-
Other current liabilities	**63,683**	**63,683**	**-**	**-**
Other non-current debts / investment grant	10,881	-	10,881	-
Other current and non-current liabilities	**124,395**	**113,514**	**10,881**	**-**

NOTE 16

FINANCIAL INSTRUMENTS AND RISK MANAGEMENT

16.1 – Interest rate risk

The Group uses interest-rate swaps to hedge against fluctuations in interest rates on loans taken out to finance its generating facilities. At December 31, 2023, cash flow hedge accounting is applied to these derivative financial instruments. Interest flows relating to these interest rate swaps will be recognized in the income statement over the term of the financing arrangements, in conjunction with the interest expense on the hedged borrowings.

Several borrowings have been hedged by interest-rate swaps with a positive net fair value of €64.4 million at December 31, 2023 (compared with a positive fair value of €101 million at December 31, 2022) and a maturity similar to that of the debt to which they are linked.

The Group is exposed to market risks through its investment activities. This exposure is mainly linked to fluctuations in unhedged floating interest rates on its project debt.

Interest-rate risk is hedged by means of over-the-counter instruments with first-rate counterparties. The Group enters into financial instruments to hedge its variable-rate debts, targeting a minimum of 75% of the nominal amount, by aligning these derivatives with the maturities, reference rates, interest periods and expected amortizations of the loans being hedged.

The aim of the Group's risk management policy is to limit and control variations in interest rates and their impact on earnings and future cash flows. In 2023, against a backdrop of rising inflation, the Group used a pre-hedging swap to secure the interest rate on its financing for the year.

The table below summarizes net exposure to interest-rate risk, before and after hedging operations:

On december 31, 2023 in thousand of euros	Before hedging		After hedging	
	Fixed rate	Variable rate	Fixed rate	Variable rate
Less than a year	36,319	71,519	88,707	19,131
From 1 to 5 years	165,755	197,425	337,491	25,689
Over 5 years	138,518	445,558	520,070	64,007
Total	**340,592**	**714,502**	**946,268**	**108,827**

Sensitivity analysis for variable-rate instruments
in thousands of euros

On december 31, 2023	Fair value	Value adjustment Increase of 1%	Value adjustment Decrease of 1%
SWAPS	64,419	37,789	43,058
Total	**64,419**	**37,789**	**43,058**

16.2 – Impact of the IBOR reform

The main interest rate benchmarks are currently undergoing a major reform at the global level, including the replacement of certain interbank offered rates ("IBORs") with other, risk-free rates (commonly referred to as "IBOR reform"). The Group is exposed to IBORs through its financial instruments, which will be replaced or modified as part of this reform, which concerns the entire markets.

The Group's main exposure, through its financial instruments, is to EURIBOR. In 2019, the FSMA of Belgium issued a favourable decision on the compliance of EURIBOR with the Benchmark Regulation following the change in the method of determining the index as of October 2019. To this day, EURIBOR has been maintained indefinitely. Thus, the Group considers that, as of 31 December 2023, the continuity of EURIBOR is not threatened by the reform of reference rates.

The Group considers that the reform of the reference rates does not have a material effect on the Group's financial statements, on its risk management, and does not call into question its hedge accounting.

16.3 – Environmental Risks

Due to the different geographical locations of its sites, the Group is exposed to natural hazards such as storms or temperature differences. This risk is further accentuated by climate change, which has a direct impact on the frequency and severity of these events. Major or repetitive natural disasters can lead to equipment damage or business interruption. To mitigate this risk, the Group is pursuing a strategy of geographical diversification. The Group has also put in place technical tools to stop machines in the event of major weather events.

16.4 – Foreign exchange risk

To date, the Group is not exposed to any currency risk on assets in operation, as its assets are systematically financed in the functional currency.

In the 2023 financial year, ValPoland has entered the scope of consolidation. This company closes its accounts in Zloty but at this stage, the Valorem Group has not identified any foreign exchange risk.

16.5 – Counterparty risk

The Group contracts with a large number of suppliers and subcontractors, so their insolvency could not have a significant impact on its business.

With regard to electricity sales contracts, the Group considers that the counterparty risk associated with customer accounts is insignificant in view of the quality of the signatories to these contracts.

Lastly, the Group invests its cash and cash equivalents and enters into interest rate contracts with leading financial institutions.

16.6 – Liquidity risk

The Group's cash and cash equivalents are held with leading bank counterparties and financial institutions.

The Group considers that its cash and cash equivalents present almost no credit risk in view of the external credit ratings of their counterparties.

The liquidity position breaks down as follows:

LIQUID ASSETS	2023-12	2022-12
Cash and cash equivalents	151,752	154,220
Overdraft facilities	25,000	25,000
Total	**176,752**	**179,220**

Timelines are presented in Notes 14 an 15.

16.7 – Credit Risks

Credit risk represents the risk of financial loss for the Group in the event that a client or a counterparty to a financial instrument defaults on its contractual obligations. The carrying values of financial assets represent the maximum exposure to credit risk.

16.8 – Trade receivables and contract assets

The Group's exposure to credit risk is influenced primarily by individual client characteristics.

However, management also takes into consideration factors that may influence customer credit risk, including default risk by industry and country in which customers operate.

However, the risk is limited insofar as the customers are mainly public actors and large accounts with no solvency problems.

The age of trade receivables is analysed in Note 9.

NOTE 17
OFF-BALANCE SHEET COMMITMENTS

17.1 – Commitments given

Valorem has granted the following commitments:

- It acted as guarantor for Valrea for the benefit of various third parties (Mirova, Zurich insurance, Tokio Marine) for an amount of €17.4 million.
- It also acted as guarantor (via the parent company guarantee mechanism) for the benefit of several of its subsidiaries, but also for the benefit of third parties (Total Energies, Atradius) for a total amount of €193.5 million.
- It granted a liability guarantee of €2.9 million.
- It pledged shares and/or current accounts of several of its subsidiaries to Société Générale, Natixis Energeco, and BPCE for a total amount of €431 million.

As part of the subscription in 2017 of a €180 million loan by its subsidiary Vasco Energies, Mezza Energie granted the following guarantees to the lending banks (AUXIFIP, LA BANQUE POSTALE, SMBC): pledge of the Vasco securities account and pledge of the Receivables under the Partner's Loan Agreement (between Mezza Energies and Vasco Energies).

The companies Lassicourt, Resse, Noe, Camiac, Alzonne, Saint Helene and Billom have allocated the mortgage to Natixis Energeco, BPI, for an amount of €650 thousand.

17.2 – Commitments received

Crédit Agricole, CIC and other financial institutions have given performance guarantees to Valrea for a total amount of €327K for the benefit of the State and other institutions.

Financial notes to profit and loss

NOTE 18
REVENUE AND OPERATING INCOME

Split by geographic region
in thousands of euros

BY GEOGRAPHIC REGION	2023-12	2022-12
Consolidated revenue	**183,740**	**198,791**
France	182,075	197,583
Greece	968	792
Poland	-	-
Finland	698	416
Total by geographic region	**183,740**	**198,791**
Operating income after share of equity-accounted companies net income [in line with the Group's operations]	**24,895**	**40,202**
France	26,224	49,687
Greece	(929)	(1,276)
Poland	(352)	-
Finland	(49)	(8,209)
Total by geographic region	**24,895**	**40,202**

Split by business segment
in thousands of euros

BY BUSINESS SEGMENT	2023-12	2022-12
Consolidated revenue	**183,740**	**198,791**
Electrical	160,644	123,807
Development	8,791	66,848
Buildings	6,741	692
Maintenance	7,564	7,443
Total by business segment	**183,740**	**198,791**
Operating income after share of equity-accounted companies net income [in line with the Group's operations]	**24,895**	**40,202**
Electrical	57,813	29,473
Development	(35,001)	9,717
Buildings	2,637	608
Maintenance	(554)	403
Total by business segment	**24,895**	**40,202**

In 2022, the sale of Kalistanneva had a €63 million impact on development revenue and €40 million on operating income. The share of electricity turnover generated with private companies amounts to €70 million. The year 2023 was marked by very favourable weather conditions. The Group also received €6.2 million in additional compensation for 2021 as well as income related to the sale of guarantees of origin and capacity mechanisms.

Information on order backlog and contract assets/liabilities will not be provided, as they are deemed immaterial.

NOTE 19
PAYROLL AND HEADCOUNT

Overview of the workforce

AVERAGE HEADCOUNT BY CATEGORY	2023-12	2022-12
Managerial staff	323	287
Employees, supervisors and technicians	95	71
Total average number of employees	**418**	**358**
Employees costs	**(38,970)**	**(32,048)**
Salaries, wages and benefits	(24,113)	(20,153)
Social security contributions	(10,327)	(8,814)
Other salaries charges	(4,530)	(3,081)
Total employee costs	**(38,970)**	**(32,048)**

NOTE 20
AMORTIZATION AND PROVISIONS

Presentation of amortization and provisions
in thousands of euros

	2023-12	2022-12
Amortization of intangible assets	(1,009)	(839)
Amortization of tangible assets	(48,856)	(45,289)
Net change in amortization of fixed assets	**(49,865)**	**(46,128)**
Impairments on intangible assets	(449)	(256)
Impairments on tangible assets	(3,472)	(4,091)
Impairments on trade receivables and other current receivables	(2,669)	(5,694)
Provision expenses	(1,730)	(36)
Amortization (excluding fixed asset) and impairment expenses	**(8,320)**	**(10,077)**
Write-off of fixed asset impairments	2,580	113
Write-off of receivables and other current receivables	2,704	5,150
Write-off of provision expenses	606	1,023
Write-off of amortization (excluding fixed asset) and depreciation	**5,890**	**6,286**
Total amortization and provisions	**(52,295)**	**(49,919)**

Depreciation charges on property, plant and equipment mainly comprise €44.3 million of charges relating to parks in operation (€41.1 million in 2022) and €4.4 million of depreciation charges for rights of use of property, plant and equipment in accordance with IFRS 16 (compared with €4 million in 2022).

The Group applies a method of depreciating inventories and fixed assets in progress, which consists in only depreciating projects presenting one of the following risks: refused authorizations, or development in an area presenting uncertainties.

NOTE 21
OTHER NON-CURRENT OPERATIONAL PROFITS AND LOSSES

Presentation of other operational profit and losses
in thousands of euros

	2023-12	2022-12
Revaluation of previously held interest following complementary acquisitions	-	35
Gain or loss on fixed asset sales	(35)	118
Investment grants transferred to income	241	213
Infra-marginal rent	(32,534)	(25,603)
Other non-current operating income and expenses	(152)	1 244
Total	**(32,480)**	**(23,994)**

As in 2022, other non-recurring operating income and expenses were mainly impacted by the recognition of a provision relating to the infra-marginal annuity. The terms and conditions of its recognition are described in the material events in Note 3.

NOTE 22
NET FINANCIAL COST

Presentation of the financial results
in thousands of euros

FINANCIAL RESULTS	2023-12	2022-12
Income from cash and cash equivalents	**876**	**105**
Gross cost of financial indebtedness	**(24,393)**	**(14,460)**
Write-off of impairment on financial assets	2,846	134
Transfer of financial charges	3,692	745
Impact of fair value	-	990
Other financial income	6,087	5,476
Sub-total other financial income	**12,625**	**7,344**
Impairment on financial assets	(2,362)	(2,800)
Impact of fair value	(5,034)	(2,143)
Financial charges on right of use	(804)	(751)
Other financial charges	(1,012)	(3,829)
Sub-total other financial charges	**(9,212)**	**(9,522)**
Net financial loss	**(20,104)**	**(16 533)**

Miscellaneous financial income mainly comprises the transfer of financial interest expenses to the acquisition cost of property, plant and equipment (including €3.4 million in 2022 and €3.8 million in 2023 relating to the capitalization of interest on the Matkussaari park assets under construction).

NOTE 23
TAXES

The corporate income tax rate will be 25% in 2023 for all French entities, including those in the tax consolidation group.

Presentation of the break-down of tax expense as of December 31, 2023
in thousands of euros

BREAK-DOWN OF TAX EXPENSE / INCOME	2023-12	2022-12
Current tax expense (income)	(3,252)	(3,564)
Deferred tax expense (income)	721	1,443
CVAE	(574)	(692)
Total of tax expense or income	**(3,105)**	**(2,813)**

Presentation of the proof of tax as of December 31, 2023
in thousands of euros

TAX PROOF	2023-12	2022-12
Net income from continuing operations	1,686	20,856
Tax expense / income excluding CVAE [Entreprise Added Value Contribution]	(2,531)	(2,121)
Consolidated net income before taxes	**4,217**	**22,977**
Theoretical tax rate	25.0%	25.0%
Calculated theoretical tax	(1,054)	(5,744)
Impacts		
Impact of permanent differences	(1,090)	7,947
Impact of the amortization of intangible assets and goodwill	(452)	(205)
Impact of capitalization of losses	1,095	(2,342)
Impact of the equity-consolidated companies	350	111
Impact of the difference and changes in rates	(1,483)	452
Impact of the consolidation gains or losses	371	-
Others	(267)	(2,342)
Total of tax expense or income	**(2,531)**	**(2,121)**

Breakdown of net deferred tax assets (liabilities)
in thousands of euros

BREAK-DOWN OF NET DEFERRED TAXES	2022-12	Accounted of as P&L	Accounted for as other items of comprehensive income	Accounted for as equity	2023-12
Temporary differences	715	100	-	-	815
Deferred taxes on farms fair value (IAS 16)	(31,188)	1,080	-	10,024	(20,084)
Deferred taxes on swaps fair value (IFRS 9)	(24,327)	391	8,534	-	(15,401)
Deferred taxes on elimination of tax-driven charges to provisions	(29,459)	(2,496)		-	(31,955)
Other adjustments for tax purpose and harmonisation	(2,053)	1,748	-	1,773	1,468
Deferred taxes (Elim. Inventory margins)	38,989	(498)	-	(11,771)	26,720
Sub-total net deferred taxes before capitalization and limitation	**(47,323)**	**325**	**8,534**	**26**	**(38,437)**
Tax loss carryforwards	15,682	667	-	-	16,349
Deferred taxes limitation	271	(271)	-	-	0
Total net deferred tax	**(31,370)**	**721**	**8,534**	**26**	**(22,088)**
Deferred tax assets	11,443	-	-	-	12,700
Deferred tax liabilities	(42,813)	-	-	-	(34,787)
Total net deferred tax	**(31,370)**	**721**	**8,534**	**26**	**(22,087)**

	Y+1	Y+2	Y+3	Y+4	>Y+5	Total
Sub-total net deferred taxes before capitalization and limitation	985	(459)	(459)	(459)	(38,045)	**(38,436)**

At December 31, 2023, in view of the fact that their recovery is deemed probable in the near future, the Valorem Group recognized deferred tax assets in its consolidated financial statements in respect of its tax loss carryforwards amounting to €16.3 million for the 2023 financial year. These deferred tax assets were mainly recognized in the Valorem tax consolidation group for €5 million and in the sub-group Mezza 5 for €2 million.

The tax deficits that have not been activated amounts to €1 million (impact on deferred taxes).

Tax Penalties

The Group has no material tax uncertainty within the scope of IFRIC 23.

Additional notes

NOTE 24
SUBSEQUENT EVENTS

None.

NOTE 25
REMUNERATION OF THE MAIN DIRECTORS

The main executives received the following remuneration:

REMUNERATION in thousands of euros	2023-12	2022-12
Short-term employee benefits	1,058	978
Termination benefits	-	-
Total	**1,058**	**978**

The Valorem Group does not have any material related-party transactions.

NOTE 26
STATUTORY AUDITOR FEES

FEES PAID in thousands of euros	Other services		Certification of accounts, excluding tax		Total	
	2023	2022	2023	2022	2023	2022
BSF Audit	-	-	177	163	**177**	**163**
Fiduciaire Experts Audit	-	-	54	60	**54**	**60**
KPMG	148	-	75	58	**223**	**58**
H3P	-	-	4	11	**4**	**11**
Total	**148**	**-**	**310**	**292**	**458**	**292**

NOTE 27
FAIR VALUE OF FINANCIAL VALUE OF ASSETS AND LIABILITIES

The fair value of an asset or liability is the price that would be agreed upon in an arm's length transaction between knowledgeable, willing parties who are under no compulsion to act, and who are under no compulsion to act. The determination of fair value must be based on observable market data that provides the most reliable indication of the fair value of a financial instrument.

The classification levels in the fair value hierarchy are defined as follows:

- **Level 1:** price quoted on an active market;
- **Level 2:** price quoted on an active market for a similar instrument, or other valuation technique based on observable parameters;
- **Level 3:** valuation technique incorporating unobservable parameters.

For swaps, borrowings and liabilities related to put options granted to holders of non-controlling interests, fair value is determined on the basis of contractual cash flows discounted at market interest rates. The fair value of trade payables, trade receivables and other short-term receivables and payables is deemed to correspond approximately to their net book value, as the effect of discounting future cash flows is not material given their short-term nature.

On december 31, 2023 In thousand of euros	Level	Book value	Fair value	Loans and receivables at amortized cost	Fair value through the income statement	Debts at amortized cost	Fair value through other comprehensive income items
Derivated financial instruments	2	68,402	68,402				68,402
Other non-current financial assets	3	50,099	50,099	50,099			
Trade receivables and related accounts	-	54,173	54,173	54,173			
Cash and cash equivalents	1	151,752	151,752		151,752		
Other current assets excluding tax and social assets	3	4,735	4,735	4,735			
Total financial assets		**329,161**	**329,161**	**109,007**	**151,752**		**68,402**
Non-current financial debts excluding put	2	945,556	945,556			945,556	
Put on minority interests	3	1,701	1,701			1,701	
Derivative financial instruments	2	3,982	3,982				3,982
Current financial debts	2	107,838	107,838			107,838	
Trade payables and related accounts	-	49,831	49,831			49,831	
Other current liabilities excluding tax and social liabilities	3	7,055	7,055			7,055	
Total financial liabilities		**1,115,962**	**1,115,962**			**1,111,981**	**3,982**

On december 31, 2022 In thousand of euros	Level	Book value	Fair value	Loans and receivables at amortized cost	Fair value through the income statement	Debts at amortized cost	Fair value through other comprehensive income items
Derivated financial instruments	2	101,139	101,139				101,139
Other non-current financial assets	3	25,736	25,736	25,736			
Trade receivables and related accounts	-	62,569	62,569	62,569			
Cash and cash equivalents	1	154,478	154,478		154,478		
Other current assets excluding tax and social assets	3	5,992	5,992	5,992			
Total financial assets		**349,914**	**349,914**	**94,297**	**154,478**		**101,139**
Non-current financial debts excluding put	2	708,955	708,955			708,955	
Put on minority interests	3	1,701	1,701			1,701	
Derivative financial instruments	2	79	79				79
Current financial debts	2	84,475	84,475			84,475	
Trade payables and related accounts	-	30,121	30,121			30,121	
Other current liabilities excluding tax and social liabilities	3	76,134	76,134			76,134	
Total financial liabilities		**901,466**	**901,466**			**901,387**	**79**

Statutory auditors’ report on the consolidated financial statements

This is a translation into English of the statutory auditors’ report on the financial statements of the Company issued in French and it is provided solely for the convenience of English speaking users.

This statutory auditors’ report includes information required by European regulation and French law, such as information about the appointment of the statutory auditors or verification of the management report and other documents provided to shareholders.

This report should be read in conjunction with, and construed in accordance with, French law and professional auditing standards applicable in France.

VALOREM S.A.S.

213 Cours Victor Hugo 33130 BEGLES

Statutory auditors’ report on the consolidated financial statements

For the year ended 31 December 2023

To the annual general shareholders meeting of VALOREM S.A.S.,

Opinion

In compliance with the engagement entrusted to us by your annual general meeting, we have audited the accompanying consolidated financial statements of VALOREM S.A.S. for the year ended

31 December 2023.

In our opinion, the consolidated financial statements give a true and fair view of the assets and liabilities and of the financial position of the Group as at 31 December 2023 and of the results of its operations for the year then ended in accordance with International Financial Reporting Standards as adopted by the European Union.

Basis for Opinion

Audit Framework

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

Our responsibilities under those standards are further described in the Statutory Auditors’ Responsibilities for the Audit of the Consolidated Financial Statements section of our report.

Independence

We conducted our audit engagement in compliance with independence requirements of the French Commercial Code (code de commerce) and the French Code of Ethics (code de déontologie) for statutory auditors’ rules applicable to us, for the period from 1st January 2023 to the date of our report.

Justification of Assessments

In accordance with the requirements of Articles L.821-53 and R.821-180 of the French Commercial Code (code de commerce) relating to the justification of our assessments, we inform you of the matters that, in our professional judgment, were of most significance in our audit of the consolidated financial statements of the current period.

These matters were addressed in the context of our audit of the consolidated financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on specific items of the consolidated financial statements.

Impairment test of the Force Hydraulique Antillaise sub-group's assets

In accordance with IAS 36, the value of intangible and tangible assets with a definite useful life is tested as soon as an indication of an impairment loss is identified. The test consists of comparing the net book value of these assets with their recoverable value. The recoverable value is determined according to the methods described in the note “1.3.3 - Impairment of assets” to the consolidated financial statements. When the recoverable value is less than the net book value, the latter is reduced to the current value by recognising an impairment loss.

The intangible and tangible assets of the Force Hydraulique Antillaise sub-group were subject to an impairment test in accordance with the methods described in the note "1.3.3 - Impairment of assets" to the consolidated financial statements.

We have reviewed the methods used to implement this test as well as the overall consistency of the assumptions used, reviewed the calculations leading to the absence of impairment loss and verified that the note "5 - Tangible assets" to the consolidated financial statements provides an appropriate information.

As indicated in the note "1.3 - Accounting estimates, judgments and policies " to the consolidated financial statements, these estimates are based on assumptions that are by nature uncertain, as actual results may differ significantly from the forecasts used.

Specific Verifications

We have also performed, in accordance with professional standards applicable in France, the specific verifications required by laws and regulations of the Group information given in the management report of the President.

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

Responsibilities of Management and Those Charged with Governance for the Consolidated Financial Statements

Management is responsible for the preparation and fair presentation of the consolidated financial statements in accordance with International Financial Reporting Standards as adopted by the European Union and for such internal control as management determines is necessary to enable the preparation of consolidated financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the consolidated financial statements, management is responsible for assessing the Company’s ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless it is expected to liquidate the Company or to cease operations.

The consolidated financial statements were approved by the President.

Statutory Auditors’ Responsibilities for the Audit of the Consolidated Financial Statements

Our role is to issue a report on the consolidated financial statements. Our objective is to obtain reasonable assurance about whether the consolidated financial statements as a whole are free from material misstatement. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with professional standards will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these consolidated financial statements.

As specified in Article L.821-55 of the French Commercial Code (code de commerce), our statutory audit does not include assurance on the viability of the Company or the quality of management of the affairs of the Company.

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

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

• Obtains an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the internal control.

• Evaluates the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management in the consolidated financial statements.

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

• Evaluates the overall presentation of the consolidated financial statements and assesses whether these statements represent the underlying transactions and events in a manner that achieves fair presentation.

• Obtains sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Group to express an opinion on the consolidated financial statements. The statutory auditor is responsible for the direction, supervision and performance of the audit of the consolidated financial statements and for the opinion expressed on these consolidated financial statements.

The Statutory Auditors

Mérignac and Bordeaux, on 19 April 2024

French original signed by

KPMG SA	BSF AUDIT S.A.S.
Aurélie LALANNE	**Daniel RODRIGUES**
Partner	*Partner*

Rapport du Commissaires aux comptes

VALOREM S.A.S.

213 Cours Victor Hugo 33130 BEGLES

Rapport des commissaires aux comptes sur les comptes consolidés.

Exercice clos le 31 décembre 2023

À la collectivité des associés de la société VALOREM S.A.S.,

Opinion

En exécution de la mission qui nous a été confiée par votre Assemblée générale, nous avons effectué l'audit des comptes consolidés de la société VALOREM S.A.S. relatifs à l'exercice clos le 31 décembre 2023, tels qu'ils sont joints au présent rapport.

Nous certifions que les comptes consolidés sont, au regard du référentiel IFRS tel qu'adopté dans l'Union européenne, réguliers et sincères et donnent une image fidèle du résultat des opérations de l'exercice écoulé ainsi que de la situation financière et du patrimoine, à la fin de l'exercice, de l'ensemble constitué par les personnes et entités comprises dans la consolidation.

Fondement de l'opinion

Référentiel d'audit

Nous avons effectué notre audit selon les normes d'exercice professionnel applicables en France. Nous estimons que les éléments que nous avons collectés sont suffisants et appropriés pour fonder notre opinion.

Les responsabilités qui nous incombent en vertu de ces normes sont indiquées dans la partie "Responsabilités des commissaires aux comptes relatives à l'audit des comptes consolidés" du présent rapport.

Indépendance

Nous avons réalisé notre mission d'audit dans le respect des règles d'indépendance prévues par le code de commerce et par le code de déontologie de la profession de commissaire aux comptes, sur la période du 1er janvier 2023 à la date d'émission de notre rapport.

Justification des appréciations

En application des dispositions des articles L.821-53 et R.821-180 du code de commerce relatives à la justification de nos appréciations, nous portons à votre connaissance les appréciations suivantes qui, selon notre jugement professionnel, ont été les plus importantes pour l'audit des comptes consolidés de l'exercice.

Les appréciations ainsi portées s'inscrivent dans le contexte de l'audit des comptes consolidés pris dans leur ensemble et de la formation de notre opinion exprimée ci-avant. Nous n'exprimons pas d'opinion sur des éléments de ces comptes consolidés pris isolément.

Test de dépréciation des actifs du sous-groupe Force Hydraulique Antillaise

Conformément à IAS 36, la valeur des actifs incorporels et corporels dont la durée d'utilisation est limitée est testée dès qu'un indice de perte de valeur est identifié. Le test consiste à comparer la valeur nette comptable de ces actifs avec leur valeur recouvrable. La valeur recouvrable est déterminée selon les modalités décrites dans la note « 1.3.3 - Dépréciation des actifs » de l'annexe des comptes consolidés. Lorsque la valeur recouvrable est inférieure à la valeur nette comptable, cette dernière est ramenée à la valeur actuelle par la comptabilisation d'une dépréciation.

Les actifs incorporels et corporels du sous-groupe Force Hydraulique Antillaise ont fait l'objet d'un test de dépréciation selon les modalités décrites dans la note « 1.3.3 - Dépréciation des actifs » de l'annexe des comptes consolidés.

Nous avons examiné les modalités de mise en œuvre de ce test ainsi que la cohérence d'ensemble des hypothèses utilisées, revu les calculs conduisant à l'absence de dépréciation comptabilisée et nous avons vérifié que la note « 5 - Immobilisations corporelles » de l'annexe des comptes consolidés donne une information appropriée.

Comme indiqué dans la note « 1.3 - Estimations, jugements et principes comptables » de l'annexe des comptes consolidés, ces estimations reposent sur des hypothèses qui ont par nature un caractère incertain, les réalisations étant susceptibles de différer parfois de manière significative des données prévisionnelles utilisées.

Vérifications spécifiques

Nous avons également procédé, conformément aux normes d'exercice professionnel applicables en France, aux vérifications spécifiques prévues par les textes légaux et réglementaires des informations relatives au groupe, données dans le rapport de gestion du Président.

Nous n'avons pas d'observation à formuler sur leur sincérité et leur concordance avec les comptes consolidés.

Responsabilités de la direction et des personnes constituant le gouvernement d'entreprise relatives aux comptes consolidés

Il appartient à la direction d'établir des comptes consolidés présentant une image fidèle conformément au référentiel IFRS tel qu'adopté dans l'Union européenne ainsi que de mettre en place le contrôle interne qu'elle estime nécessaire à l'établissement de comptes consolidés ne comportant pas d'anomalies significatives, que celles-ci proviennent de fraudes ou résultent d'erreurs.

Lors de l'établissement des comptes consolidés, il incombe à la direction d'évaluer la capacité de la société à poursuivre son exploitation, de présenter dans ces comptes, le cas échéant, les informations nécessaires relatives à la continuité d'exploitation et d'appliquer la convention comptable de continuité d'exploitation, sauf s'il est prévu de liquider la société ou de cesser son activité.

Les comptes consolidés ont été arrêtés par le Président.

Responsabilités des commissaires aux comptes relatives à l'audit des comptes consolidés

Il nous appartient d'établir un rapport sur les comptes consolidés. Notre objectif est d'obtenir l'assurance raisonnable que les comptes consolidés pris dans leur ensemble ne comportent pas d'anomalies significatives. L'assurance raisonnable correspond à un niveau élevé d'assurance, sans toutefois garantir qu'un audit réalisé conformément aux normes d'exercice professionnel permet de systématiquement détecter toute anomalie significative. Les anomalies peuvent provenir de fraudes ou résulter d'erreurs et sont considérées comme significatives lorsque l'on peut raisonnablement s'attendre à ce qu'elles puissent, prises individuellement ou en cumulé, influencer les décisions économiques que les utilisateurs des comptes prennent en se fondant sur ceux-ci.

Comme précisé par l'article L.821-55 du code de commerce, notre mission de certification des comptes ne consiste pas à garantir la viabilité ou la qualité de la gestion de votre société.

Dans le cadre d'un audit réalisé conformément aux normes d'exercice professionnel applicables en France, le commissaire aux comptes exerce son jugement professionnel tout au long de cet audit. En outre :

- il identifie et évalue les risques que les comptes consolidés comportent des anomalies significatives, que celles-ci proviennent de fraudes ou résultent d'erreurs, définit et met en œuvre des procédures d'audit face à ces risques, et recueille des éléments qu'il estime suffisants et appropriés pour fonder son opinion. Le risque de non-détection d'une anomalie significative provenant d'une fraude est plus élevé que celui d'une anomalie significative résultant d'une erreur, car la fraude peut impliquer la collusion, la falsification, les omissions volontaires, les fausses déclarations ou le contournement du contrôle interne ;
- il prend connaissance du contrôle interne pertinent pour l'audit afin de définir des procédures d'audit appropriées en la circonstance, et non dans le but d'exprimer une opinion sur l'efficacité du contrôle interne ;
- il apprécie le caractère approprié des méthodes comptables retenues et le caractère raisonnable des estimations comptables faites par la direction, ainsi que les informations les concernant fournies dans les comptes consolidés ;
- il apprécie le caractère approprié de l'application par la direction de la convention comptable de continuité d'exploitation et, selon les éléments collectés, l'existence ou non d'une incertitude significative liée à des événements ou à des circonstances susceptibles de mettre en cause la capacité de la société à poursuivre son exploitation. Cette appréciation s'appuie sur les éléments collectés jusqu'à la date de son rapport, étant toutefois rappelé que des circonstances ou événements ultérieurs pourraient mettre en cause la continuité d'exploitation. S'il conclut à l'existence d'une incertitude significative, il attire l'attention des lecteurs de son rapport sur les informations fournies dans les comptes consolidés au sujet de cette incertitude ou, si ces informations ne sont pas fournies ou ne sont pas pertinentes, il formule une certification avec réserve ou un refus de certifier ;
- il apprécie la présentation d'ensemble des comptes consolidés et évalue si les comptes consolidés reflètent les opérations et événements sous-jacents de manière à en donner une image fidèle ;
- concernant l'information financière des personnes ou entités comprises dans le périmètre de consolidation, il collecte des éléments qu'il estime suffisants et appropriés pour exprimer une opinion sur les comptes consolidés. Il est responsable de la direction, de la supervision et de la réalisation de l'audit des comptes consolidés ainsi que de l'opinion exprimée sur ces comptes.

Mérignac et Bordeaux, le 19 avril 2024

KPMG SA	BSF AUDIT
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