

Interim Report 2022

tion-renewables.com

TION

2022H1 Overview

€'000	2022H1	2021H1
Revenue	17,811	6,311
Cash flow from operating activities	12,067	4,121
Adjusted operating EBITDA	14,158	4,998
Adjusted operating EBIT	7,538	1,021
Earnings per share (€)	0.03	-0.23



44%

Germany



18%

Netherlands



5%

Czech Republic



31%

Poland



2%

Italy

166
MW



58%



42%

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01.

Preface of the Management Board

Dear Shareholders,

Ladies and Gentlemen

The first half of 2022 was an exciting period for our company and similarly, a lot has happened between June 30, 2022, and today. All of this creates the basis for our future to be even more exciting and promising than our rapid growth in the last three years.

We are particularly pleased to present this half-year report as Tion for the first time, we expect the renaming to Tion Renewables AG to officially become effective shortly. Why are we renaming our company, even though we have grown so rapidly in recent years and this growth story is associated with our old name Pacifico Renewables Yield AG? The answer can be found in the keywords that are in our name:

“Tion” is the last part of the term energy transition. The energy transition offers us more opportunities than ever, and we want to embrace them and grow beyond simply operating solar and wind parks. In addition, the ending “-tion” can be found in other expressions, which can be used to describe our ambitions.

ACCELERATION: Our ambition is to accelerate the energy transition. The transaction with clearvise AG serves as an example of how we, together with the management of clearvise AG, want to reach the next level.

INNOVATION: The success of the energy transition will depend on new and innovative technologies. With our upcoming entry into the battery storage market, we want to make an active contribution to this.

MOTION: We want to be an agile and adaptable company. We want to remain dynamic as a company on the move in order to benefit from new opportunities.

In addition, the new name also contains the word “Ion”. Ions are associated with electrical charge and are intended to describe the context of our corporate activity - energy.

The renaming of our company is thus an expression of our growing ambitions and goes hand in hand with the strategic development of our business model. We aim to develop our company into a modern and dynamic company to become an energy transition investment company of tomorrow.

Investments in green, scalable technologies such as battery storage systems form the primary focus of this strategic expansion. The energy transition offers so many additional promising opportunities beyond the mere operation of solar and wind parks. While it is clear that renewables will be at the center of the energy transition, more and more investments will be needed beyond that as the expansion of renewables continues. It is expected that more than 70% of the investment needed in the energy transition by 2050 will go to areas outside of renewables. This impressively represents the potential of these areas. In addition to topics that we currently believe are still on the way to economic scalability, such as CO2 storage, enabling the integration of more and more renewables into our power grid is already an important topic today. It is in this context that battery storage comes into play. Due to the rapid expansion of e-mobility, large-scale battery storage systems already represent cost-effective solutions for stabilizing the grid and are increasingly being expanded in certain markets.



We see great future potential in this technology and therefore want to invest in this area at an early stage. The prospective bundling of the operation of utility-scale onshore solar and wind parks in Europe in clearvise AG serves to concentrate both monetary and human resources on this topic. As an anchor shareholder, we will continue to benefit from the operation of utility-scale onshore solar and wind parks in Europe through the investment in clearvise AG.

Our strategic expansion is based on the establishment of a profitable wind and solar portfolio with an installed capacity of 166 MW, which we built up in less than three years. In the first half of 2022, sales increased by almost 182% to €17.8 million (2021H1: €6.3 million). With adjusted operating EBITDA of €14.2 million (margin: 79%) and adjusted operating EBIT of €7.5 million (margin: 42%), our operating margins remained stable, while our portfolio and operating profit grew significantly compared to the first half of 2021. This operating result is accompanied by cash flow from operating activities of €12.1 million. After achieving a positive

consolidated result for the first time in 2021 with a profit of €643,800 and earnings per share of €0.17, profitability will continue in the first half of 2022 with a half-year result of €128,230 and earnings per share of €0.03. Combining profitability and growth in the infrastructure sector is a challenge that we mastered early on. We will continue to apply financial discipline to the strategic expansion of our company. Our profitability is not only due to the positive impact of higher electricity prices, but also to the recent optimization of our capital structure and the simplification of our corporate structure as part of the issuance of our first green loan in February this year.

The need to address global warming and become independent of fossil fuels has never been greater. Our strategic evolution into a company dedicated to the whole energy transition is intended to be our response.

We thank you for your trust and look forward to continuing our growth path together with you.

Gruenwald, September 30, 2022

Dr. Martin Siddiqui

Christoph Strasser

02.

The Share of Tion

Stable share price performance in the first half of 2022

In the first half of the year, the capital markets were mainly impacted by the war in Ukraine and disruptions in global supply chains, rising inflation and the monetary policy of central banks.



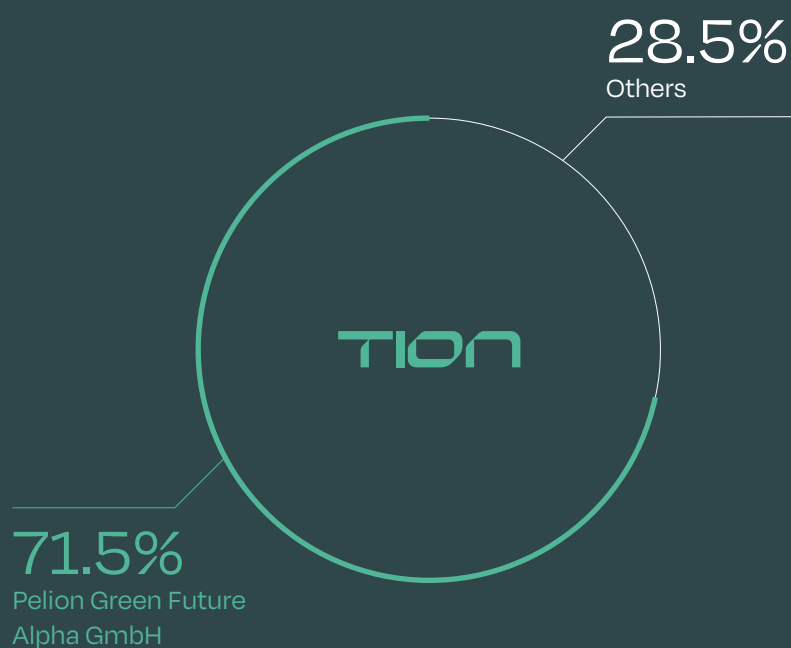
Compared with relevant indices (SDAX, DAX 50 ESG), the share of Tion outperformed the benchmark indices in the first half of 2022.

Currently, four brokers are offering research coverage, all of which have a recommendation to buy the share of Tion.

Broker	Analyst	Date	Price Target	Rating
Warburg Research	Jan Bauer	Aug. 08, 2022	€47.0	Buy
Berenberg	Igor Kim	Jul. 27, 2022	€42.0	Buy
Hauck & Aufhäuser	Simon Jouck	Jul. 12, 2022	€47.0	Buy
Stifel	Martin Tessier	Jul. 11, 2022	€41.5	Buy

Shareholder Structure

August 26, 2022



03.

Interim Group Management Report

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3.1. Company Profile

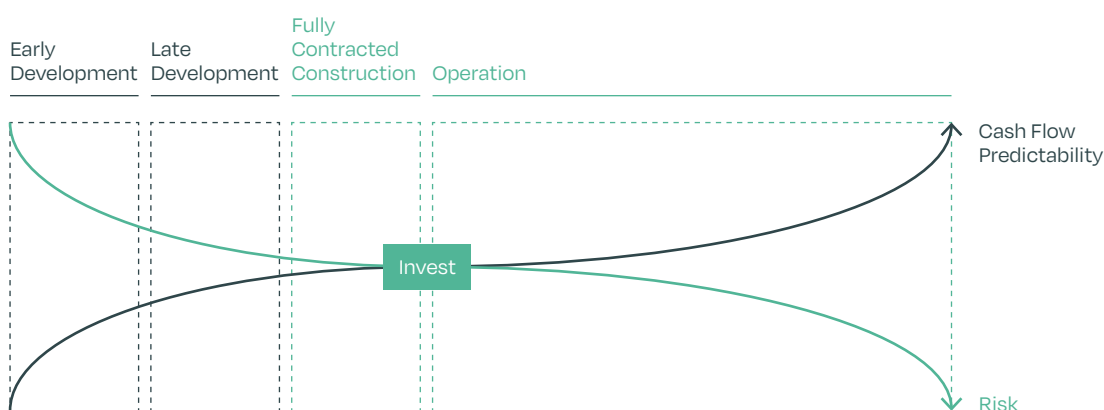
Tion Renewables AG (currently in the process of being renamed from Pacifico Renewables Yield AG, the new name will become effective upon entry in the commercial register, "Tion") prepares its consolidated financial statements in accordance with the accounting principles of the International Financial Reporting Standards (IFRS).

3.1.1. Business Model and Further Development

Tion, including its subsidiaries, ("Group") is an independent power producer from renewable resources that is evolving into a company that invests in the energy transition on a broader basis. In the first half of 2022, the Group managed a portfolio of solar and wind parks¹ with a current capacity of 166 megawatts ("MW") in four member states of the European Union.

Origins of the business model

The efficiency gain from separating development risks from other activities, in particular the operation of the plants, in the life cycle of solar parks and wind parks is anchored in the Group's business model. The investment focus is on the acquisition of solar and wind parks that are already in operation or in the construction phase and benefit from contractually secured revenues. This clear profile makes it possible to generate stable and predictable cash flows while avoiding development risks.



As a cornerstone of its acquisition strategy, the Group has contractually secured priority access to over five gigawatts of projects developed by its partners, acting as a platform to the capital markets for small and mid-sized developers.

¹"Wind Parks" refers to onshore wind farms. "Solar parks" refers to photovoltaics.

Further into a company for investments in the energy transition

The Group aims to expand its business model in order to evolve from a company grown in the renewable energy space to a modern company investing into the entire energy transition.

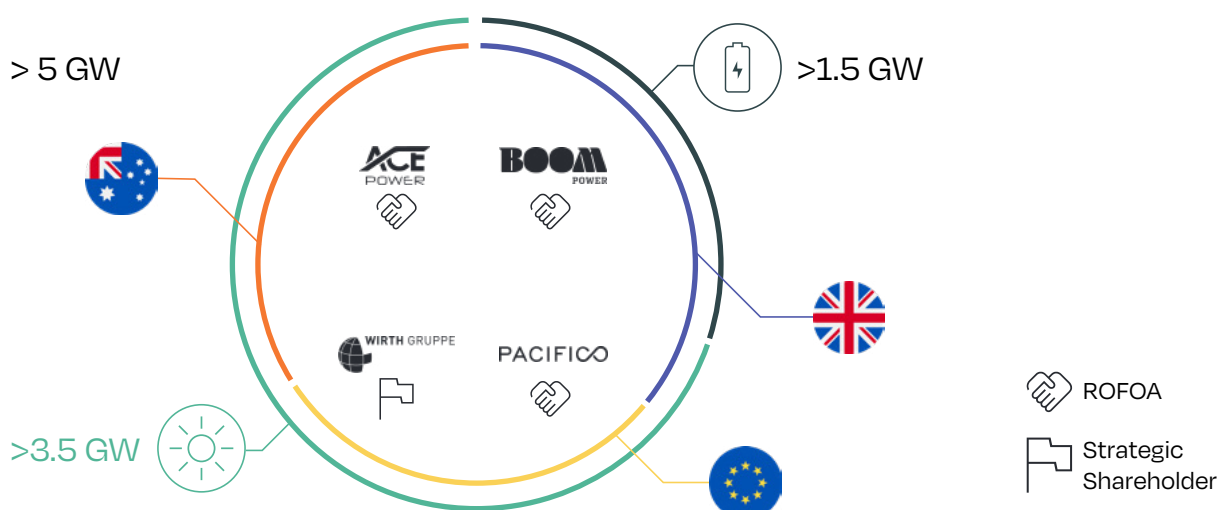
New strategic initiatives are designed to enable the Group to move beyond renewables into investments in other green and scalable technologies, as well as to offer tailored solutions - unconstrained by its own balance sheet - for institutional investors to take advantage of the full breadth of opportunities within the energy transition and the Group's significantly grown pipeline.

As part of this, the Group has acquired a percentage of 21.9% in clearvise AG and intends to increase this stake in a second step through a contribution in kind of its portfolio of utility-scale solar and wind parks in Europe to clearvise AG in exchange for additional shares and cash, which would create the second largest listed independent producer of renewable power (IPP) in Germany with Tion as a strong anchor shareholder.

This strategic expansion will focus primarily on future investments in green and scalable technologies such as battery storage. In order to facilitate focussing both monetary and human resources on this topic, it is intended to eventually bundle the operation of utility-scale onshore wind and solar parks in Europe in clearvise AG. As an anchor shareholder, the Tion will continue to benefit from the operation of utility-scale onshore wind and solar parks in Europe through its investment in clearvise AG. The combination of both portfolios in clearvise AG is advantageous for both parties, for the Group as the significant shareholder and clearvise as the operator, as a variety of economies of scale can be realized from this. Above all, this would entail a higher debt sustainability of the portfolio or an earlier ability of clearvise AG to pay dividends. As one synergy of this overall transaction, both the Group and clearvise AG will be able to benefit from the Group's pipeline.

3.1.1.1. Pipeline

For the Group, contractually secured priority access to projects developed by the Group's partners is of strategic importance in order to benefit from high visibility on growth opportunities, to selectively acquire projects and to not be dependent on a specific partner.



3.1.1.2. Partnerships

BOOM POWER

The Group entered into a first offer agreement ("**Boom ROFOA**") with Boom Power Ltd and Boom Developments Ltd ("**Boom Power**"), a solar park and energy storage developer based in the United Kingdom, in March 2021.

The partnership grants the Group priority access to Boom Power's pipeline of solar and battery storage power plants in the United Kingdom, which are being developed by an experienced team of industry experts who have collectively developed and built more than one gigawatt of solar energy internationally.

Under the Boom ROFOA, the Group will have the right, but not the obligation, to make the first offer to acquire a renewable energy or energy storage project developed by Boom Power. The close partnership and the ability to acquire projects prior to their commercial operation date allows the Group to design customized power purchase and financing arrangements.

ACE POWER

The Group entered into a first offer agreement ("**ACE ROFOA**") with ACE Power Development Pty Ltd and ACE Power Operations Pty Ltd ("**ACE Power**"), a renewable energy project developer based in Australia, in October 2021.

Under this partnership, the Group obtains priority access to ACE Power's pipeline, consisting primarily of solar and battery storage power plants in Australia.

The ACE ROFOA gives the Group the right, but not the obligation, to make the first offer to acquire projects developed by ACE Power once a project is deemed ready for construction. In close consultation, ACE Power and the Group will draft the financing and power purchase agreements prior to the date of commercial operation in order to closely align the financial structure with the Group's requirements as the long-term owner of the assets.

PACIFICO PARTNERS

In addition, a First Offer Agreement has been entered into between the Group, Pacifico Energy Partners GmbH and Pacifico Green Development GmbH ("**Pacifico Partners**", the "**PEP ROFOA**"). Pacifico Partners is a developer, intermediary of investment properties and operator of solar and wind parks with a capacity between 1 and 150 MW, whose focus is on development projects distributed across Europe at different project stages.

The Group has contractually secured priority access to projects developed by Pacifico Partners through the PEP ROFOA. The collaboration with Pacifico Partners, the Group's first partner, has been key to growing the Group's portfolio to its current size. The Group's partnership with Pacifico Partners extends beyond the initial offering agreement to include the operational management of solar and wind parks and the brokerage of investment properties.

WIRTH GROUP

Through a contribution in kind, the two managing partners of WIRTH GROUP, Markus and Andreas Wirth, became strategic shareholders and long-term partners of the group in July 2022. Together with their team, the Wirth brothers have internationally developed and built solar plants with an installed capacity of more than 2 GW as well as large battery storage systems. With them, the group gains two pioneers of the German solar industry as strategic shareholders.

There is no initial offer agreement between the Group and WIRTH GROUP, but a declaration of intent for a long-term partnership was signed. The development activities of the WIRTH GROUP as well as the existing portfolio of the Wirth brothers shall give the group the opportunity to further expand its portfolio by acquiring ready-to-build and ready-to-operate solar plants in Germany and abroad.

3.1.2. Portfolio

In the first half of 2022, the Group's 40 solar parks and wind parks generated 168.1 GWh of electricity, resulting in revenues of €17.8 million. In terms of installed capacity, the Group's operating portfolio is diversified by technology (42% solar- and 58% wind plants) and country (46% Germany, 33% Poland, 19% Netherlands, and 2% Italy).

As the Group sold its Czech portfolio of four solar parks in July 2022, the revenues of these solar parks were collected until this date, but from an accounting perspective, the segment is considered a discontinued operation, which is why the result of this segment is reported in a separate line in the income statement. Considering the discontinued Czech Republic segment, this means that in the first half of 2022, 44 of the Group's solar- and wind parks generated 172.6 GWh of electricity, resulting in revenue of €21.2 million.

3.1.3. Group Structure

Tion is the parent company of the Group. As of June 30, 2022, it directly or indirectly holds 100% of the shares in 37 companies² ("subsidiaries"), which are fully consolidated in the Group's financial statements.

²four Czech companies sold in July 2022

3.2. Economic Report

3.2.1. Energy Transition

The term energy transition describes the fundamental turnaround in global energy supply, away from nuclear energy and fossil fuels such as coal, oil and gas and towards renewable energy resources such as wind power, solar energy, hydropower, biomass and geothermal energy. The goal of the energy transition is to ensure long-term sustainable energy production to counteract climate change.

According to the World Energy Transition Outlook 2022: 1.5°C Pathway, published by the International Renewable Energy Agency ("**IRENA**"), the total investment needed in the energy transition by 2050 is \$114.3 billion to achieve the goal of limiting global warming to 1.5°C. Of this, \$28.4 billion, or 24.8%, is for expanding renewable electricity generation capacity, including solar, wind, bioenergy, geothermal, and hydropower. This means that \$85.9 billion, or 75.2% of the required investment, must be invested not in expanding renewables, but in other technologies such as hydrogen, battery storage, and carbon sequestration.³

In addition to these climate policy-driven developments, current geopolitical events are also leading to an acceleration of the energy transition. The Russian invasion of Ukraine in February 2022 and the associated tension in the market for fossil resources drove energy prices to new record high

in the first half of 2022. Russia remains one of the world's largest producers of fossil fuels and the world's largest exporter of gas. This also had a particularly strong impact on the European energy market, which is heavily dependent on Russian energy producers. In 2020, for example, Europe sourced 30% of its gas and 20% of its oil from Russia.⁴ In addition, high energy prices significantly weakened economic growth.⁵ This negative development in the first half of 2022 underscores the relevance of switching to resilient, independent and renewable energy production. This can both reduce the risk of a renewed energy crisis and ensure a stable energy supply, which is the basis for long-term sustainable economic growth.⁶

These climate- and geopolitically driven developments are also reflected in current figures. According to the latest Renewable Energy Investment Tracker from Bloomberg New Energy Finance ("**BNEF**"), investments in renewable energy rose to an all-time high of \$226 billion in the first half of 2022, the vast majority of which went into project development. Year-on-year, investments in solar projects increased by 33% while investments in wind projects saw a 17% increase. With an investment volume of \$98 billion in the first half of 2022, China once again represents the largest growth market for renewable energy projects.⁷

³ IRENA. World Energy Transitions Outlook 2022: 1.5°C Pathway. March 2022.

⁴ IEA. Electricity Market Report. July 2022.

⁵ IMF. World Economic Outlook (imf.org).

⁶ NYT. <https://www.nytimes.com/2021/09/27/business/economy/china-electricity.html>.

⁷ Renewable Energy Investment Tracker 2H 2022. BloombergNEF. August 2022.

3.2.2. Macro Economic Environment

Economic growth

Economic growth in 2022 is estimated at 3.2% worldwide and 2.6% in the euro zone. Some European countries recovered more quickly than others from the effects of the Covid 19 pandemic. For example, growth in the United Kingdom is estimated at 3.2%, in France at 2.3%, in Italy at 3.0% and in Spain at 4.0%, while the economy in Germany is expected to grow only by an estimated 1.2%. This is due to high inflation and the increasing risk of recession, which are driven by the ongoing Ukraine war. For 2023, the International Monetary Fund ("IMF") forecasts growth rates of 2.9% globally and 1.2% in the euro area.⁸

Although the IMF expects all major economies to grow in 2022, there are still some downside risks. The emergence of new COVID-19 variants and the war in Ukraine could lead to renewed economic disruptions such as supply chain disruptions, energy price volatility, and uncertainties around fiscal policy and inflation. This has led the IMF to lower its 2022 global growth forecast to 3.2% from 3.6% in April 2022 in its update in July 2022.⁹

European monetary and economic policy

To mitigate the economic impact of the pandemic and accelerate the recovery, the European Central Bank ("ECB") has adopted expansionary monetary policy measures. In March 2020, it announced the €750 billion Pandemic Emergency Purchase Program ("PEPP")¹⁰, which aims to keep financing conditions in the euro area favorable by purchasing financial assets, including government bonds, in the secondary market. In March 2021, the Governing Council announced that the total volume of the program would be increased by €1.85 billion and would run until March 2022.¹¹ In March 2022, the PEPP program expired; nevertheless, principal repayments from maturing securities purchased

under the PEPP will continue to be reinvested until at least the end of 2024, and net purchases could resume to counter any negative effects of the pandemic.¹² In addition, in June 2022, the ECB enacted the Transmission Protection Instrument ("TPI"), which allows the ECB to purchase unlimited amounts of its members' government bonds to counter what the ECB sees as unwarranted, disorderly market dynamics.¹³ This lowers the borrowing rates of the purchased government bonds. As a result, the ECB made bond purchases of approximately €17.3 billion in August 2022, of which €9.3 billion was invested in Italian bonds alone. The spread between German and Italian bonds subsequently fell from 2.5% to 2.1%.¹⁴

Another important factor in the economic recovery in Europe is fiscal policy. Almost all European governments have adopted national stimulus programs in various forms. In addition, the European Commission ("EC") has adopted a temporary economic stimulus package of €750 billion (€806.9 billion in inflation-adjusted current prices)¹⁵ in 2020 called Next Generation EU.¹⁶ This instrument, after being ratified by all European Union ("EU") member states during 2021, will provide funding for investments in sustainable infrastructure and the digital transformation of member states and is intended to strengthen economic cohesion within the EU. The largest net beneficiaries of the program, which will be funded through debt raised directly from the EU Commission, are Spain and Italy, which experienced the most severe economic contractions in 2020. The investments will be spread over the period 2021 to 2027.

To achieve the goal of complying with the 2% inflation target in the medium term, the ECB decided to increase three elementary ECB interest rates by 75 basis points. In the process, the main refinancing rate was raised to 1.25%, the marginal lending rate to 1.50% and the deposit rate to 0.75%. Furthermore, the ECB is looking at ways to pay interest on excess liquidity.¹⁷

⁸ IMF. World Economic Outlook. Update July 2022.

⁹ IMF. World Economic Outlook. Update July 2022.

¹⁰ ECB. Press Release. <https://www.ecb.europa.eu/mopo/implement/pepp/html/index.en.html>. March 2020.

¹¹ ECB. Economic Bulletin. <https://www.ecb.europa.eu/pub/economic-bulletin/html/eb202102.en.html>. March 2021.

¹² ECB. Press Release. <https://www.ecb.europa.eu/press/pr/date/2022/html/ecb.mp220203~90f9e94662.en.html>. February 2022.

¹³ ECB. Press Conference. <https://www.ecb.europa.eu/press/pressconf/2022/html/ecb.is220721~51ef267c68.en.html>.

¹⁴ Tagesschau. <https://www.tagesschau.de/wirtschaft/finanzen/ezb-italien-anleihen-101.html>. August 2022.

¹⁵ ECB. Recovery Plan for Europe. https://ec.europa.eu/info/strategy/recovery-plan-europe_en.

¹⁶ ECB. Recovery Plan for Europe. https://ec.europa.eu/info/strategy/recovery-plan-europe_en.

¹⁷ ECB. Pressemitteilung. <https://www.ecb.europa.eu/press/pr/date/2022/html/ecb.mp220908~c1b6839378.de.html>.

Inflation

The ECB reports an increase in inflation in the eurozone to 8.6% in June; 8.9% in July and 9.1% in August 2022. According to the ECB, this increase

is mainly due to the sharp rise in energy and food prices as a result of the Ukraine war. In addition, inflation is being exacerbated by supply bottlenecks for industrial products as well as rising demand in the services sector.^{18 19}

3.2.2.1. Political Conditions

Global and EU-wide agreements on the climate crisis and energy transition.

The UN Climate Change Conference 2021 (COP26), held in Glasgow in November 2021, brought together leaders and delegates from around the world to discuss the various dimensions of climate change. After two weeks of negotiations, the Glasgow Climate Pact was signed. It highlights the need to reduce carbon dioxide emissions by 45% by 2030 in order to achieve net zero emissions by 2050. It also calls on countries to submit more stringent national action targets by 2022 to limit temperature increases to well below 2°C, with a target of 1.5°C.²⁰ Although more than 50 countries and the entire European Union pledged at COP26 to achieve net-zero emissions targets, these pledges cannot be considered secure. In a scenario modeled by the International Energy Agency of the announced pledges, global emissions begin to decline when annual additions of solar and wind power reach 500 GW by 2030.²¹ Assuming the scenario that all countries meet their stated climate goals, global emissions would begin to decline in 2030. To make this possible, the annual addition of solar and wind power plants would have to be at least 500 GW. In this scenario, energy-related emissions would fall by 40% by 2050.²²

In December 2019, the EU Commission presented the European Green Deal, a new policy directive to combat climate change and promote sustainable

growth. Among other things, the Green Deal aims to provide clean, affordable and secure energy and mobilize industry for a clean circular economy. With this guideline, the EU Commission aims to make Europe the first climate-neutral continent by 2050, with the participation of various economic sectors and scientific disciplines.²³ In December 2020, the European Council agreed on a new EU target to reduce greenhouse gas emissions by at least 55% by 2030, which was proposed by the EU Commission as part of a planned European climate law in connection with the Green Deal.²⁴ In May 2021, a provisional agreement proposed by the EU Council and Parliament was approved and adopted as a European climate law. The agreement enshrines in law the goal of reducing greenhouse gas emissions by 2030 by at least 55%, and the goal of climate neutrality by 2050 for the European Union.²⁵ Proposals and initiatives to update legislation to meet the 2030 target are part of the "Fit for 55" package. This includes a proposal to increase the 2030 target share of renewable energy sources in energy production from 32% to 40%.²⁶

In July 2020, the Taxonomy Regulation came into force, setting environmental targets and forming the basis for the EU Taxonomy, a classification system for sustainable economic activities. The Delegated Regulation on EU Climate Taxonomy, adopted in June 2021, provides a clearer understanding of which activities best contribute to meeting EU environmental targets.²⁷ In February

¹⁸ ECB. Pressekonferenz. <https://www.ecb.europa.eu/press/pressconf/2022/html/ecb.is220721~51ef267c68.de.html>.

¹⁹ Eurostat. August 2022.

²⁰ <https://www.un.org/en/climatechange/cop26>.

²¹ IEA. World Energy Outlook 2021. October 2021.

²² IEA. World Energy Outlook 2021. October 2021.

²³ European Commission. The European Green Deal. https://ec.europa.eu/info/strategy/priorities-2019-2024/european-green-deal_en.

²⁴ European Council. <https://www.consilium.europa.eu/en/policies/green-deal/timeline-european-green-deal/>.

²⁵ European Council. <https://www.consilium.europa.eu/en/press/press-releases/2021/05/05/european-climate-law-council-and-parliament-reach-provisional-agreement/>.

²⁶ European Council. <https://www.consilium.europa.eu/en/policies/green-deal/eu-plan-for-a-green-transition/>.

²⁷ European Commission. https://ec.europa.eu/info/business-economy-euro/banking-and-finance/sustainable-finance/eu-taxonomy-sustainable-activities_en.

2022, the European Commission established specific conditions under the Delegated Regulation on Climate Change under which activities in the nuclear and gas sectors are also covered by the EU taxonomy.²⁸

Further energy policy developments in Europe

Many EU member states and other European countries have committed to measures to phase out conventional power plants, particularly coal-fired power plants. Nearly 100 GW of coal-fired power generation capacity is expected to be retired in Europe between 2022 and 2030.²⁹ Coal-fired power plants have already been completely taken offline in four EU countries, and the newly elected German government announced that a complete phase-out will be achieved by 2030 instead of 2038 as previously planned.³⁰

Several EU countries, such as Germany and Belgium, are also in the process of phasing out nuclear power. Other EU members, including France, Hungary and the Czech Republic, are planning to expand existing nuclear power plants.³¹ In a controversial decision, the European Commission announced in February 2022 that both natural gas and nuclear energy can be considered sustainable if they meet certain criteria. This has led to opposition in countries such as Germany, Austria, Luxembourg and Spain.³²

In addition to public sector efforts, renewable energy is also experiencing strong support from the private sector. This support is reflected, for example, in the RE100 initiative. To date, more than 340 major international companies have joined this initiative and are pursuing the goal of sourcing 100% of the electricity they consume from renewable energy sources by 2040 at the latest.³³ Some major technology groups are going even further and want to use carbon-free energy around the clock from 2030, which means that every kilowatt hour of electricity consumed must be obtained from carbon-free sources.³⁴

Measures taken by the EU and EU member states in response to high electricity market prices

The trend toward higher electricity prices has intensified in recent months due to the increasing scarcity of fossil fuels, especially natural gas. Even before its war of aggression on Ukraine, Russia had begun reducing gas exports to the European Union, making energy in Europe more expensive.³⁵ Since demand for electricity is inelastic, market prices rose sharply. Compared to times of cheap gas imports from Russia and low CO2 allowance prices in the European Union, average electricity market prices in most European countries have multiplied. In the summer of 2022, the outage of many French nuclear power plants due to maintenance and low water in the rivers needed for cooling also contributed to this.³⁶ These price signals are an incentive to reduce consumption of electricity and gas in areas with potential for savings. However, for some consumers, especially residential consumers, the increased prices are too much of a burden. Political support measures are needed to protect these consumers from the effects of high electricity prices.

Since the beginning of the year, subsidies have been introduced or taxes reduced in many European countries to provide relief for consumers affected by rising electricity prices. For example, governments in Spain and Portugal began subsidizing the use of natural gas in electricity production, which resulted in lower electricity prices for consumers as well as an increase in gas consumption.³⁷ Initially, these relief measures were financed from regular government budgets. In September, the EU Commission published a proposal to finance far-reaching state subsidies for private and industrial electricity consumers through special levies on energy producers. In addition to an excess profits tax for petroleum companies, it is planned to skim off the sales of electricity producers if they exceed a maximum value of EUR 180/MWh.³⁸ Electricity produced from natural gas or hard coal is excluded, as the marginal costs of some producers in this area are above the maximum value. The measure is to be valid from December

²⁸ European Commission. https://ec.europa.eu/info/publications/220202-sustainable-finance-taxonomy-complementary-climate-delegated-act_en.

²⁹ Bloomberg New Energy Finance.

³⁰ <https://beyond-coal.eu/coal-exit-timeline/>.

³¹ <https://www.wired.com/story/europe-nuclear-power-plants/>.

³² BBC. <https://www.bbc.com/news/world-europe-60229199>.

³³ RE100. <https://www.there100.org/re100-members>.

³⁴ UN. The 24/7 Carbon Free Energy Compact.

³⁵ <https://www.politico.eu/article/russia-energy-eu-prices-gas-vladimir-putin-ukraine-war-sanctions/>.

³⁶ <https://www.energyquantified.com/blog/french-nuclear-outages-winter-2022-23-and-power-balance-outlook>.

³⁷ <https://www.bloomberg.com/news/articles/2022-08-17/spain-burns-more-gas-in-costly-setback-to-drive-for-clean-power#xj4y7vzkg>.

³⁸ https://ec.europa.eu/commission/presscorner/detail/en/ip_22_5489.

1, 2022, and until March 31, 2023, and is to be implemented by member states. Member states have the option to set technology-specific caps below EUR 180/MWh.

Producers of renewable electricity are affected by this measure, provided they sell electricity at current market prices. While it is expected that the cap will continue to allow profitable operation of the affected solar and wind parks, the measure increases uncertainty for investments in the European Union. Following these short-term measures, the EU Commission intends to develop a proposal for a more in-depth reform of

the European electricity market. The merit order system, in which, as in other commodity markets, the marginal costs of the most expensive producer still needed to meet demand determine prices, is to be fundamentally reconsidered. Such a reform may offer long-term opportunities for operators of solar and wind parks and electricity storage facilities if the new market mechanisms are better tailored to these technologies, thereby opening up new revenue streams. In the meantime, however, uncertainty for long-term investments is increasing.

3.2.2.2. Technological Conditions and Developments

Renewable Energies

Over the past decade, solar and onshore wind generation have benefited from technological advances and economies of scale. As a result, these renewable energy sources have become increasingly competitive with conventional technologies. For example, the global levelized cost of electricity ("LCOE") for solar power has declined from \$304 per megawatt-hour ("MWh") in 2009 to \$45 per MWh in 2022, a decrease of nearly 85%.³⁹ However, compared to 2021, costs increased marginally by 12.5% from \$40. Onshore wind LCOE decreased by 50% from \$93 per MWh in 2009 to \$46 per MWh in 2022 but increased by 7% from 43 compared to 2021. As a result of this significant cost reduction, the LCOE for solar and onshore wind are now mostly within or below the fossil fuel cost range. For 2022, fossil fuel LCOEs range from \$74 per MWh for coal to \$81 per MWh for combined cycle gas turbines ("CCGT"). Large battery storage (with a runtime of 4 hours) has also seen a sharp decline in LCOE from \$721 per MWh in 2012 to \$153 per MWh in 2022.³⁹ However, year-over-year costs increased 8.5% from \$141.⁴⁰

Over the past 15 years, renewable energy output has increased tremendously. In 2006, solar and wind power generated only 6 TWh and 133 TWh, respectively, worldwide. By 2020, renewable energy production had increased to 833 TWh for solar and

nearly 1,600 TWh for wind.⁴¹ In 2021, 17 GW of new wind capacity was installed in Europe (including 14 GW onshore), for a total installed capacity of 236 GW.⁴²

The International Energy Agency ("IEA") reports in its World Energy Outlook 2021 that electricity generation in Europe will be approximately 4,601 TWh in 2030 under the stated policy framework (2020: 3,952 TWh). By 2030, the impact of electrification on demand is expected to be increasingly felt, especially in the road transport and heating sectors.⁴³

Battery storage

The increasing share of wind and solar power in electricity grids is a major challenge for the grid infrastructure. In most grids, coal-fired and nuclear power plants used to provide the base load, and reserve power plants, mostly fueled by natural gas, were used to balance peak loads. In some countries, hydropower also plays an important role, and can provide both base load and peak load, provided reservoirs are full. Since production from wind and solar power cannot be controlled and varies greatly within seconds, hours and throughout the year, the resulting difference between supply and demand must be continuously balanced. One way to do

³⁹ 1H 2022 LCOE Update. BNEF. June 2022.

⁴⁰ 1H 2022 LCOE Update. BNEF. June 2022.

⁴¹ IEA. World Energy Outlook 2021. October 2021.

⁴² WindEurope. Wind Energy in Europe: 2021 Statistics and the outlook for 2022-2026.

⁴³ IEA. World Energy Outlook 2021. October 2021.

this is through high-capacity transmission grids that can move electricity over long distances from locations with excess generation to those with deficits. The larger a grid's interconnection is, the better fluctuations can be balanced out in this way. In continental Europe, it has so far been possible to integrate wind and solar power into the existing grid. Higher shares, however, would require a significant expansion of the grids, which would not only be very expensive, but would also take too long so as not to slow down the important expansion of renewable energies. Crucial projects, such as the "Südklink" power line, which is intended to increase transmission capacity between northern and southern Germany, are likely to be delayed by 6 years until 2028, partly due to protests by local residents.⁴⁴

An alternative to grid expansion is flexibility solutions such as electricity storage. In countries whose topography is not suitable for pumped hydro storage power plants, lithium-ion batteries are the leading electricity storage technology. Especially in electricity grids that have few connections to the grids of other countries, such as the UK and Australia, battery storage is already being used on a large scale to stabilize grids and partially compensate for fluctuations triggered by wind and solar power.

Volatile energy sources not only burden the grid by producing more or less than is currently needed on an hourly basis. They also remove physical inertia from the grid, which is needed to keep the grid frequency constant. Conventional power plants can briefly compensate for short-term fluctuations in grid frequency caused by sudden changes in production or consumption by rotating their steam turbines at a steady rate. If a production or demand surplus lasts for several seconds, conventional power plants are shut down or permanently held reserve capacities, for example gas-fired power plants, are called up. Volatile energy sources

increase the need for reserve capacity and for control of excess production and do not provide physical inertia to the grid because they do not contain steam turbines. Because production from wind and solar power can change within seconds, reserve capacity must be available quickly.

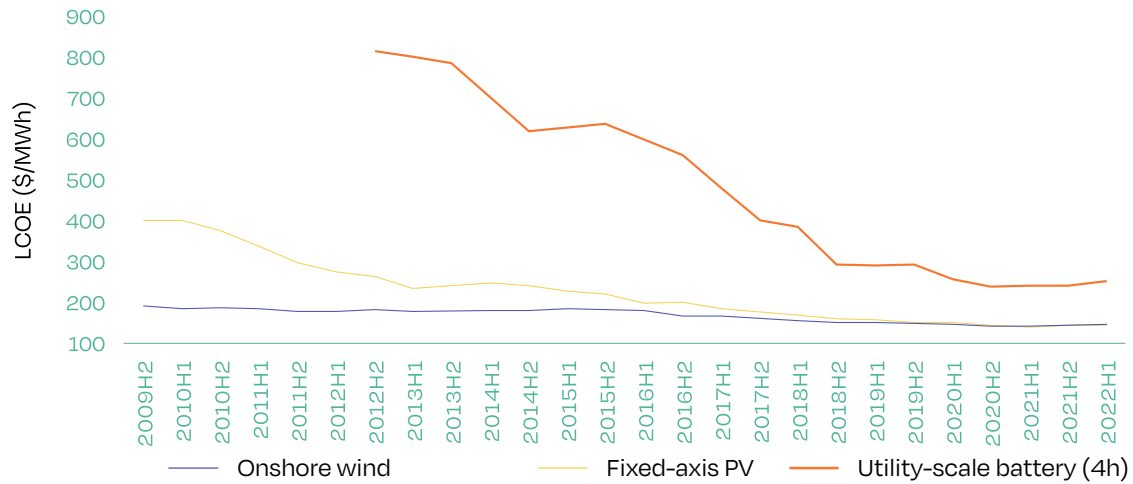
Batteries meet these requirements very well. They can start a charging or discharging process within milliseconds and thus help stabilize the grid frequency. They can also store some of the excess electricity during hours of high production from wind and solar power and feed it back into the grid at a later time when production is lower. In this way, they enable more consistent electricity consumption despite fluctuating production and reduce the volatility of electricity prices on the spot market. In addition, batteries can be connected directly to wind or solar parks to make their feed into the grid more consistent.

Until a few years ago, lithium-ion batteries were too expensive to be used as electricity storage. Due in part to the rise of electromobility, the technology, which has been around since the 1970s in commercial applications such as calculators,⁴⁵ has improved tremendously, and supply chains have also expanded so that costs have plummeted. While the eponymous lithium is contained in the electrolyte of the batteries, various metals can be used for the cathode. Until a few years ago, NMC (nickel-manganese-cobalt) was the most common cathode material. Nowadays, LFP (lithium-iron-phosphate) cathodes are predominantly used for battery storage. These do not contain the scarce and expensive metals nickel and cobalt, and are therefore more suitable for mass production in the long term.

⁴⁴ <https://www.swr.de/swraktuell/baden-wuerttemberg/transnet-stromautobahn-ausbau-verzoegert-100.html>.

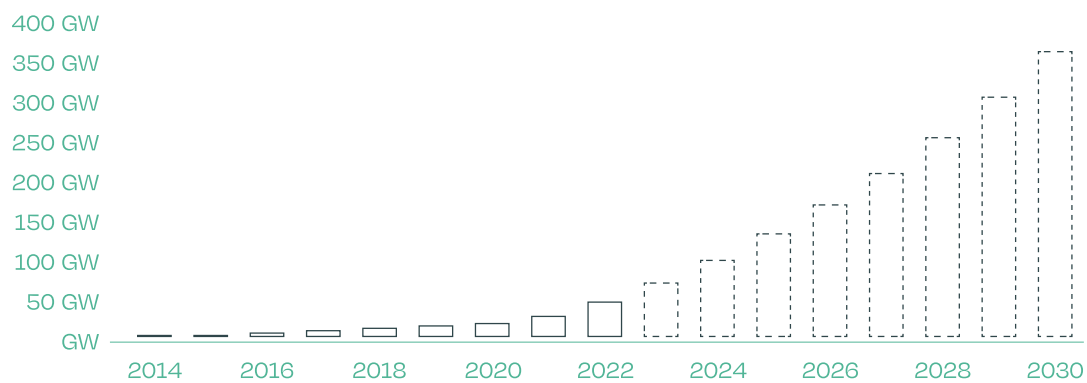
⁴⁵ <https://www.mdpi.com/1996-1944/13/8/1884/html>.

As shown in the figure below, the LCOE for battery storage has decreased even more significantly than for wind and solar since 2010.⁴⁶



Due to these characteristics and the realization that timely grid expansion is not realistic, battery storage is being installed in many countries. As shown in the figure below, BNEF estimates that global installed capacity will increase by an average of 30% per year until 2030.⁴⁷

Global Battery Storage Capacity (GW)



⁴⁶ 1H 2022 LCOE Update. BNEF. June 2022.

⁴⁷ 2022 Energy Storage Market Outlook, BNEF 2022.

3.2.3. Business Performance

3.2.3.1. Significant Events

First green loan to optimize capital structure and finance further growth

On February 26, 2022, Tion through a subsidiary signed a €35 million debut secured green loan private placement with UBS Asset Management. The fixed interest rate of the green loan equals 4.85% and there is no exposure to interest rates. The tenor of the financing is five years from signing with a bullet repayment. Around €26 million was used to refinance existing liabilities and optimize the Group's capital structure. Out of €26 million, around €9.3 million was used to redeem an existing subordinated loan which bore interest at around one percentage point higher than the secured private placement. The refinancing of the existing subordinated loan also enabled a simplification of the Group structure, resulting in significant cost savings. A further approximately €16.5 million was used to refinance the Group's revolving credit facility. This improves the Group's refinancing profile by replacing a short-term revolving credit facility with longer-term financing. In addition, the fixed interest rate contributes positively to the already limited interest rate risk of the Group. The net loan volume remaining after the aforementioned refinancing will be used to finance the further expansion of the Group's existing portfolio and to finance future acquisitions.

Revenue guidance for the 2022 financial year published

On March 31, 2022, Tion announced its revenue guidance for financial year 2022. Management sees significant revenue growth potential in 2022 from the expanded portfolio and high electricity prices. In 2022, the percentage of power production that can be sold at market prices may be as high as 50%, depending on actual production and market conditions. This is based on two main components:

1. Approximately 30% of the expected electricity produced in Poland will be sold at merchant prices in 2022, which are supposed to lie well above historic averages as indicated by current future prices.

2. Solar and wind parks backed by German Feed-in-Tariffs can by design benefit from merchant prices if the monthly reference price exceeds the respective Feed-in-Tariff. Some of the Group's plants located in Germany might as in the recent past continue to benefit from this mechanism.

The Group's revenue guidance is based on already favorable wind conditions combined with high electricity prices in January and February 2022, as well as the possibility of continued high electricity prices. The management board expects revenues to range between €33.0 million and €43.0 million for the 2022 financial year. Even at the lower end of the guidance, revenue would still increase by 50% compared to €22.0 million in 2021. The management anticipates that especially the electricity prices in Poland and Germany, which have reached long-term highs, will drive revenues beyond prior expectations. However, electricity prices are currently subject to substantial volatility, leading to the wide range of revenue expectations. On the sale of its Czech portfolio in July of this year, Management adjusted its revenue forecast for financial 2022 from €33.0 million to €43.0 million to €30.0 million to €40.0 million. This adjustment is based on (i) the deduction of expected revenues from the Czech portfolio, (ii) Group-wide production figures in line with expectations in the year to date in conjunction with high electricity prices, (iii) the possibility of continued high electricity prices, (iv) no reinvestment of the proceeds from the disposal, and (v) the assumption that no further acquisitions will be made.

Successful final acceptance of 14.1 MW solar park in the Netherlands

In October 2021, Tion signed a purchase agreement to acquire a solar park near Hernen in the Netherlands with an expected installed capacity of approximately 14.1 MW. The ground-mounted solar park was developed by the Company's strategic partner, Pacifico Energy Partners GmbH ("Pacifico Partners"). Both parties also agreed to refine and prolong their partnership. The solar park was completed on schedule in the first quarter of 2022 and received final acceptance in mid-May.

The project will benefit from a public support mechanism (SDE+) with a duration of 15 years and has land rights secured for at least 30 years. Once fully operational, the annual electricity production of the plant with an east-west facing module layout is expected to be approximately 12.9 GWh which would result in subsidy-backed revenues of approximately €1.1 million p.a. over the next years.

12 of 13 sustainability targets met in 2021 and new ambitious targets for 2022 and beyond.

The Group's second sustainability report was published on July 6, 2022. This report, the second in the Group's history, shows how Tion, even as a fledgling company, has integrated sustainability as a key element in its growth strategy and explains how sustainability efforts will be made even more ambitious in the future. Furthermore, the report sets out the company's achievements in 2021 and defines what Tion hopes to achieve in 2022 and beyond, for efforts to increase its positive impact on the environment, people and partners, and minimize its negative impact.

The Group achieved all but one of the sustainability targets it set itself for 2021. Tion succeeded in developing its first greenhouse gas inventory, which provides a detailed assessment of the Group's CO₂-emissions and enables the Company to better understand where emissions occur and how they can be reduced. In addition to that, Tion implemented a Group-wide environmental management system ("EMS"). The EMS significantly improves the mitigation of environmental risks and is a further step towards minimizing adverse environmental impacts caused by the Group's operations. On top of that, a social management system has been developed and implemented with the aim to reduce social risks. Moreover, the Group has conducted first compliance trainings that cover the Code of Conduct, the Anti-Corruption Guideline, and the Capital Markets Guideline. Tion has also published the Group's Supplier Code of Conduct. Finally, Tion was able to make progress on its mid-term targets, increasing the share of renewable energy in the Group's electricity consumption from 60.8% in 2020 to 71.4% in 2021, close to its 2023 target of 75% and increasing its renewable energy portfolio by 84 MW to 166 MW, bringing it closer to its 2023 target of 400 MW.

In order to continuously increase its positive impact on the environment, people and partners and to minimize its adverse impacts, the Group has set itself new ambitious targets for 2022 and beyond. Several of the new targets put a special emphasis on improving the cooperation with Tion development partners to ensure environmental and social impacts in the development stage of projects are addressed and, where necessary, mitigated.

Moreover, the Group added a new material topic – 'community relations' – to its list of material topics. It explains in detail which initiatives the Group has already implemented and which ideas it plans to convert into new initiatives to assure continued amicable community relations.

Portfolio rotation initiated to enable market entry into the UK as well as battery storage market

On July 11, 2022, the Group signed agreements to dispose of its Czech portfolio comprising four solar parks with a total installed capacity of 7.5 MW. The proceeds from the disposal are intended to enable the acquisition of first projects in the UK and potentially entering the battery storage market. In addition, Tion's first portfolio rotation would allow for further portfolio growth by using the company's equity capital even more efficiently.

Since entering into a partnership with Boom Power, a solar park and energy storage developer based in the United Kingdom, in 2021, the cooperation between Tion and Boom Power has continuously intensified, and first projects are expected to reach the ready-to-build phase soon. On June 27, 2022, the Bundestag passed an amendment of the Energy Industry Act to include a new definition of energy storage, which facilitates the implementation of more consistent regulation and is expected to lead to fewer double charges, which previously occurred due to the classification of energy storage as both a consumer and producer of electricity. Tion is optimistic that this amendment will help accelerate battery storage development activity in Germany, providing the group with further investment opportunities in an attractive market, both in terms of technology and geography.

Further development into the energy transition investment company of tomorrow

July 14, 2022, the Group announced three strategic initiatives to expand its business model and allow it to evolve from a renewables native into the energy transition company of tomorrow. These initiatives

consist of joining forces with clearvise AG, a German listed IPP with a wind and solar portfolio in several European countries, exploring capital solutions and investing in green technologies ready to scale. These initiatives will shift the group's focus beyond solar and wind projects and beyond deploying solely its own balance sheet in order to benefit from opportunities offered by the increasing global efforts to decarbonize our electricity system and Tion's sizeable pipeline. As a first initiative, Tion is joining forces with clearvise AG. The group entered into a contract with its majority shareholder, Pelion Green Future Alpha GmbH, to acquire its 21.9% stake in clearvise AG from Pelion Green Future and has signed a memorandum of understanding ("MoU") with clearvise AG. Under the MoU, both parties intend to increase Tion's shareholding via a contribution in

kind of its European solar and wind parks against additional shares and cash into clearvise AG, which would create Germany's second largest IPP with Tion as a strong anchor shareholder.

Joining forces with clearvise AG is a two-step approach. The first step is built on an agreement with Pelion Green Future to acquire its 21.9% stake in clearvise AG. The MoU paves the way for the second step, in which Tion shall increase its initial share in clearvise AG via a contribution-in-kind of its European solar and wind parks into clearvise AG against additional shares and cash, resulting in a long-term shareholding in clearvise AG of around 40%. This would allow both companies to benefit from significant economies of scale of a larger combined portfolio and pipeline.

3.2.3.1. Key Performance Indicators

Adjusted operating EBITDA and EBIT

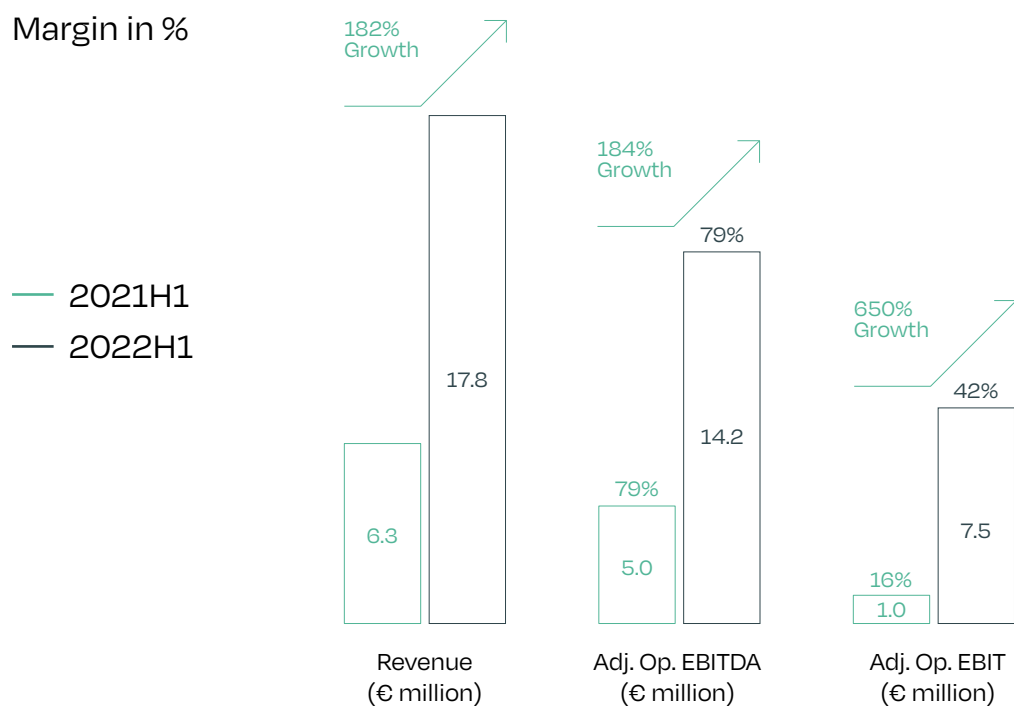
Revenues and electricity production increased in the first half of 2022 to €17.8 million (2021H1: €6.3 million) and 168.1 GWh (2021H1: 50.8 GWh), respectively.

Earnings before interest, taxes, depreciation and amortization (EBITDA) at portfolio level adjusted for non-recurring items amounted to €14.2 million

(2021H1: €5.0 million). Earnings before interest, taxes, depreciation and amortization (EBIT) at portfolio level adjusted for non-recurring items amounted to €7.5 million (2021H1: €1.0 million).

This resulted in an adjusted operating EBITDA margin of 79% (2021H1: 79%) and an adjusted operating EBIT margin of 42% (2021H1: 16%), which illustrate the operating earnings power of the portfolio.

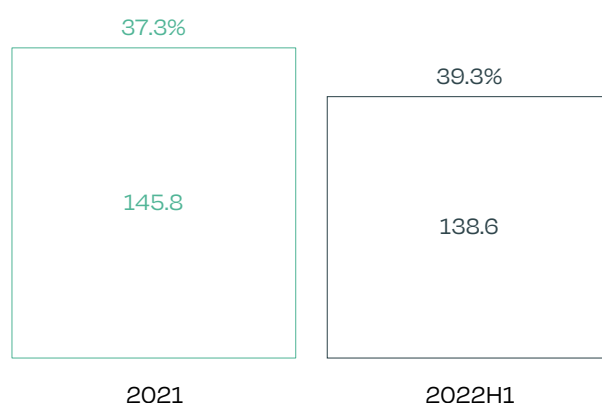
Margin in %



Net debt

The Group considers the development of debt, and in particular adjusted net debt, to be a key financial indicator. The abovementioned ratio records the amount of financial liabilities less cash and cash equivalents and other current financial assets. Adjusted net debt for the first half of 2022 amounted to €138.6 million (2021: €145.8 million). The decrease in adjusted net debt is attributable to the ongoing repayment of financial liabilities. The Group's adjusted equity ratios reflect balance sheet equity divided by balance sheet equity plus adjusted net debt and amount to 39.3% at the end of financial year 2022 (2021H1: 37.3%).

Adjusted Net Debt (€ million) and Adjusted Equity Ratio (%)



3.3. Segment Reporting

For the operating segments, earnings before interest, taxes, depreciation and amortization (EBITDA) and earnings before interest and taxes (EBIT) are adjusted for non-recurring items. Since the non-operating segment includes all of the Group's investments, including the ultimate parent company Tion, which do not operate solar- or wind parks, the operating segments are naturally adjusted for holding costs, including personnel expenses. The EBIT(DA) of the operating segments adjusted for non-recurring items therefore corresponds conceptually to the adjusted operating EBIT(DA) at portfolio level but is broken down to different operating segments.

Wind Germany

In the first half of 2022, wind speeds in Germany were largely in line with expectations. Technical failures of individual turbines led to temporarily reduced production at the Berg and Reudelsterz sites. All damage was covered by the full-service maintenance contracts and is included in the availability guarantee. Due to the high electricity market prices, which exceeded the EEG minimum compensation of all wind parks of the Group in every month, sales were generated which exceeded the expected minimum sales by more than 40%.

The comparatively high cost of materials is due to the advanced age of some turbines and the fact that the wind parks have full maintenance contracts including major component replacement. The full maintenance contracts are intended not only to provide up-to-date insurance cover, but also to ensure the continued technical operation of the turbines beyond the feed-in tariff.

The Group's wind parks located in Germany generated revenues of €5.1 million in the first half of 2022 (2021H1: €2.3 million) and produced 30.3 GWh of electricity (2021H1: 29.8 GWh).

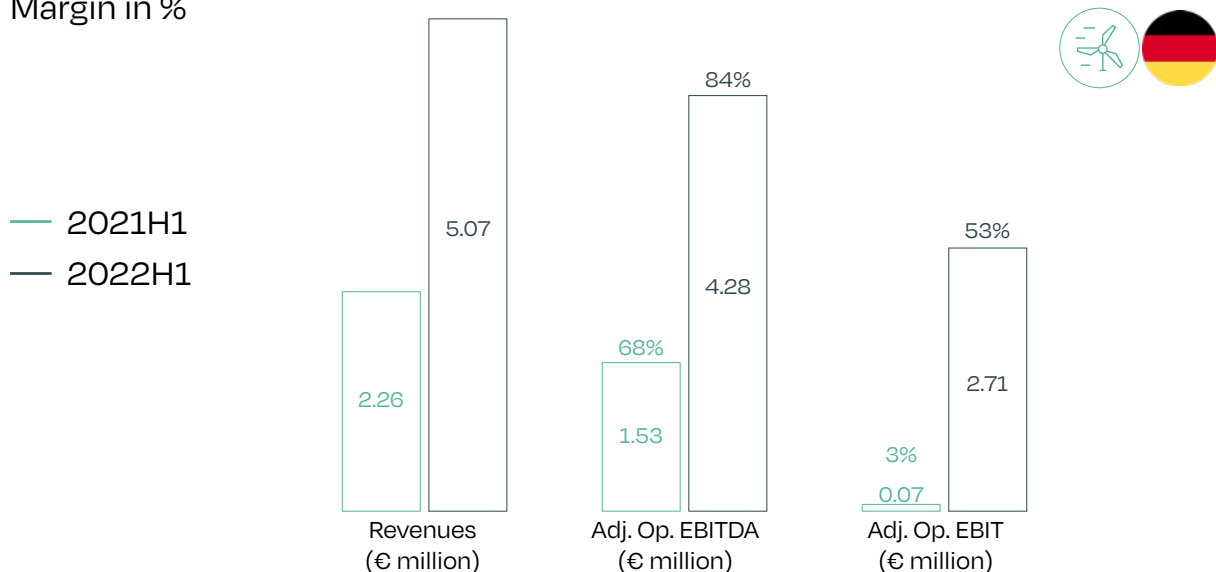
Plant	Tech	Capacity (MW)	Support scheme expiration	Production 2022H1 (GWh)	Production 2021H1 (GWh)	Prod %YoY Change	Total Production Revenue 2022H1 (k€)	Total Production Revenue 2021H1 (k€)	Rev %YoY Change
Reudelsterz	WP	15.6	Q1-41	12.5	11.6	n/a	2,086.3	614.4	n/a
Kampehl	WP	6.0	Q4-25	3.2	3.1	-12%	524.3	280.3	87%
Berg	WP	4.5	Q4-24	3.8	4.0	-20%	630.2	366.0	72%
Etgersleben	WP	4.5	Q4-22	3.2	3.2	-9%	544.6	302.5	80%
Titz	WP	4.5	Q4-23	2.8	2.8	-25%	462.3	265.0	74%
Süderbrarup	WP	3.0	Q4-31	2.7	2.9	-6%	437.5	223.1	96%
Berthelsdorf	WP	3.0	Q4-22	2.1	2.2	-13%	382.4	209.7	82%
Germany Wind		41.1		30.3	29.8	45%	5,067.6	2,261.0	57%
Percentage of Germany Total		56%		57%	72%		56%	43%	
Percentage of Group Total		26%		18%	64%		28%	36%	

Notes:

- "Subsidy end date" refers to the first date on which at least part of the applicable subsidy scheme expires.
- PAC Saphir GmbH & Co. KG (SPV for the Berthelsdorf, Etgersleben and Titz wind parks) and PAC Topas GmbH & Co. KG (SPV for the Berg and Kampehl wind park) have entered into option purchase agreements with Pacifico Energy Partners GmbH for the sale of the wind parks in order to enable a possible repowering and expansion of the wind parks after the expiry of the EEG subsidy. If the options were exercised, the Group would have priority access to repurchase the repowered and potentially expanded wind parks.

Adjusted operating EBITDA amounted to €4.3 million in the reporting period (2021H1: €1.5 million) and adjusted operating EBIT to €2.7 million (2021H1: €68,671).

Margin in %



Solar Germany

The Group's German solar parks slightly exceeded expected production in the first half of 2022. Especially in March, conditions were above average. Due to the higher EEG minimum tariffs, the effect of high electricity market prices on sales at the solar parks was lower than at the wind parks. Nevertheless, almost one third of the electricity was

sold at prices above the minimum prices. In total, sales were approximately 15% above expectations.

The Group's solar parks in Germany generated sales of €4.0 million in 2022 (2021H1: €3.0 million) and an electricity volume of 23.0 GWh (2021H1: 11.7 GWh).

Plant	Tech	Capacity (MW)	Support scheme expiration	Production 2022H1 (GWh)	Production 2021H1 (GWh)	Prod %YoY Change	Total Production Revenue 2022H1 (k€)	Total Production Revenue 2021H1 (k€)	Rev %YoY Change
Vossberg	PV	7.6	Q4-32	7.3	n/a	n/a	728.9	n/a	n/a
Auerbach	PV	6.4	Q4-31	4.0	3.2	16%	733.7	685.4	7%
Staßfurt	PV	5.0	Q4-31	3.3	2.4	25%	632.2	539.1	17%
Eisfeld	PV	2.9	Q4-31	1.9	1.4	29%	345.0	304.4	13%
Köthen	PV	2.2	Q4-30	1.7	1.2	34%	412.8	355.4	16%
Hedersleben I	PV	1.5	Q4-30	1.9	1.3	-4%	358.1	366.8	16%
Hedersleben II	PV	1.8	Q4-38						
Hohburg	PV	1.6	Q4-31	1.1	0.8	19%	202.0	171.8	18%
Rosefeld	PV	1.4	Q4-30	0.8	0.6	24%	229.9	205.6	12%
Neubukow	PV	1.3	Q4-28	0.8	0.6	17%	289.2	263.1	10%
Süplingen	PV	0.4	Q4-28	0.2	0.2	23%	75.6	68.3	11%
Germany Solar		32.0		23.0	11.7	37%	4,031.0	2,960.0	28%
Percentage of Germany Total		44%		43%	28%		44%	57%	
Percentage of Group Total		20%		14%	25%		23%	47%	

Notes:

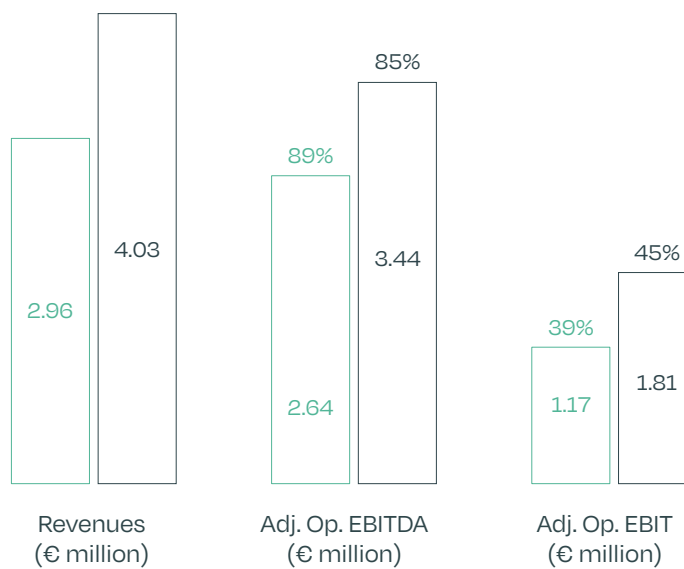
- "Subsidy end date" refers to the first date on which at least part of the applicable subsidy scheme expires.
- PV Hedersleben II includes three plants. The subsidy for two of these three plants ends in Q4/38, and the subsidy for the third plant ends in Q4/39.

Adjusted operating EBITDA amounted to €3.4 million in the reporting period (2021H1: €2.6 million) and adjusted operating EBIT to €1.8 million (2021H1: €1.2 million).

Margin in %



— 2021H1
— 2022H1



Poland

On November 25, 2021, the Group successfully completed the acquisition of three onshore wind parks in northern Poland with a total capacity of 51.8 MW. After the electricity was sold directly on the electricity market during the remainder of 2021, a private power purchase agreement has been applied since January 1, 2022. Under this so-called "baseload PPA", a portion of the planned production is sold to the customer every hour at a fixed price. Production in excess of this minimum production is compensated at market prices. If production falls below the minimum, the difference must be purchased at market prices and is charged to the Group. As a result of this mechanism, high

electricity prices had a positive impact on sales in the months with high production (January and February) and a negative impact in the months with low production (March and June). Overall, both production and sales in the first half of the year were in line with expectations.

In the first half of 2022, the Group's wind parks located in Poland generated revenues of €6.0 million (2021H1: N/A) and produced 97.7 GWh of electricity (2021: N/A).

Plant	Tech	Capacity (MW)	Support scheme expiration	Production 2022H1 (GWh)	Production 2021H1 (GWh)	Prod %YoY Change	Total Production Revenue 2022H1 (k€)	Total Production Revenue 2021H1 (k€)	Rev %YoY Change
Debowa Laka	WP	33.3	Q4-37	62.9	-	n/a	3,786.1	-	n/a
Swiecie	WP	16.3	Q4-37	30.0	-	n/a	1,861.2	-	n/a
12W	WP	2.2	Q4-37	4.8	-	n/a	324.2	-	n/a
Poland		51.8		97.7	-	n/a	5,971.5	-	n/a
Percentage of Group Total		33%		58%	-		34%	-	

Notes:

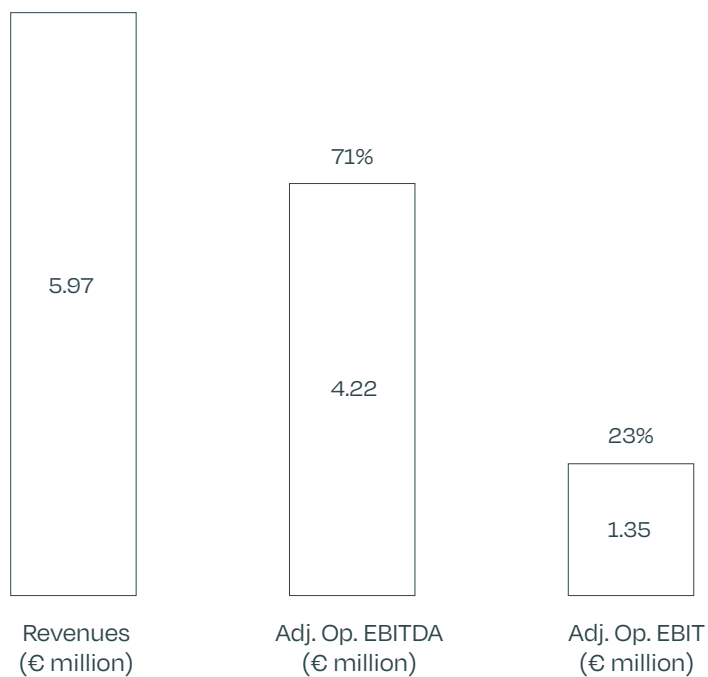
- "Subsidy end date" should be understood restrictively here, as the plants have a diversified electricity remuneration profile (inflation-linked CfD, PPA, Merchant, GoO) and part of the production is already sold at market prices before subsidy end date.
- The Polish wind parks became part of the Group's portfolio in November 2021 when GB 12W 212 sp.z.o.o., GB Debowa Laka 402 sp.z.o.o. and GB Swiecie 404 sp.z.o.o. were consolidated.

In the first half of 2022, adjusted operating EBITDA was €4.2 million (2021H1: N/A) and adjusted operating EBIT was €1.4 million (2021H1: N/A).

Margin in %



— 2021H1
— 2022H1



Netherlands

At the end of 2021, the Group acquired two new assets in the Netherlands: a 14.1 MW ground-mounted solar park in Hernen and a 10 MW portfolio consisting of nine rooftop and ground-mounted solar plants. The solar park in Hernen began producing electricity in January 2022, with final acceptance taking place in May. In June, the last plant from the 10 MW portfolio acquired in 2021 was also completed. The segment's planned production was exceeded by 6% due to favorable meteorological conditions. The relevant compensation mechanism in the Netherlands (SDE+), similar to the EEG minimum compensation

in Germany, provides for the sale of electricity at market prices if these exceed the minimum price. This was the case in the Netherlands during the first half of the year, with the result that the sales generated significantly exceeded the expected minimum sales.

In the first half of 2022, the Group's solar parks located in the Netherlands generated revenues of €1.9 million (2021H1: €292,800) and produced 14.8 GWh of electricity (2021H1: 2.4 GWh).

Plant	Tech	Capacity (MW)	Support scheme expiration	Production 2022H1 (GWh)	Production 2021H1 (GWh)	Prod %YoY Change	Total Production Revenue 2022H1 (k€)	Total Production Revenue 2021H1 (k€)	Rev %YoY Change
Hernen	PV	14.1	Q4-35	7.5	n/a	n/a	960.3	n/a	n/a
Solar Parks Oslo	PV	9.9	Q4-34	4.2	n/a	n/a	557.5	n/a	n/a
Tilburg	PV	2.8	Q2-35	1.5	1.3	56%	171.3	160.9	6%
Oud Gastel	PV	1.7	Q4-34	0.9	0.9	-7%	108.1	92.0	17%
Lunteren	PV	0.9	Q2-35	0.5	n/a	n/a	58.0	n/a	n/a
Vianen	PV	0.5	Q4-34	0.2	0.2	-9%	28.9	39.9	-28%
Netherlands		30.0		14.8	2.4	27%	1,884.1	292.8	60%
Percentage of Group Total		19%		9%	5%		11%	5%	

Notes:

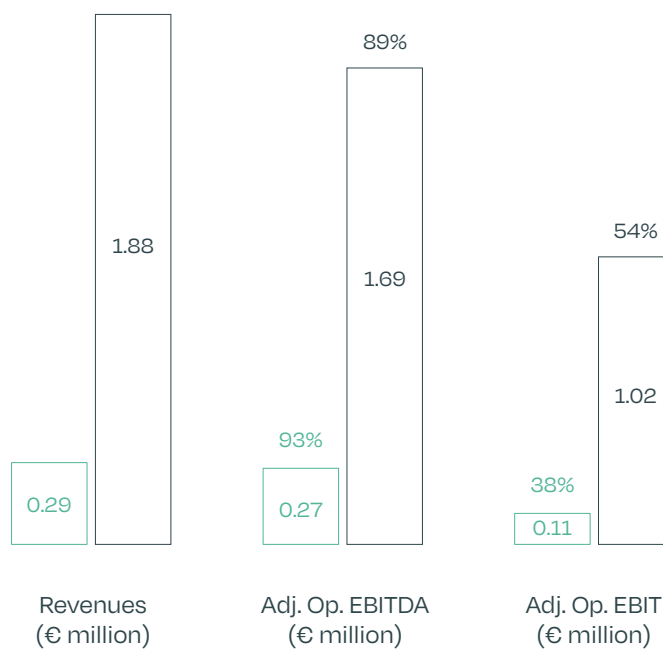
- "Subsidy end date" refers to the first date on which at least part of the applicable subsidy scheme expires.
- The expiration of the subsidy scheme for Dutch plants is indicated by the earliest end of the FiT. The actual support period may be longer if the production achieved is below a minimum level.
- The updated expiry date of the support scheme will be adjusted to the actual date of commercial operation and approved by the Dutch regulator.
- Lunteren was completed in July 2021
- Hernen became part of the Group's portfolio with the consolidation of Dutch Durables Energy 3 B.V. in October 2021.
- Oslo became part of the Group's portfolio with the consolidation of Oslo Dutch Energy B.V. in December 2021.

Adjusted operating EBITDA amounted to €1.7 million in the reporting period (2021H1: €271,376) and adjusted operating EBIT to €1.0 million (2021H1: €112,236).

Margin in %



— 2021H1
— 2022H1



Italy

In Italy, production in the first half of 2022 was slightly below plan. In addition to meteorological conditions, this was due to a one-month production outage at the Ugento solar park following a cable theft at the beginning of the year. High electricity prices could only partially compensate for the low production, as the Italian government temporarily suspended the market price-based compensation

component and instead set a price that is only slightly higher than in previous years.

In 2022, the Group's solar parks located in Italy generated revenues of €857,000 (2021H1: €801,300) and produced 2.2 GWh of electricity (2021H1: 2.5 GWh).

Plant	Tech	Capacity (MW)	Support scheme expiration	Production 2022H1 (GWh)	Production 2021H1 (GWh)	Prod %YoY Change	Total Production Revenue 2022H1 (k€)	Total Production Revenue 2021H1 (k€)	Rev %YoY Change
Ugento	PV	1.0	Q2-30	0.4	0.7	-10%	252.9	234.1	8%
Ferrandina I	PV	1.0	Q4-31	0.7	0.4	-29%	188.0	163.0	15%
Ferrandina II	PV	1.0	Q4-31	0.7	0.7	-7%	191.6	179.9	6%
Bariano	PV	1.0	Q2-31	0.4	0.7	-4%	224.6	224.3	0%
Italy		4.0		2.2	2.5	-13%	857.0	801.3	10%
Percentage of Group Total		2%		1%	5%		5%	13%	

Notes:

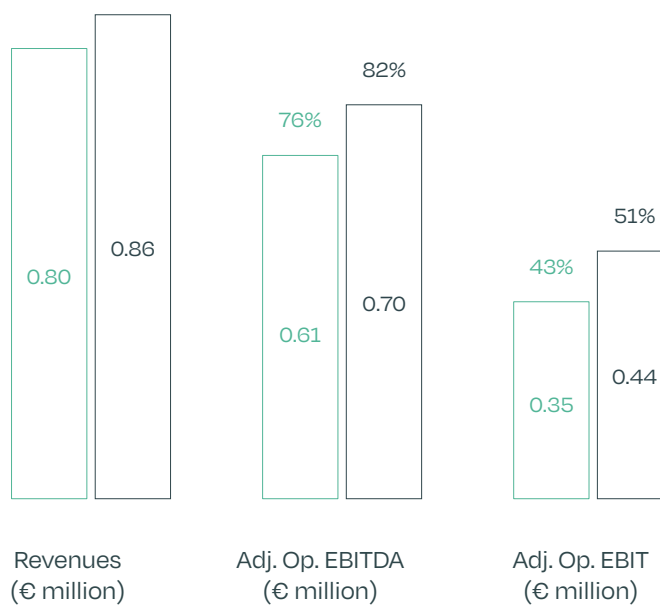
- "Subsidy end date" refers to the first date on which at least part of the applicable subsidy scheme expires. These production figures correspond to the figures used by Gestore dei Servizi Energetici GSE S.p.A. to calculate the FiT (Tariffa incentivante). The actual feed-in to the grid is slightly lower due to transformer losses between inverters and grid connection point.

Adjusted operating EBITDA amounted to €703,744 in the reporting period (2021H1: €611,472) and adjusted operating EBIT to €437,653 (2021H1: €345,430).

Margin in %



— 2021H1
— 2022H1



Corporate

This segment comprises all of the Group's investments, including the ultimate parent company Tion, which does not operate solar parks or wind parks. The total costs of this segment amounted to €2.7 million (2021H1: €1.4 million). The main cost components are salaries and compensation amounting to €1.2 million (2021H1: €795,600). This includes the addition to provisions for virtual share-based payments. Other expenses include legal and consulting fees as well as costs attributable to the operation of a company listed on the capital market. The ongoing costs for all non-operating companies of the Group, adjusted for non-recurring expenses, non-recurring items and costs charged to the operating units of the Group, amount to €1.5 million (2021H1: €982,000).

Czech Republic (sold in July)

Due to good meteorological conditions, production at the Czech solar parks exceeded expectations in the first half of the year. The high electricity market prices had no direct impact on sales in the Czech Republic, as the remuneration mechanism includes a fixed price component that significantly exceeds the share of the market price-dependent component.

As part of a portfolio rotation, the Group sold its Czech portfolio in July 2022 for an enterprise value of approximately €20 million. As the business is a separate geographical operation, the requirements for a discontinued operation under IFRS 5.32 (a) are met. The Czech Republic operating segment was therefore reclassified as a discontinued operation.

In the first half of 2022, the Group's solar parks located in the Czech Republic generated sales of €3.4 million (2021H1: €2.6 million) and produced an electricity volume of 4.5 GWh (2021H1: 4.3 GWh).

Plant	Tech	Capacity (MW)	Support scheme expiration	Production 2022H1 (GWh)	Production 2021H1 (GWh)	Prod %YoY Change	Total Production Revenue 2022H1 (k€)	Total Production Revenue 2021H1 (k€)	Rev %YoY Change
Osečná	PV	3.0	Q4-30	1.3	1.5	-9%	1,256.5	920.2	37%
Hodonice	PV	2.1	Q1-29	1.6	1.4	0%	1,097.2	870.5	26%
Úsilné	PV	1.2	Q4-30	0.8	0.7	-5%	500.9	408.2	23%
Troskotovice	PV	1.1	Q4-29	0.8	0.7	-2%	535.3	418.8	28%
Czech Republic		7.5		4.5	4.3	-5%	3,389.8	2,617.6	2%

Notes:

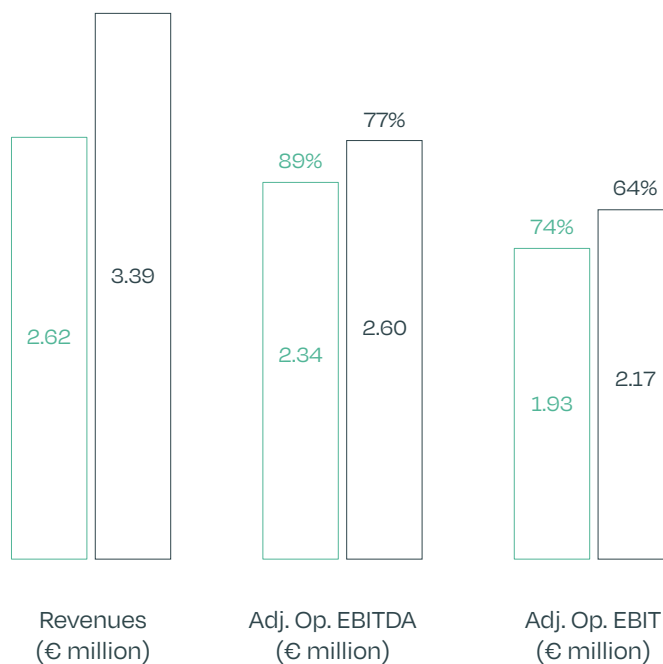
- "Subsidy end date" refers to the first date on which at least part of the applicable subsidy scheme expires.

Adjusted operating EBITDA amounted to €2.6 million in the reporting period (2021H1: €2.3 million) and adjusted operating EBIT to €2.2 million (2021H1: €1.9 million).

Margin in %



— 2021H1
— 2022H1



3.4. Net Assets, Financial Position and Operational Results

Net Assets

The Group's total assets amounted to €269.3 million as of June 30, 2022 (2021: €292.7 million). The largest share of total assets is accounted for by property, plant, and equipment, which is reported at €222.6 million as of the reporting date (2021: €251.1 million).

In 2022, property, plant and equipment decreased by around €28.5 million compared with December 31, 2021. This is attributable to the reclassification of the Czech Republic business unit and ongoing depreciation. Derivative financial instruments in hedging relationship increased by €4.8 million due to the changed interest rate environment, as interest rate hedging derivatives increase in value when interest rates rise. Bank balances of €16.3 million (2021: €13.3 million) relate to the total of all bank balances in the Group.

Financial Position

Equity

Equity, which comprises subscribed capital, the capital reserve, other reserves and the Group's retained earnings, increased by €2.9 million in the reporting period due to an increase in the hedge reserve. The hedge reserve comprises gains or losses from the effective portion of cash flow hedges resulting from changes in the fair value of the hedging transactions. The increase corresponds to the derivative financial instruments in hedging relationship due to the changed interest rate environment.

After the reporting period, or in July of this year, a non-cash capital increase was successfully implemented in connection with the acquisition of a 21.9% shareholding in clearvise AG. As part of this transaction, the Management Board and Supervisory Board resolved to issue 1,024,915 new shares in the Tion to its anchor shareholder, Pelion Green Future Alpha GmbH, against a contribution in kind of 13,897,848 shares in clearvise AG, Wiesbaden (corresponding to 21.9% of clearvise AG). Tion thus increased its share capital by €1,024,915 from €3,721,042 to €4,745,957 in return for a

contribution in kind from clearvise AG, excluding the subscription rights of existing shareholders.

Liabilities

The Group's financial liabilities consist mainly of liabilities to banks, of which project financing, the green loan issued in February of this year, leasing liabilities and provisions. At the end of the reporting period, financial liabilities amounted to €179.4 million (2021: €194.0 million).

The Group is financed to a large extent through non-recourse project financing, the repayment of which is fully covered by the cash flows from the assets. Project financing is scheduled to be repaid before the end of the respective funding mechanism of an asset. The interest rate risk of project financing is limited, as a large part of the volume is tied to fixed interest rates or hedged against interest rate changes. There is no refinancing risk in the case of scheduled repayments. All project financing is in local currency.

On February 26, 2022, the Group succeeded in implementing a so-called holding financing for the first time. At the level of an intermediate holding company of the Group, a private placement of a secured green loan in the amount of €35.0 million was signed with UBS Asset Management. The fixed interest rate of the green loan is 4.85%. Of this amount, €31.0 million has been drawn to date. Thus, €9.4 million was used to refinance an existing subordinated bond (2021: €9.4 million). A further €16.2 million was used to refinance the Group's revolving credit facility (2021: €16.2 million), optimizing the Group's refinancing profile by replacing a short-term facility with long-term financing. The refinancing of the subordinated bond also enabled a simplification of the corporate structure.

Cash flow statement

The change in bank balances amounts to €3.4 million in the reporting period (2021H1: €-1.4 million) and is composed as follows:

Net cash inflow from operating activities of the operating portfolio amounts to €12.1 million (2021H1: €4.1 million) and results mainly from the operation of solar and wind parks by the Group. The increase of €8.0 million is mainly due to the Group's portfolio growth in the second half of 2021. A large part of the solar and wind parks acquired in the second half of 2021 generated cash flow in the first half of 2022.

Cash flow from investing activities amounts to €-1.8 million (2021H1: €-13.5 million) and results from investments for completion at the Dutch companies Dutch Durables Energy 3 B.V. and Oslo Energy Netherlands B.V..

The cash flow from financing activities of €-6.8 million (2021H1: €8.0 million) includes the refinancing of the drawn revolving credit line and the promissory note loan by the green loan from UBS Asset Management as well as the ongoing repayment of project financing.

The Group was solvent at all times.

Results of Operations

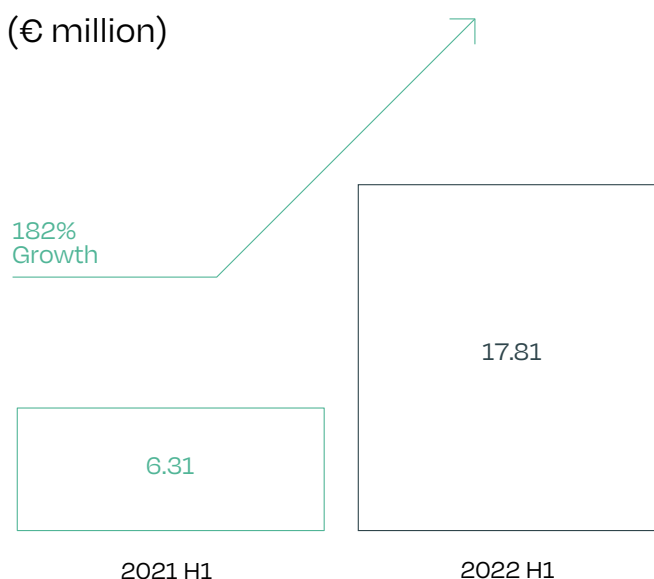
Revenues

In general, neither the COVID-19 pandemic nor the Russian invasion of Ukraine disrupted the operation of the Group's facilities. All maintenance and repair work was and can be carried out as planned, and production was not affected.

Based on the electricity generation and revenue recognition of the solar and wind power plants, the Group generated revenues of €17.8 million in 2022 (2021H1: €6.3 million).

The revenues of the Czech solar park portfolio, which was sold in July 2022, were collected until that date, but are considered discontinued operations from an accounting perspective, which is why the segment's result is reported in a separate line item in the income statement. Taking into account the discontinued Czech Republic segment, revenue of €21.2 million was generated in the first half of 2022 (2021H1: €8.9 million).

Revenue growth (€ million)



Breakdown of sales generated by the Group by country:



€9.1M

Germany



€1.9M

Netherlands

€21.2M



€3.4M

Czech Republic



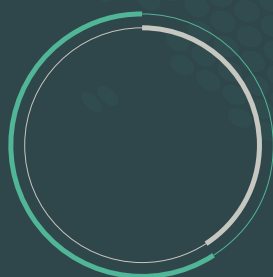
€6.0M

Poland



€0.9M

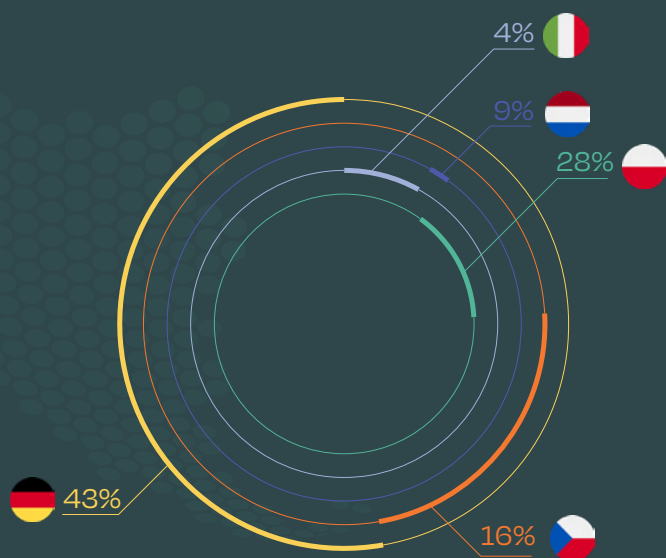
Italy



59%



41%



Poland

Germany

Netherlands

Italy

Czech Republic

3.5. Opportunities

The opportunities and risks have not changed significantly since the publication of the Annual Report 2021 as of June 24, 2022. Reference is therefore made here to the relevant sections of the Annual Report 2021.

It should be noted that, in addition to an excess profits tax for petroleum companies, the regulatory intervention foresees the skimming of the revenues of electricity producers if they exceed a maximum value of EUR 180/MWh. This regulatory intervention is to be in force from December 1, 2022, and until March 31, 2023, and is to be implemented by member states. Member states have the option to set technology-specific caps below EUR 180/MWh. Following these short-term measures, the EU Commission intends to

develop a proposal for a more in-depth reform of the European electricity market. The merit order system, in which, as in other commodity markets, the marginal costs of the most expensive producer still needed to meet demand determine the price, is to be fundamentally reconsidered. Such a reform may offer long-term opportunities for operators of solar and wind parks and electricity storage facilities if the new market mechanisms are better tailored to these technologies, thereby opening new revenue streams. In the meantime, however, uncertainty for long-term investments is increasing. This creates some regulatory uncertainty, which may lead to lower earnings prospects for solar and wind park operations in the future.

3.6. Future Outlook

Macroeconomic environment

Although the IMF expects all major economies to grow in 2022, there are still some downside risks. The emergence of new COVID-19 variants and the war in Ukraine could lead to renewed economic disruptions such as supply chain disruptions, energy price volatility, and uncertainties regarding fiscal policy and inflation.

In addition to macroeconomic uncertainty, the planned skimming of electricity producers' revenues above a maximum value of EUR 180/MWh and a possible reform of the European electricity market also result in regulatory uncertainty, which contradict the previous political climate and expansion targets for renewable electricity generation.

Overall statement on the development of the Group

The Management plans to further expand its portfolio through acquisitions in the second half of 2022. However, the focus of the portfolio expansion will henceforth be primarily on battery storage plants in line with the Group's strategic development. Until the contribution of the European solar and wind portfolios to clearvise AG has not been completed, however, the Group will continue to grow in this area and to continuously optimize its portfolio.

Due to the realized portfolio growth and the currently high electricity prices, the Group has raised its electricity production forecast for financial year 2022 compared to the results of financial year 2021, in addition to the revenue forecast already published on March 31, 2022 and adjusted on July 11. The 2022 revenue and electricity production guidance relate to the existing portfolio of assets already in operation or due to come on stream during the



reporting period. The Group's revenue guidance is based on scheduled weather conditions combined with high electricity prices since the beginning of the year, as well as the likelihood of continued high electricity prices and a possible absorption of revenues from electricity producers between December 1, 2022 and March 31, 2023. For financial year 2022, Management continues to expect revenues between €30.0 million and €40.0 million, confirming its revenue forecast published on July 11, 2022. Management expects the positive impact of electricity prices, which have reached historic highs in Germany and Poland in particular, to continue in the second half of the year. However, electricity prices are currently subject to considerable fluctuations, which leads to the wide range of

forecast sales revenues. Due to this volatility, it is not yet possible to be more precise about the revenue forecast. The Group expects to produce between 300 GWh and 350 GWh of green electricity in financial year 2022. The revenue and electricity production guidance is based on the following assumptions: (i) no major retrospective changes in legislation, (ii) no major deviations from weather forecasts and historical production levels, and (iii) no acquisitions or disposals of operating assets, (iv) no reinvestment of the proceeds from the sale of the Czech solar portfolio, and (v) the assumption that no further acquisitions will be made.

04.

Interim Condensed Consolidated Financial Statements

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4.1. Consolidated Statement of Comprehensive Income

€	Notes	2022 H1	2021 H1
Continued Operations			
Revenue	A.1	17,811,371	6,310,846
Other income		182,232	211,952
Cost of materials		-2,834,775	-1,290,411
Personnel expenses		-1,215,720	-795,581
thereof from share-based payments		-412,581	-291,706
Other expenses		-2,397,690	-795,628
Operating profit before depreciation and amortization (EBITDA)		11,545,418	3,641,178
Depreciation and amortization		-6,717,482	-4,044,386
Operating profit (EBIT)		4,827,936	-403,208
Financial income		-	1,212,916
Financial expenses		-3,721,785	-1,387,652
Earnings before taxes (EBT)		1,106,152	-577,944
Income taxes		-977,924	-191,954
Income from continuing operations		128,229	-769,898
Discontinued operations			
Income from discontinued operations		-136,906	1,071,767
Items that may be reclassified subsequently to profit or loss			
Continued operations			
Currency translation difference		-828,369	-
Fair value measurement of derivative financial instruments in hedging relationship		3,960,226	118,905
Other comprehensive income from continued operations		3,131,858	118,905
Discontinued Operations			
Currency translation difference		-212,702	-51,654
Fair value measurement of derivative financial instruments in hedging relationship		29,559	51,363
Other comprehensive income from discontinued operations		-183,143	-291
Other comprehensive income		2,948,715	118,614
Total comprehensive income		2,940,037	420,484
Earnings per share			
Earnings per share, basic (€)	C.5	0.03	-0.23
Earnings per share, diluted (€)	C.5	0.03	-0.23

4.2. Consolidated Balance Sheet

Assets

€	Notes	2022 H1	2021
Non-current assets			
Intangible assets		4,357	227,143
Property, plant and equipment		222,622,977	251,083,582
Derivative financial instruments in hedging relationship		13,952,400	9,132,229
Financial assets		5,501,112	7,145,076
Deferred tax assets		2,960,868	2,882,277
Total non-current assets		245,041,713	270,470,307
Current Assets			
Trade receivables		4,387,086	5,220,060
Non-financial assets		1,446,970	1,703,626
Income tax receivables		315,418	372,812
Other current receivables		1,750,398	1,630,796
Cash and cash equivalents		16,336,877	13,323,870
Assets held for sale		24,770,797	-
Total current assets		49,007,546	22,251,164
Total Assets		294,049,259	292,721,471

Equity and Liabilities

€	Notes	2022 H1	2021
Equity			
Subscribed Capital	B.1	3,721,042	3,721,042
Capital reserve	B.1	89,160,140	89,160,140
Other reserves	B.1	-302,812	-3,251,527
Retained earnings	B.1	-2,743,964	-2,735,287
Total equity		89,834,406	86,894,368
Non current liabilities			
Non current financial Liabilities	B.2	141,614,783	124,636,297
Derivative financial instruments in hedging relationship		52,488	299,471
Non current lease liabilities		16,206,626	16,847,294
Other non-current liabilities		-	705,532
Other non-current provisions		9,795,808	8,981,791
Deferred tax liabilities		3,355,669	2,743,045
Total non-current liabilities		171,025,375	154,213,430
Current Liabilities			
Income tax liabilities		2,129,632	1,618,004
Current financial liabilities	B.2	10,485,686	42,228,883
Current lease liabilities		1,036,860	1,072,274
Trade accounts Payable		6,044,905	4,613,703
Other current liabilities		2,276,789	1,080,350
Other current accrued liabilities		274,725	1,000,459
Liabilities associated with non-current assets held for sale		10,940,880	-
Total current liabilities		33,189,478	51,613,673
Total equity and liabilities		294,049,259	292,721,471

4.3. Consolidated Statement of Cash Flows

€	Notes	2022 H1	2021 H1
Consolidated net income		128,229	-769,897
Depreciation and amortization of non-current assets		6,717,482	4,044,386
Changes in provisions		483,866	447,058
Changes in other assets not attributable to investing or financing activities		-376.121	-288.161
Changes in other liabilities not attributable to investing or financing activities		291.786	-798.153
Change in disposal of assets		-	-500
Financial expenses/financial income		3,626,934	174,830
Income tax expense/income		977,924	191,954
Income tax payments		-1,096,306	-1,110
Cash flows from operating activities - discontinued operations		1,313,326	1,121,054
Cash flows from operating activities		12,067,120	4,121,461
Cash outflows for investments in property, plant and equipment		-1,819,638	-483,079
Cash outflows for investments in financial assets		-	-213,784
Proceeds from disposals from the scope of consolidation		-	500
Payments for additions to the scope of consolidation		-	-12,759,529
Interest received		-	122
Cash flows from investing activities - discontinued operations		-	-
Cash flows from investing activities		-1,819,638	-13,455,770
Proceeds from borrowings		32,985,298	12,846,459
Repayments of loans		-33,698,701	-2,619,848
Repayment of lease liabilities		-738,473	-560,489
Interest paid		-3,299,783	-1,097,303
Change in cash with restriction on disposal		-620,052	805,228
Cash flows of financing activities - discontinued operations		-1,474,204	-1,412,316
Cash flows from financing activities		-6,845,915	7,961,731
"Changes in cash and cash equivalents affecting payments (sum of current CF and CF from financing and investing)"		3,401,567	-1,372,578
Changes in cash and cash equivalents due to exchange rate changes		138,049	-92,883
Consolidation-related changes in cash and cash equivalents		-	269,962
Cash and cash equivalents at the beginning of the period		13,323,870	9,860,077
Cash and cash equivalents at the end of the period		16,863,486	8,664,578

4.4. Consolidated Statement of Changes in Equity

€	Subscribed capital	" Capital - reserve "	Other reserves			Total
			Currency translation reserve	Hedge reserve	Retained earnings	
As of January 01, 2021	3,309,766	77,594,401	-508,449	-23,316	-3,379,083	76,993,319
Consolidated net income	-	-	-	-	301,870	301,870
Other comprehensive income	-	-	-51,653	170,267	-	118,614
Total comprehensive income	-	-	-51,653	170,267	301,870	420,484
Changes from capital measures	-	-	-	-	-	-
Issuing costs	-	-	-	-	-	-
As of June 30, 2021	3,309,766	77,594,401	-560,102	146,951	-3,077,213	77,413,803
As of January 01, 2022	3,721,042	89,160,140	-4,310,646	1,059,119	-2,735,287	86,894,368
Consolidated net income	-	-	-	-	-8,677	-8,677
Other comprehensive income	-	-	-1,041,070	3,989,785	-	2,948,715
Total comprehensive income	-	-	-1,041,070	3,989,785	-8,677	2,940,038
Changes from capital measures	-	-	-	-	-	-
As of June 30, 2022	3,721,042	89,160,140	-5,351,716	5,048,904	-2,743,964	89,834,406

4.5. Notes to the Consolidated Financial Statements

4.5.1. General Information

Tion Renewables AG (currently in the process of being renamed from Pacifico Renewables Yield AG, the new name will become effective upon registration in the commercial register, "Tion") is registered in the commercial register of the local court of Munich, under HRB 251232. The registered office is Bavariafilmplatz 7, Building 49, 82031 Gruenwald.

Tion, together with its direct and indirect subsidiaries, forms a **"Group"**.

According to the current Articles of Association dated December 22, 2021, the business activities of the Group comprise the acquisition, holding, management and disposal of investments and assets of all kinds in the field of renewable energies and energy storage facilities, including battery storage facilities, in Germany and abroad, including the operation of facilities for the production of energy from renewable energies and of energy storage facilities by Renewables Yield AG or its subsidiaries. For further information, please refer to the segment reporting under C.1.

Tion, Gruenwald, prepares the consolidated financial statements for the smallest group of consolidated companies and Arvantis Group Holding GmbH, Gruenwald, for the largest consolidated group. The consolidated financial statements have been prepared in accordance with International Financial

Reporting Standards as adopted by the European Union and the additional requirements of German commercial law pursuant to Section 315e (1) HGB. They are published in the electronic Federal Gazette. The condensed interim consolidated financial statements have been prepared in accordance with IAS 34 Interim Financial Reporting. The accounting policies applied and the significant judgments and estimates made in the condensed interim consolidated financial statements are generally consistent with those applied in the previous year, with the exception of the mandatory new standards, which are briefly described below. An inflation rate of 6.8% (2021: 2.0%) was assumed in determining the amount of dismantling costs. The consolidated financial statements have been prepared on a going concern basis.

4.5.2. Assets Held for Sale and Discontinued Operations

Assets held for sale and discontinued operations include individual non-current assets or groups of assets and liabilities directly associated with them (disposal group), if their carrying amounts are to be recovered principally through sale rather than through use in operations.

Non-current assets classified as held for sale, either individually or together in a disposal group, are presented as separate line items in the balance sheet. Within the scope of IFRS 5, they are measured at the lower of carrying amount and fair value less costs to sell; they are no longer depreciated or amortized. In the event of a subsequent increase in fair value less costs to sell, the impairment loss is reversed accordingly. The reversal is limited to the impairment losses previously recognized for the respective assets.

A discontinued operation is a component of an entity that represents a major line of business of the Group and is held for sale or has been sold. The assets and liabilities of a discontinued operation are classified as held for sale in the balance sheet until the disposal is completed and are measured at the lower of carrying amount and fair value less costs to sell. The result of this measurement, the gains and losses on disposal and the result from continuing operations of the discontinued operation are presented separately in the consolidated statement of income as "Income from discontinued operations". Prior-year figures are adjusted accordingly in the consolidated statement of income. Discontinued operations are reported separately in the consolidated statement of cash flows. Here, too, prior-year figures are adjusted accordingly.

4.5.3. New and Amended Standards and Interpretations

The Group has applied the following new and amended standards and interpretations for the first time in the first half of financial year 2022.

New and amended standards and interpretations (applied)

		Mandatory for financial years beginning on or after	Status of EU Endorsement as of June 2022	Status of the Group's application
IAS 16	Change - Offsetting revenue from sales against cost of sales during production	January 01,2022	Endorsed	No significant effects expected
IAS 37	Amendment - Definition of settlement costs	January 01,2022	Endorsed	No significant effects expected
Diverse	Amendment - Annual Improvement to IFRS	January 01,2022	Endorsed	No significant effects expected

These amendments did not have a material impact on the consolidated financial statements and are not expected to materially impact the Group in the future.

Status of amended IFRS and interpretations that are not yet mandatory and have not been applied early by the Group

The following new standards or interpretations have been published or amended by the IASB or IFRIC whose mandatory application date is still in the future, or which have not yet been endorsed for application by the European Commission:

New and amended standards and interpretations (not applied)

		Mandatory for financial years beginning on or after	Status of EU endorsement (as of September 09, 2022)	Group status
IAS 1	Amendment - Classification of liabilities as current or non-current	January 01, 2023	Not yet endorsed	No significant effects expected
IAS 1	Amendment - Disclosures on accounting policies	January 01, 2023	Endorsed	No significant effects expected
IAS 8	Amendment - Definition of accounting estimates	January 01, 2023	Endorsed	No significant effects expected
IFRS 17	First-time application - insurance contracts	January 01, 2023	Endorsed	No significant effects expected
IFRS 17	Amendment - First-time Adoption of IFRS 9 and IFRS 17	January 01, 2023	Endorsed	No significant effects expected
IAS 12	Amendment - Deferred taxes relating to assets and liabilities arising from a single transaction	January 01, 2023	Endorsed	Applied

The Group does not expect the newly published amendments to the new and revised standards/interpretations that are not yet effective and have not been applied early by the Group to have a material impact on the Group.

4.5.4. Scope of Consolidation

In addition to Tion, all directly or indirectly controlled subsidiaries are included in the consolidated financial statements. The Group obtains control if it can exercise control over the investee, is exposed to variable returns from its involvement with the investee and could affect the amount of those returns through its power over the investee. The Group reassesses whether or not it controls an investee when facts and circumstances indicate that one or more of the above three criteria for control have changed.

The Group holds directly or indirectly 100% of the shares in all Group companies. The following subsidiaries were fully consolidated in the consolidated financial statements in the first six months of the financial year 2022:

Segment	Unternehmen	Sitz	Anteil in %
Corporate	Pacifico Renewables Management GmbH ¹⁾	Munich, Germany	100
Corporate	Pacifico Renewables Fin GmbH ¹⁾	Gruenwald, Germany	100
Corporate	Pacifico Management GmbH ¹⁾	Gruenwald, Germany	100
Corporate	PAC Block Germany 1 GmbH	Gruenwald, Germany	100
Corporate	Pacifico Italia S.r.l.	Bolzano, Italy	100
Corporate	Pacifico Smeraldo S.r.l.	Bolzano, Italy	100
Corporate	Renewables International Portfolio GmbH ^{1) 2) 3)}	Gruenwald, Germany	100
Corporate	Pacifico Energy Czech S.r.o.	Prague, Czech Republic	100
Corporate	Pacifico Energy Hol S.r.o.	Prague, Czech Republic	100
Wind Germany	PAC Opal GmbH & Co. KG	Gruenwald, Germany	100
Wind Germany	PAC Saphir GmbH & Co. KG	Gruenwald, Germany	100
Wind Germany	PAC Topas GmbH & Co. KG	Gruenwald, Germany	100
Wind Germany	Windkraft 1. RES GmbH & Co. KG ¹⁾	Gruenwald, Germany	100
Solar Germany	PAC Rubin GmbH & Co. KG	Gruenwald, Germany	100
Solar Germany	PV Söppingen GmbH & Co. KG ¹⁾	Gruenwald, Germany	100
Solar Germany	PV Auerbach GmbH & Co. KG ¹⁾	Gruenwald, Germany	100
Solar Germany	PV Eisfeld GmbH & Co. KG ¹⁾	Gruenwald, Germany	100
Solar Germany	PV Hohburg GmbH & Co. KG ¹⁾	Gruenwald, Germany	100
Solar Germany	PV Köthen BF 5 GmbH & Co. KG ¹⁾	Gruenwald, Germany	100
Solar Germany	PV Rosefeld GmbH & Co. KG ¹⁾	Gruenwald, Germany	100
Solar Germany	PV Neubukow GmbH & Co. KG ¹⁾	Gruenwald, Germany	100
Solar Germany	PV Staßfurt GmbH & Co. KG ¹⁾	Gruenwald, Germany	100
Solar Germany	Solarpark Voßberg GmbH & Co. KG ¹⁾	Gruenwald, Germany	100
Wind Poland	GB Dębowa Łąka 402 sp. z o.o.	Warsaw, Poland	100
Wind Poland	GB 12W 212 sp. z o.o.	Warsaw, Poland	100
Wind Poland	GB Świecie 404 sp. z o.o.	Warsaw, Poland	100
Solar Italy	C.C.D. Solar S.r.l.	Bolzano, Italy	100
Solar Italy	Energia Fotovoltaica 12 S.r.l.	Bolzano, Italy	100
Solar Italy	Energia Fotovoltaica 22 S.r.l.	Bolzano, Italy	100
Solar Italy	Mediterraneo Greenpower S.r.l.	Bolzano, Italy	100
Solar Netherlands	Dutch Durables Energy B.V.	Bolzano, Italy	100
Solar Netherlands	Dutch Durables Energy 3 B.V.	Bosch en Duin, Netherlands	100
Solar Netherlands	Oslo Energy Netherlands B.V.	Utrecht, Netherlands	100
Solar Czech Republic	FVE Osečná S.r.o. ⁴⁾	Prague, Czech Republic	100
Solar Czech Republic	FVE Úsilné S.r.o. ⁴⁾	Prague, Czech Republic	100
Solar Czech Republic	FVE Hodonice S.r.o. ⁴⁾	Prague, Czech Republic	100
Solar Czech Republic	FVE Troskotovice S.r.o. ⁴⁾	Prague, Czech Republic	100

¹⁾ Companies in which a direct participating interest was held.

²⁾ Merged into Renewables International Portfolio GmbH (formerly PAC Poland 2 GmbH) on March 25, 2022.

³⁾ Changed name from PAC Poland to Renewables International Portfolio GmbH on March 25, 2022.

⁴⁾ Signing date July 08, 2022.

4.5.5. Non-current Assets Held for Sale and Discontinued Operations

On May 27, 2022, the memorandum of understanding regarding the sale of the Czech companies FVE Osečná, FVE Úsilné, FVE Hodonice and FVE Troskotovice was signed. As the business segment Czech Republic is a component of the company that is classified as held for sale and represents a geographical area of operations, the requirements for a discontinued operation according to IFRS 5.32 (a) are met. The Czech Republic operating segment was therefore reclassified as a discontinued operation. The carrying amount and fair value less costs of sale were therefore compared. The fair value of €13.93 million represents the selling price paid (fair value measurement level 2). This resulted in a write-down of €1.68 million. The sale was completed on July 8, 2022, when control over the subsidiaries in the Czech Republic was transferred to the acquirer.

The result from discontinued operations, which is included in profit after tax, is presented separately in the consolidated statement of profit or loss and is as follows:

€	2022 H1	2021 H1
Revenue	3,389,802	2,617,644
Other income	9,489	43,888
Cost of materials	-189,866	-267,548
Other expenses	-509,057	-184,503
Depreciation and amortization	-2,336,772	-776,973
Earnings from discontinued operations, before taxes (EBIT)	363,596	1,432,508
Financial income	-	-
Financial expenses	-74,791	-186,022
Income taxes	-425,711	-174,719
Earnings from discontinued operations, after tax	-136,906	1,071,767
Earnings per share	-0.04	0.32



The major classes of assets and liabilities of the segment Czech Republic as of June 30, 2022 are as follows:

€	
Intangible assets	104,234
Property, Plant and Equipment	19,671,902
Derivative financial instruments in hedging relationship	215,883
Financial assets	2,111,955
Deferred tax assets	3,449
Trade receivables	1,432,766
Other current receivables	703,999
Cash and cash equivalents	526,608
Total assets held for sale	24,770,797
Non-current financial liabilities	6,704,575
Non-current provisions	413,459
Income tax liabilities	27,130
Current financial liabilities	3,061,518
Deferred tax liabilities	546,817
Other current liabilities	187,380
Total liabilities associated with assets held for sale	10,940,880

4.5.6. Notes to the Consolidated Statement of Comprehensive Income

A.1 Revenue

The Group's net revenues of €17.81 million in the first six months of the year 2022 (2021 H1: €6.31 million) are distributed among the segments as follows:

€	2022 H1	2021 H1
Wind Germany	5,067,563	2,260,495
Solar Germany	4,031,013	2,956,149
Poland	5,971,517	-
Netherlands	1,884,281	292,819
Italy	856,997	801,383
Total	17,811,371	6,310,846

Timing of revenue recognition	2022 H1	2021 H1
Services rendered over time	17,811,371	6,310,846

The Group's revenue exclusively comprises revenues from the feed-in of electricity.

Revenues include €634,748 (2021H1: €847,100) in government grants from government subsidies granted to renewable energy producers, as remuneration of direct marketers does not constitute government grants within the meaning of IAS 20.

4.5.7. Notes to the Consolidated Balance Sheet

B.1 Equity

The subscribed capital of Tion amounts to €3.72 million as of June 30, 2022 (December 31, 2021: €3.72 million). The subscribed capital is divided into 3,721,042 (December 31, 2021: 3,721,042) no-par-value bearer shares with a notional interest in subscribed capital of €1 per share.

The capital reserve amounts to €89.16 million (December 31, 2021: €89.16 million).

As of June 30, 2022, there are no other obligations from subscription rights, convertible bonds, or comparable securities.

B.2 Financial Liabilities

As of June 30, 2022, financial liabilities amounted to €152.10 million (December 31, 2021: €166.86 million), of which €141.61 million (December 31, 2021: €124.64 million) are non-current.

On February 26, 2022, a Group company signed a private placement of a secured green loan in the amount of €35.00 million with UBS Asset Management. The fixed interest rate of the green loan is 4.85%. To date, €31.00 million of the green loan has been drawn down. This means that

€9.41 million was used to refinance an existing subordinated bond (December 31, 2021: €9.41 million). A further €16.21 million will be used to refinance the Group's revolving credit facility (December 31, 2021: €16.21 million), which has optimized the Group's refinancing profile by replacing a short-term facility with long-term financing. The refinancing of the subordinated bond also enables a cost-saving simplification of the corporate structure.

4.5.8. Other Mandatory Information

C.1 Segment Reporting

The focus of the Group's business activities is on the operation of the existing solar and wind parks and the further expansion of the portfolio. The Group consists of the reportable operating segments Wind Germany, Solar Germany, Wind Poland, Solar Netherlands and Solar Italy as well as the non-reportable segment Corporate. The Corporate segment comprises the group companies in which no wind or solar plants are operated, such as the parent company, the group-internal service company and intermediate holding companies.

The following segments of the Group are therefore reportable in accordance with IFRS 8:

Solar Germany, Italy, Netherlands

The segments include the German, Dutch and Italian solar parks.

The main business activity of the segments is the production of electricity from renewable sources in the respective countries. The sales generated in this segment mainly consist of the feed-in revenue from the respective local suppliers and market premiums generated by direct marketing on the electricity exchange.

Wind Germany and Poland

The segments include all wind parks in Germany and Poland.

The main business activity of this segment is the production of energy from renewable sources. The sales generated in this segment mainly consist of the feed-in revenue from the respective local suppliers or market premiums from direct marketing on the electricity exchange.

The following table shows the revenue and earnings of the Group's individual reportable segments for the first six months of the financial year 2022.

Segment reporting

€		Wind Germany	Solar Germany	Poland
Revenue	2022H1	5,067,563	4,031,013	5,971,517
	2021H1	2,260,494	2,956,149	-
Operating profit before depreciation and amortization (EBITDA)	2022H1	4,231,900	3,404,661	4,200,920
	2021H1	1,519,961	2,631,640	-
EBITDA margin %	2022H1	84%	84%	70%
	2021H1	67%	89%	-
Depreciation and amortization	2022H1	-2,433,734	-1,734,747	-1,537,465
	2021H1	-2,066,315	-1,426,080	-
Operating profit (EBIT)	2022H1	1,798,166	1,669,914	2,663,456
	2021H1	-546,354	1,205,559	-

Segment Reporting

€		Netherlands	Italy
Revenue	2022H1	1,884,281	856,997
	2021H1	292,819	801,383
Operating profit before depreciation and amortization (EBITDA)	2022H1	1,688,655	631,918
	2021H1	267,531	579,292
EBITDA margin %	2022H1	90%	74%
	2021H1	91%	72%
Depreciation and amortization	2022H1	-578,202	-335,774
	2021H1	-159,413	-325,526
Operating profit (EBIT)	2022H1	1,110,452	296,144
	2021H1	108,118	253,766

Segment Reporting

€		Total reportable operating segments	Corporate	Total
Revenue	2022H1	17,811,371	-	17.811.371
	2021H1	6,310,846	-	6.310.846
Operating profit before depreciation and amortization (EBITDA)	2022H1	14,158,054	-2,511,465	11,646,589 ⁴⁸
	2021H1	4,998,424	-1,357,153	3,641,271
EBITDA margin %	2022H1	79%	-	65%
	2021H1	79%	-	58%
Depreciation and amortization	2022H1	-6,619,923	-97,559	-6,717,482
	2021H1	-3,977,334	-67,052	-4,044,386
Operating profit (EBIT)	2022H1	7,538,132	-2,609,024	4,929,108 ⁴⁸
	2021H1	1,021,090	-1,424,205	-403,115

⁴⁸ EBITDA and EBIT do not include the cost of materials charged on to the sold Czech Republic segment and therefore the presentation differs from the consolidated statement of comprehensive income.

The revenue presented in the segment reporting are recognized over time. The Group's revenue is distributed among the individual operating segments as follows:

Revenue by country

€	2022 HY	Share in %	2021 HY	Share in %
Wind Germany	5,067,563	28%	2,260,494	36%
Solar Germany	4,031,013	23%	2,956,149	47%
Poland	5,971,517	34%	-	-
Netherlands	1,884,281	11%	292,819	5%
Italy	856,997	5%	801,383	13%
Total	17,811,371	100%	6,310,846	100%

Approximately €5.06 million (2021 H1: €848,365) of the revenue from the Wind Germany segment are attributable to revenue with one customer of the Group. All revenue from the segment Poland with €5.97 million (2021 H1: €0) are attributable to one customer of the Group. No other individual customers contributed 10% or more to Group's revenue in the first six months of 2022 and 2021.

Segment assets (non-current assets excluding financial instruments, deferred taxes and other financial assets) are allocated to the individual segments as follows:

Segment assets

€	Wind Germany	Solar Germany	Germany	Poland	Netherlands
Non-current assets	48,674,646	44,327,203	93,001,849	87,281,033	32,524,967
(2021)	51,108,380	46,056,903	97,165,283	90,494,846	31,309,457

€	Czech Republic (discontinued operation)	Italy	Corporate	Total
Non-current assets	19,776,136	9,269,087	559,398	242,403,470
(2021)	22,127,211	9,585,661	628,266	251,310,724

Net debt (adjusted financial liabilities) as of June 30, 2022, is as follows:

Net Debt

€	Wind Germany	Solar Germany	Germany	Poland	Netherlands
Financial liabilities	25,567,429	28,599,537	54,166,966	44,425,471	19,256,538
Financial liabilities adjusted	20,670,425	26,177,042	46,847,467	42,163,717	15,243,539
Financial liabilities (2021)	26,735,586	30,434,756	57,170,343	49,747,062	18,154,670
Financial liabilities adjusted (2021)	23,351,618	28,545,597	51,897,214	44,121,678	15,422,032

Net Debt

€	Czech Republic (discontinued operations)	Italy	Corporate	Total
Financial Liabilities	7,327,230	1,081,195	35,609,163	161,866,563
Financial Liabilities Adjusted	4,688,666	451,889	31,433,435	138,551,916
Financial Liabilities (2021)	8,827,867	1,206,052	31,759,187	166,865,181
Financial Liabilities Adjusted (2021)	5,851,475	922,786	27,600,744	145,815,929
Adjusted equity ratio				39.3%
Adjusted equity ratio (2021)				37.3%

C.2 Additional Disclosures on Financial Assets and Liabilities

Classes and categories of financial instruments and their fair values

The following table includes information about:

- Classes of financial instruments, based on their nature and characteristics;
- the carrying amounts of the financial instruments;
- the fair values of financial instruments (other than financial instruments whose carrying amount equals fair value); and
- the classification to the hierarchy levels for fair value measurement.

The classification of the fair value measurements into the hierarchy levels listed below is based on the availability of observable input parameters and the significance of these parameters for the determination of the fair value:

- Level 1 valuations are derived from quoted prices (unadjusted) in active markets for identical assets or liabilities;
- Level 2 valuations are derived from inputs other than quoted prices included within Level 1 that are either directly observable for the asset or liability or can be indirectly derived from other prices; and
- Level 3 valuations result from valuation models that use input parameters that are not observable on the market.

The Group applies the relief of IFRS 7.29(a), according to which the fair value is not disclosed if the carrying amount of the financial instrument approximates the fair value. This is the case for all current assets and liabilities. No level disclosure is made for these items.

Carrying amounts, amounts recognized and fair values by class and measurement category in accordance with IFRS 9:

Classes of financial instruments as of 30.06.2022	Measurement category according to IFRS 9	Carrying amount as of 30.06.2022	Amortized cost	Fair value through other comprehensive income	Fair value through profit or loss	Fair value as of 30.06.2022
€						
Financial assets						
Financial assets	AC	7,613,067	7,613,067	-	-	7,613,067
Trade receivables	AC	5,819,852	5,819,852	-	-	-
Other current receivables	AC	2,454,396	2,454,396	-	-	-
Cash and cash equivalents	AC	16,863,486	16,863,486	-	-	-
Derivative financial assets						
Derivative financial instruments in hedging relationship (swaps)	FVOCI	14,168,283	-	14,168,283	-	14,168,283
Financial liabilities						
Financial liabilities	AC	161,866,563	161,866,563	-	-	159,138,898
Trade accounts payable	AC	6,044,905	6,044,905	-	-	-
Derivative financial liabilities						
Derivative financial instruments in hedging relationship (swaps)	FVOCI	52,488	-	52,488	-	52,488

Classes of financial instruments as of 31.12.2021	Measurement category according to IFRS 9	Carrying amount as of 31.12.2021	Amortized cost	Fair value through other comprehensive income	Fair value through profit or loss	Fair value as of 31.12.2021
€						

Financial assets

Financial assets	AC	7,145,076	7,145,076	-	-	7,145,076
Trade receivables	AC	5,220,060	5,220,060	-	-	-
Other current receivables	AC	1,630,796	1,630,796	-	-	-
Cash and cash equivalents	AC	13,323,870	13,323,870	-	-	-

Derivative financial assets

Derivative financial instruments in hedging relationship (swaps)	FVOCI	9,132,229	-	9,132,229	-	9,132,229
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Financial liabilities

Financial liabilities	AC	166,865,180	166,865,180	-	-	172,757,749
Trade accounts payable	AC	4,613,703	4,613,703	-	-	-

Derivative financial liabilities

Derivative financial instruments in hedging relationship (swaps)	FVOCI	299,471	-	299,471	-	299,471
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The following table presents the net gains or losses on financial instruments recognized in the consolidated income statement:

Net result 2022 H1 €	Financial assets AC	Financial liabilities AC
Interest income and interest expense 2022 H1	-	-3,450,902

Net result 2021 H1 €	Financial assets AC	Financial liabilities AC
Interest income and interest expense 2021H1	1,212,916	-1,525,933

The net result from financial assets measured at amortized cost in accordance with IFRS 9 mainly includes interest income from other loans.

The net result of financial liabilities measured at amortized cost in accordance with IFRS 9 mainly includes interest expenses from financial liabilities.

Fair value hierarchy

Valuation levels €	Level		
	1	2	3

Assets

Derivative financial instruments in hedging relationship (Swaps) June 30, 2022	-	14,168,283	-
Derivative financial instruments in hedging relationship (Swaps) December 31, 2021	-	9,132,229	-

Liabilities

Derivative financial instruments in hedging relationship (Swaps) June 30, 2022	-	52,488	-
Derivative financial instruments in hedging relationship (Swaps) December 31, 2021	-	299,471	-
Financial liabilities (non-current) June 30, 2022	-	159,138,898	-
Financial liabilities (non-current) December 31, 2021	-	172,757,749	-

Derivative financial instruments in hedging relationships and financial liabilities are measured on the basis of market data (mark-to-model). The fair values recognized in the balance sheet therefore correspond to level 2 of the fair value hierarchy of IFRS 13. There was no change between the levels neither in the current nor in the past financial year.

Financial instruments measured at fair value

Type	Valuation technique	Significant, unobservable inputs
Derivative financial instruments in hedging relationship	Discounted cash flows: Fair values are determined using expected future cash flows discounted using generally observable market data of the relevant yield curves.	Not applicable
Financial liabilities	Financial liabilities are measured by discounting the expected cash flows at the individually determined interest rate. This is made up of the underlying risk premium and the risk-free market interest rate as of the reporting date	Not applicable

C.3 Contingent Liabilities and Other Obligations

€	Other obligations of up to 1 year in €'000	Other obligations from 1 to 5 years in €'000	Other obligations of more than 5 years in €'000	Total
Maintenance and operational management contracts	2,070	5,162	5,289	12,522
2021	1,179	2,819	1,114	5,112
Asset Stewardship Services (ASF)	793	1,699	-	2,492
2021	1,027	3,282	1,628	5,937
Commercial Asset Management Agreement (CAMA)	434	1,687	1,021	3,142
2021	522	2,019	1,455	3,996

In addition, there are contingent liabilities of €3.42 million with a remaining term of more than five years. They include, among other things, financial obligations subject to conditions precedent from purchase agreements.

C.4 Relationships with Related Persons and Companies

In the course of its ordinary business activities, the Group maintains relationships with subsidiaries and other related parties (major shareholders, members of the Supervisory Board and the Management Board).

As of the balance sheet date, Pelion Green Future Alpha GmbH, Gruenwald, Pelion Green Future Neo GmbH, Munich, Arvantis Group Holding GmbH, Gruenwald and Mr. Alexander Samwer, Munich, exercised a controlling influence over the Group.

Transactions with companies whose shareholders exercise significant influence over the parent company:

As of the balance sheet date, the following companies, among others, constituted related parties: Pacifico Energy Partners GmbH, Munich, Pacifico Development GmbH, Munich, Pacifico Green Development GmbH, Munich, Boom Developments Ltd, Arundel, United Kingdom, ACE Power Development Pty Ltd, Lavender Bay, Australia, and ACE Power Operations Pty Ltd, Lavender Bay, Australia.

At the end of the reporting period, the initial bid agreements concluded in the previous year with Pacifico Partners, Boom Power and ACE Power are still in force.

On October 11, 2021, the Company purchased from Pacifico Development GmbH (a company controlled by Pelion Green Future GmbH) three wind parks in Poland developed by Pacifico Partners with a total capacity of 51.8 MW. In the reporting period, purchase price payments of €1.44 million were made for this contract.

On October 14, 2021, the Company entered into a purchase agreement with Pacifico Green Development GmbH (a company controlled by Pelion Green Future GmbH) to acquire a solar park in the Netherlands with a total capacity of 14.1 MW developed by Pacifico Partners. On May 31, 2022, the Company paid a purchase price installment in the amount of €1.14 million after final completion of the work and final acceptance.

On November 7, 2021, the Group entered into a purchase agreement to acquire a turnkey portfolio of solar parks in the Netherlands with a total capacity of 10 MW, the agreement was executed on December 13, 2021. Pacifico Partners acted as broker and received a brokerage fee of €81,455.

In addition, Pacifico Partners and the Group have a Commercial Asset Management Agreement ("**CAMA**") and a Master Services Agreement ("**MSA**") (collectively, the "**Operating Agreements**"). The Operating Agreements have also been extended through 2029. The scope of services under the Operating Management Agreements has been further developed to allow for a modular regulatory framework. This modular framework provides the Group with additional flexibility to pursue its strategy of becoming a platform to the capital markets for a variety of project developers. In the financial year 2021, the following expenses related to Pacifico Partners occurred under the operating agreements:

€	
Master Services Agreement (MSA)	649,877
(2021 H1)	452,392
Commercial Asset Management Agreement (CAMA)	157,237
(2021 H1)	163,328

Transactions with key management personnel

The members of the Board of Management as key management personnel are beneficiaries of short-term benefits and other long-term benefits.

The members of the Supervisory Board as key management personnel are beneficiaries of short-term benefits.

C.5 Earnings per Share

The weighted average number of ordinary shares used in the calculation of diluted earnings per share is derived from the weighted average number of ordinary shares used in the calculation of basic earnings per share below. There were no dilutive effects in the financial year.

	2022 H1	2021 H1
Weighted average number of ordinary shares used in the calculation of basic earnings per share (units)	3,721,042	3,309,766
Weighted average number of ordinary shares used in the calculation of diluted earnings per share (units)	3,721,042	3,309,766
Earnings per share from continuing operations, basic (€)	0.03	-0.23
Earnings per share from continuing operations, diluted (€)	0.03	-0.23
Earnings per share from discontinued operations, basic (€)	-0.04	0.32
Earnings per share from discontinued operations, diluted (€)	-0.04	0.32

C.6 Events After the Balance Sheet Date

After the reporting period, or in July of this year, a capital increase against contribution in kind was successfully implemented in connection with the acquisition of a 21.9% stake in clearvise AG. As part of this transaction, the Executive Board and Supervisory Board resolved to issue 1,024,915 new shares of the Company to its anchor shareholder, Pelion Green Future Alpha GmbH,

against a contribution in kind of 13,897,848 shares in clearvise AG, Wiesbaden (corresponding to 21.9% of clearvise AG). The Company thus increased its share capital by €1,024,915 from €3,721,042 to €4,745,957 in return for a contribution in kind from clearvise AG, excluding the subscription rights of existing shareholders.

C.7 Notification Obligations Pursuant to Section 20 AktG

Written notification pursuant to Section 20 (6) of the German Stock Corporation Act dated 20 August; 2021:

Pelion Green Future Alpha GmbH, Gruenwald, has informed us that it continues to directly own more than one-fourth of the shares in our company pursuant to Section 20 (1) and (3) of the German Stock Corporation Act (AktG) and that it directly owns a majority interest in our company pursuant to Section 20 (4) of the AktG.

We have also been informed with regard to the following legal and natural persons that

Pelion Green Future Neo GmbH, Munich, indirectly holds more than one fourth of the shares (Section 20 (1) and (3) AktG) and indirectly holds a majority interest in the Company (Section 20 (4) AktG) by virtue of attribution in accordance with Section 16 (4) AktG, whereby these attributions are mediated by shares held directly by Pelion Green Future Alpha GmbH.

Arvantis Group Holding GmbH (formerly Pelion Green Future GmbH), Schönefeld, continues to indirectly hold more than one fourth of the shares (Section 20 (1) and (3) AktG) and indirectly holds a majority interest in the company (Section 20 (4) AktG) by virtue of attribution in accordance with Section 16 (4) AktG, whereby these attributions are mediated by shares held directly by Pelion Green Future Alpha GmbH.

Felicitas Holding GmbH, Munich, continues to indirectly hold more than one fourth of the shares (Section 20 (1) and (3) of the German Stock Corporation Act) and indirectly holds a majority interest in our company (Section 20 (4) of the German Stock Corporation Act) by virtue of attribution pursuant to Section 16 (4) of the German Stock Corporation Act, whereby these attributions are mediated by shares held directly by Pelion Green Future Alpha GmbH.

Mr. Alexander Samwer, c/o Arvantis Group, Karlstraße 14, 80333 Munich, continues to indirectly own more than one-fourth of the shares (Section 20 (1) AktG) and indirectly owns a majority interest in our company (Section 20 (4) AktG) by virtue of attribution pursuant to Section 16 (4) AktG, whereby these attributions are mediated by shares directly held by Pelion Green Future Alpha GmbH.

05.

Review Report

To Pacifico Renewables Yield AG (future Tion Renewables AG), Grünwald

We have performed an audit review of Pacifico Renewables Yield AG (future Tion Re-newables Yield AG), Grünwald, interim condensed consolidated financial report – comprising the consolidated balance sheet, consolidated income statement, consolidated notes, consolidated statement of changes in equity and consolidated cash-flow statement – and the interim condensed group management report for the period from January 1, 2022 through June 30, 2022. The preparation of the interim condensed consolidated financial report in accordance with IFRSs as adopted by the EU and of the interim condensed consolidated group management report is the responsibility of the Company's legal representatives. Our responsibility is to issue a certificate on the interim condensed consolidated financial report and the interim condensed consolidated group management report based on our audit review.

We have conducted our audit review of the interim condensed consolidated financial report and of the interim condensed consolidated group management report in compliance with German Generally Accepted Standards for the Audit Review of Financial Statements as issued by the German Institute of Certified Public Accountants (Institut der Wirtschaftsprüfer; "IDW"). According to these standards, our audit review must be planned and performed in such a form that we can preclude, through critical evaluation, with a certain level of assurance, that the interim condensed consolidated financial report has not been prepared, in any material respects, in accordance with the principles pursuant to IFRSs as adopted by the EU and that the interim condensed consolidated group management report has not been prepared, in any material respects, in accordance with the corresponding application of the provisions of the WpHG as applicable to interim group management reports. An audit review is

primarily limited to inquiries of the group's staff as well as analytical assessments and therefore does not provide the assurance attainable in an audit of financial statements. According to our engagement, we have not performed an audit of the financial statements; therefore, we cannot issue an audit certificate.

Based on our audit review, we have not become aware of any facts that cause us to presume that the interim condensed consolidated report has not been prepared, in all material respects, in accordance with IFRSs as adopted by the EU or that the interim condensed consolidated group management report has not been prepared, in all material respects, in accordance with the corresponding application of the provisions of the WpHG as applicable to interim group management reports.

Munich, September 29, 2022

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Tion Renewables AG (currently being renamed from Pacifico Renewables Yield AG, the new company will become effective upon entry in the Commercial Register) | Bavariafilmpfad 7, Building 49, 82031 Grünwald
Tion Renewables is registered in the Commercial Register of the District Court of Munich under HRB 251232
Tax no. 143/101/42906 | Management Board: Dr. Martin Siddiqui, Christoph Strasser
Chairwoman of the Supervisory Board: Dr. Bettina Mittermeier