



Half Yearly Report
And Consolidated Financial Statements
(Condensed and Unaudited)

30th June 2024

Velcan Holdings S.A.

RCS Luxembourg B145006
Luxembourg Stock Exchange – FR0010245803
www.velcan.lu

SUMMARY

I - MANAGEMENT REPORT	3
1. ABOUT VELCAN HOLDINGS	3
2. KEY FIGURES	3
3. IMPORTANT EVENTS AND ACTIVITY OVER THE PERIOD	3
4. SIGNIFICANT EVENTS SINCE 30TH JUNE 2021	9
II - CONSOLIDATED BALANCE SHEET - ASSETS	10
III - CONSOLIDATED BALANCE SHEET - LIABILITIES	10
IV - INCOME STATEMENT	11
V - COMMENTS ON CONSOLIDATED FINANCIAL STATEMENTS	13

I - MANAGEMENT REPORT

1. ABOUT VELCAN HOLDINGS

Velcan Holdings is a Luxembourg based investment holding company founded in 2005 managing a global portfolio of participations. The assets of the group are deployed in listed financial investments, minority private equity participations, cash and cash equivalents (bank current accounts and deposits). The group also holds a majority participation in a 15 MW hydro power plant in Brazil.

Velcan Holdings is listed on the unregulated Euro MTF Stock Market in Luxembourg (Ticker VLCN/ISIN FR0010245803). Velcan Holdings never performed any Public Offer as understood under the Directive 2003/71/CE of the European Parliament and Council.

2. H1 2024 KEY FIGURES (unaudited)

	<u>30.06.2024</u>	<u>30.06.2023</u>	<u>Var %</u>
Turnover Half Year (Million Euros)	1.0	0.9	+14%
Net Result Half Year (Million Euros)	4.0	0.7	+492%
	<u>30.06.2024</u>	<u>31.12.2023</u>	<u>Var %</u>
Cash and Financial instruments (Million Euros)	128	125	+3%
Consolidated Equity (Million Euros)	131	128	+2%

3. IMPORTANT EVENTS AND ACTIVITY OVER THE PERIOD

H1 2024 key figures and comments

Financial income

H1 2024 has seen an intensification of geo-political tensions (ongoing war in Ukraine, Israel-Gaza war and U.S. China tensions). Moreover, there has been a global elections super-cycle. These have led to mixed economical performances across different regions of the World. In China and Europe, growth has disappointed. In the USA growth has remained higher than expected. Inflation has remained initially sticky, and this has delayed the expected interest rates cut in the U.S. In Europe, inflation figures have dropped faster.

In H1 2024, the portfolio gained EUR 9.5m excluding Forex movements. The foreign exchange variations of the currencies in which the Group's financial investments are made generated a loss of EUR 3.4m. The overall performance of the portfolio as at 30.06.2024 is of EUR 6.1m vs EUR -1.7m in H1 2023.

As of June 30th, the portfolio is mainly constituted of gold mining and silver linked securities (23% of the gross financial assets), equity long positions (31% of the gross financial assets) and cash and cash equivalent (35% of the gross financial assets). The balance is made up of Treasury Bills, equity short positions, BRL bonds and INR MM funds, other bonds and private equity (see full details in chart page 6). As of end of H1 2024, the Group held no forward Forex contracts. The net cash position of the group as of 30/06/2024 is EUR 40.3m (Excluding Treasury Bills) with no significant bank overdraft.

Other incomes

The turnover, exclusively coming from Velcan Holding's participation in the Rodeio Bonito hydropower plant in Brazil, in the first half of 2024 amounted to EUR 1.0m. It was up by 14% when expressed in Euros and up by 14,5% when expressed in BRL relative to H1 2023. The increase was due to EUR 0.2m of sales related to 2023 accounted in 2024.

Operating costs were steady when compared to H1 2023 (EUR -2.3m during H1 2024, versus EUR -2.2m during H1 2023).

Depreciation, Amortization & Provisions were steady too (EUR -0.3 m for H1 2024 vs EUR -0.3 m for H1 2023) and was only related to the linear depreciation & amortization of Rodeio Bonito power plant.

Other operating income was NIL during H1 2024 VS a gain of EUR 4.3 m during H1 2023. The exceptional gain in 2023 was related to the partial write-back of the impairment made on Indian hydropower projects consistently with the divestment of two of those projects in August 2023.

This led to a decrease of the operating result (EUR -1.8m for H1 2024 against EUR 2.7m for H1 2023)

Net result, Group share, was a gain of EUR 4.0m in H1 2024 vs. a gain of EUR 0.7m in H1 2023, mostly due to the increase in the financial result as described above.

Group other comprehensive income amounts to a loss of EUR -0.6m in H1 2024 vs a gain of EUR 0.7m in H1 2023, mostly due to the depreciation of the Brazilian currency (-11.9%) and its impact on the Group conversion reserves where the assets held in foreign currency in Brazil (Rodeio Bonito) are translated into Euro. The Group total comprehensive income for H1 2024 amounts to a gain of EUR 3.3m vs a gain of EUR 1.4m in H1 2023.

Shareholders equity amounts to EUR 130.9m as of 30th June 2024 vs. EUR 128.1m as of 31st December 2023 (+EUR 2.8 m), mostly due to the Group financial income for H1 2024.

Under the share buyback program launched by the Board of Directors on 15 January 2024, in order to buy back 300,000 shares, the Company bought back a total of 42,902 shares during H1 2024 for a total amount of Euros 558,900 in accordance with the descriptions of the buyback program published on 15 January and the resolutions of the General Meetings of shareholders 29 June 2021.

No shares were distributed to employees during H1 2024.

As of 30th June 2024, the Company held 741,052 treasury shares, compared to 698,150 treasury shares as of 31st December 2023. The net number of outstanding shares as of 30th June 2024 is 4,811,268 .

Listed and unlisted minority investments – performance of portfolio during H1 2024

In H1 2024, the FED has been delaying rates cut and investors have been tracking U.S Nonfarm payrolls data to try gauge the next actions of the U.S Central Bank. Recovery in China has disappointed observers, with a difficult fight against deflation, but the country has shown some resilience. China's GDP grew by 5% in real terms despite ongoing challenges, both local and international. Gold as an asset class held strong and performed well in H1 2024.

Since 2022, the Group has no exposure to Oil stocks (all oil related stocks positions were closed by end of 2022). As of the end of H1 2024, the Group had no exposure to banking stocks, except for its Citigroup position, having capitalized on those in the years 2022 and 2023. With the prevailing risk of a recession, the Group has maintained investment in precious metals related securities.

The Japanese yen has been highly volatile in H1 2024 when it has seen a significant weakening during the first half of the year, which has been prompting the Bank of Japan to intervene in August 2024. A substantial portion of such forex Loss, being of 3.96mEUR, is related to the JPY long positions (stocks and cash).

The large difference in U.S and Japanese government bond yields caused the Yen to depreciate relative to the EUR by 10.7% during H1 2024. As of 30.06.2024 the Group still holds a JPY cash position of EUR 25.2m and EUR 15.9m in JPY stocks. The balance Forex loss came from other smaller positions with depreciation of 11.9% on the BRL relative to the EUR during H1. The USD appreciated by 2.9% relative to the EUR, which reduced the Forex loss. The overall performance of the portfolio as at 30.06.2024 is EUR 6.3 m.

As of end of 2023, despite COVID restrictions having been lifted, the Chinese economy was still struggling with geopolitical concerns and the fallout of its real estate crisis. The Chinese government has been trying to boost momentum with limited pro-growth measures with limited results so far. The Group has noted that at that point in time quality Chinese stocks were relatively cheap and decided to increase exposure to the Chinese economy by investing in ETFs that have exposure to the local Chinese market in Feb 2024 (EUR 2.61m exposure as at 30.06.2024) and, in addition, in the Chinese Life Insurance sector (EUR 5.6m exposure as at 30.06.2024).

Overall, the investment in Chinese market exposure yielded a gain of EUR 2.0m during H1. The total Chinese investments were worth EUR 14.6m at the end of H1 2024.

Profiting from an estimated undervaluation of the Korean Banking sector, the Group purchased a basket of three major Korean bank early 2024 and sold it later during the quarter for a profit of EUR 466k.

The investment in Japanese equities yielded a profit excluding Fx of EUR 3.4m (EUR 1.7m net of Forex). The total Japanese investments were worth EUR 15.9m at the end of H1 2024.

The Euro Area economy has failed to follow US growth and has shown signs of weakness, with fears that large economies like Germany might end up into a recession. Precious metals namely gold has risen by 12% in H1 2024 benefitting from the geopolitical situation, Asian investment flows and sustained buying by central banks. A significant part of the portfolio (23%) is exposed to Gold and Silver related companies mainly through the VanEck GDX ETF and the iShares Silver Trust. Excluding forex, the performance of this investment is EUR 2.6m during H1 2024, net of Forex it is positive at EUR 3.4m.

In H1 2024, the Portfolio showed a financial gain excluding Forex of EUR 9.5m and a Forex loss of EUR 3.4m. The overall performance of the portfolio as at 30.06.2024 is EUR 6.1m.

FINANCIAL INSTRUMENTS	Value 30.06.2024 in mEUR	Weight (% of net assets)	Value 31.12.2023 in mEUR	Weight (% of net assets)
Cash and cash equivalent	40.3	31%	55.5	45%
USA Treasury Bill	3.3	3%	1.8	1%
German Treasury Bill/ Bond	1.9	1%	-	0%
Money Market Funds in BRL and INR	2.4	2%	5.2	4%
Unrealized Gains on open Forward Forex	-	0%	0	0%
Other Bonds	2.6	2%	6.7	5%
NTN-F Brazil bonds	5.5	4%	-	0%
Gold and silver related stocks	29.4	23%	26.0	21%
Oil related stocks	-	0%	-	0%
Equity Long positions (EM, EU, USA, Japan)	40.0	31%	26.8	22%
Equity Short	2.7	2%	3.1	2%
Private Equity & Lending	0.2	0%	0.4	0%
Total assets (A)	128.2	100%	125.5	101%
Bank Overdraft and short-term loans	-0.00	0%	-	0%
Unrealized losses on open forward forex		0%	-0.8	-1%
Total in Financial liabilities (L)	-0.00	0%	-0.9	-1%
Net Total (A+L)	128.2	100%	124.6	100%

The equity portfolio, including gold and silver related stocks, is deployed across a diversified array of 54 different issuers and ETFs. The EUR 24.8m gold position (denominated in USD), which the Group considers to be equivalent to a separate currency, is held through 4 positions: a large position of EUR 21.1m in VanEck Gold Miners ETF, which gives exposure to the Gold Miners universe, and 3 smaller holdings in other specific mining companies.

In, H1 2024, the only remaining banking exposure was to Citigroup INC (EUR 3.7m). As to non-gold equity, as during the previous semester, the Group held positions in excess of EUR 2m in Ping An Insurance Group Co of China, Alibaba Group Holding Ltd, Citigroup Plc, iShares Silver Trust (ETF) and Tencent Holdings.

Some new positions in excess of EUR 2 m were introduced : the Group has decided to increase exposure to the Japan REIT industry with exposure in excess of EUR 2m both in Invincible Investment Corp and Japan Hotel Reit Investment Corp. The Group has introduced exposure to the Filipino markets with EUR 2.6m exposure to the iShares MSCI Philippines ETF as of 30.06.2024.

Geographically the equity investments are mostly exposed to Chinese and Japanese issuers as of June 30th 2024. The Group also has significant exposure to US issuers through ETFs, although the underlying investment risk may not be in the USA.

The Gold and Silver investment is still viewed as an insurance against inflation or monetary debasement. This investment is viewed as if the portfolio was invested in an additional currency.

As to bonds, in H1 2024, the Group decided to invest in NTN-F Brazilian Government bonds with an exposure of 5.5mEUR. The Group's NORDDEUTSCHE LANDESBANK bonds matured in H1 2024. The remaining bonds portfolio is exposed to the Republic of Argentina bonds which have a long maturity, and rated CCC (as defined by Standard & Poor's). At period closing date the lines of the portfolio are with the following issuer:

- a) EUR 2.6m exposure to the republic of Argentina.
- b) EUR 5.5mEUR exposure to NTN-F Brazilian bonds

In March of 2024, these Argentina dollar bonds rallied with investor bets on President Javier Milei taking on the task of transforming the Argentine economy (net performance on the Argentine bonds for H1 2024 is a gain of EUR 0.8m). There was no further addition or reduction in any corporate bond position apart from the Brazilian bonds

The cash part of the portfolio that is in positive yielding currencies (predominantly CNH, EUR and SGD) is held in short term Fixed Deposits with a maturity ranging from weekly to 6 months at market prevailing rates and on interests earning cash accounts. Significant cash positions include EUR 7.4m in EUR, EUR 7.1m in CHF and EUR 3.8m in USD. The Group's EUR 25.3m in JPY cash position on the other hand costed 0.43% p.a during H1 2024. The Group also has positions in U.S and German Treasury Bills in H1 2024, with an exposure of EUR 3.3m and EUR 1.9m respectively as at 30.06.2024.

As of the end of H1 2024, the private investments sitting at EUR 0.2m are venture capital investments, with a 0.2mEUR provision for impairment introduced during H1 2024 on those assets. The group has been looking in 2023 and early 2024 at diversifying its portfolio to private equity but has not increased such investments due to still valuations considered excessive at that time.

In H1 2024, the last EUR USD Forward contract held has settled. These settled Forward Forex contracts have generated a loss of EUR 474k in H1 2024. As of end of June 2024, the portfolio was mainly exposed to the Japanese Yen (32%), the U.S. Dollar (35%) and the HK Dollar (10.3%). The gold and silver positions are priced in USD and are included in the USD exposure.

The net cash position of the group as of 30/06/2024 is EUR 40.3 m

Majority participation in the Brazilian hydro plant - performance during H1 2023

The production of 29,252 MWh during H1 2024 (against 17,253 MWh during H1 2023) has significantly improved compared to the previous year and was by far above the average of last years. It was above Rodeio Bonito's ensured energy¹. This reflects good precipitation levels in Brazil in H1 2024 compared to H1 2023.

The MRE impact during H1 2024 was mostly related to 2023 December month and was not significant (less than 0.1 m€). The operation and maintenance performance of Rodeio Bonito was not satisfactory with a technical availability of 65.67% during H1 2024, against 91.97% during H1 2023, due to the damage on turbine #1 mentioned in 2023 annual report. The restart of this turbine operation is scheduled for November 2024.

The average sale price of electricity during H1 2024 was much lower than in H1 2023 (-12% in local currency) mostly due to the new sale system experimented by the plant to mitigate the effect of the MRE in case the production is lower than the guaranteed energy, and also due to the renewal of electricity sales mid-term and short-term contracts at lower price.

The turnover from sales of electricity by the Rodeio Bonito Hydro Power Plant (HPP) in Brazil amounted to EUR 1.0m (however 0.2m€ relates to 2023 production) VS EUR 0.9m during H1 2023. It was up by 14% when expressed in Euros while the average EUR/BRL rate was steady during H1 2024 (1 EUR=5.50 BRL) vs H1 2023 (1 EUR=5.48 BRL).

As a result, the EBITDA (earnings before interests, taxes and amortization) of the plant amounted to BRL 3.2m in H1 2024 against BRL 3.0m in H1 2023. When converted in EUR, the EBITDA was steady to EUR 0.6m in H1 2024 same as H1 2023.

Indian hydropower projects during H1 2024

Following the suspension of the hydropower projects development operations decided in 2021 due to the complete deadlock encountered by both the hydropower sector and the specific projects activities (concession agreements, land acquisition, etc...), the Group has fully divested its Heo – Tato-1 tandem of hydropower projects (2 hydropower totaling 426 MW located in the state of Arunachal Pradesh), taken over by a major utility owned by the Government of India in early August 2023.

The Projects were the 2 largest projects of the Group's cascade of 3 hydropower projects. Following this sale, the Group is left with the third project of the said cascade, the Pauk HEP (145 MW), its last greenfield hydropower project. The buyer of the projects refunded a significant part of the project development expenses incurred by the Group in India, although costs incurred out of India could not be recovered.

The Group is still looking for a solution for the Pauk HEP

¹ In Brazil, « guaranteed energy » or « ensured energy » means the annually marketable energy as approved by MME – Ministério de Minas e Energia (Department of Mines and Energy) and guaranteed through the Brazilian power system for power plants opting for the MRE (Energy reallocation Mechanism), mechanism functioning at national scale, even if the production is impacted by a bad hydrology some years. This mechanism covers the hydrological risk in case some Brazilian areas are experiencing drought, whereas other areas are experiencing heavy rains. The guaranteed energy is usually sold through mid-term fixed inflation-linked contracts. However this mechanism does not cover the risk of a national drought across Brazil which results in an overall MRE system in deficit. In this case, the Rodeio Bonito plant EBITDA could collapse drastically as all participants of the MRE system will have their guaranteed energy reduced proportionally to the overall deficit. In this case the plant has to purchase electricity in the spot market to compensate for its generation deficit, called MRE payments as consumed purchases.

4. IMPORTANT EVENTS SINCE 30th JUNE 2024

On 10 June 2024, the Velcan Holdings launched a share buyback offer to all shareholder (details of the offer available at https://www.velcan.lu/wp-content/uploads/2024/06/Velcan-Holdings_Contractual-Buyback-Tender-Offer_FINAL.pdf). On 16 July 2024, the offer was closed and resulted in the buyback of 156,949 shares.

No other important events are to be reported since 30th June 2024.

II – UNAUDITED CONSOLIDATED BALANCE SHEET (ASSETS)

In thousands of Euros

	30.06.2024	31.12.2023
Non current assets		
Intangible assets	878	1 032
Tangible assets	4 187	4 919
Non current financial assets	235	409
Total non-current assets	5 314	6 363
Current assets		
Current financial assets	87 676	69 563
Trade and other receivables	124	159
Income tax receivables	8	11
Other current assets	106	116
Cash and cash equivalents	40 275	55 495
Total current assets	128 190	125 344
Total assets	133 504	131 707

III – UNAUDITED CONSOLIDATED BALANCE SHEET (LIABILITIES)

Thousands of Euros

Liabilities	30.06.2024	31.12.2023
Equity		
Issued capital	5 552	5 552
Additional paid in capital	120 607	120 607
Other reserves and conversion reserves	771	1 418
Net income for the year	3 967	533
Total Equity	130 898	128 110
Non current liabilities		
Non current provisions	716	697
Other non current liabilities	933	907
Total non-current liabilities	1 649	1 604
Current liabilities		
Current financial liabilities	0	875
Trade and other payables	873	963
Income tax payables	80	166
Other current liabilities	4	0
Total Current Liabilities	956	2 004
Total Liabilities	133 504	131 718

IV – UNAUDITED INCOME STATEMENT

Thousands of Euros

Statement of Profit & Loss	30.06.2024	30.06.2023
Operating revenues	999	876
Total operating revenues	999	876
Purchases	(56)	(0)
External expenses	(1 744)	(1 589)
Payroll expenses	(582)	(602)
Operating tax expenses	(170)	(0)
Depreciation, Amortization & Provisions	(275)	(290)
Current operating result	(1 829)	(1 607)
Other operating income	-	4 299
Operating result	(1 829)	2 692
Financial Income	9 622	6 176
Financial expenses	(3 571)	(7 913)
Financial Result	6 051	(1 737)
Income tax expense (-) / benefit (+)	(255)	(285)
Net result from continuing operations	3 967	670
Earnings per share (in Euros)	0,82	0,14
Diluted earnings per share (in Euros)	0,81	0,14
EBITDA	(1 554)	2 982

Statement of total comprehensive Income	30.06.2024	30.06.2023
Net income	3 967	670
Other comprehensive income, that will not be reclassified subsequently to profit or loss	(644)	733
Total Comprehensive Income	3 324	1 403
thereof attributable to non-controlling interests	(0)	(0)
Group Total Comprehensive income	3 324	1 403

V - COMMENTS ON THE CONSOLIDATED FINANCIAL STATEMENTS

1. EFFECTIVE FOREIGN EXCHANGE RATES

1 € =	30.06.2024		31.12.2023		30.06.2023	
	Closing rate	Average rate	Closing rate	Average rate	Closing rate	Average rate
BRL (Brazilian Real)	6,00	5,50	5,36	5,40	5,23	5,48
INR (Indian Rupee)	89,41	90,06	91,93	89,37	89,66	88,87
USD (US Dollar)	1,07	1,08	1,10	1,08	1,09	1,08
SGD (Singapore Dollar)	1,45	1,46	1,46	1,45	1,48	1,44
JPY (Japanese Yen)	172,4	164,6	155,7	138,0	157,5	145,8

2. COMMENTS ON THE BALANCE SHEET

ASSETS

Intangible Assets

After the disposal of its main hydropower projects and the discontinuing of its operations in India in 2023, the Group only has EUR 0.9 m of intangible assets related to its Brazilian Rodeio Bonito hydropower project.

The negative effect of the Brazilian currency plus the amortization and provisions allowance cost on Rodeio Bonito had a negative effect on the value of intangible assets related to Rodeio Bonito asset (EUR 0.9 m in H1 2023 VS EUR 1.1m at 31st December 2023).

Tangible Assets:

Tangible assets were down to EUR 4.2m at 30th June 2024 versus EUR 4.9m at 31st December 2023, a decrease of EUR 0.7m. This variation is the net result of the combined effects, on one hand of the decrease of the Brazilian Real on the book value of Rodeio Bonito expressed in Euros because of the depreciation of the Brazilian currency (-EUR 0.5m) and, on the other hand, of the depreciation expense of that same asset (EUR -0.2m). The concession will end in 2034, and upon such termination the Company will need to handover the plant in good working condition to the government.

Cash, Cash Equivalents & financial assets:

These assets were up from EUR 125.5m as of 31/12/2023 to EUR 128.2m as of 30/06/2024 (EUR +2.7m). Net from the variation of financial liabilities (see below), Cash & Cash equivalents and financial instruments were globally up from EUR 124.6m as of 31/12/2023 to EUR 128.2m as of 31/12/2024 (EUR +3.6m). This positive variation is mostly due to the positive financial result. Please report to part I-3 for detailed comments on the financial assets.

LIABILITIES

Capital:

The issued capital still stands at 5 552 320 €.

Non-current provisions:

Non-current liabilities (EUR 0.7m) are broadly stable at constant exchange rates and stem from unresolved disputes relating to the Group's past ownership of industrial facilities. Several appeals have been filed before Indian courts in all pending cases, the timeframe of which cannot be estimated as of date.

Other non-current liabilities:

Other non-current liabilities (EUR 0.9m) are broadly stable at constant exchange rates and stem from advances made to the group, the reimbursements of which are contingent to conditions that are not met at this date.

Current financial liabilities:

Current liabilities were down at NIL in June 2024 VS EUR 0.9m in December 2023 (EUR -0.9m), when it included bank overdrafts for EUR 0.1m and unrealized losses on forward forex contracts for EUR 0.8m.

Trade and other payables:

It remained steady at EUR 0.9m in June 2024 VS EUR 0.8m in H1 2023.

3. COMMENTS ON THE INCOME STATEMENT

EBITDA was negative during H1 2024 (EUR -1.6 vs. EUR 3.0m in H1 2023). Net result, Group Share, was a gain of EUR 4.0m vs. a gain of EUR 0.7m for H1 2023.

CURRENT OPERATING PROFIT:

Turnover:

Velcan's turnover amounted to EUR 1.0m in H1 2024 arising exclusively from sales of electricity by the Rodeio Bonito Hydro Power Plant in Brazil, against EUR 0.9m in H1 2023 (see under section I-3 for more explanations).

Purchases:

Purchases costs were at EUR 0.1m in H1 2024 VS NIL in H1 2023 (see under section I-3 for explanations on MRE in relation to the Rodeio Bonito plant).

Operating costs (excluding purchases):

External & payroll expenses & operating costs were slightly higher at EUR 2.5 m during H1 2024 VS EUR 2.2 during H1 2023.

Depreciation, Amortization and Provisions, Provision write-backs:

Depreciation and amortization of tangible and intangible assets amounted to an expense of EUR -0.3m in H1 2024 vs. an expense of EUR -0.3m in H1 2023. Tangible and intangible asset depreciation expense was mainly attributable to Rodeio Bonito HPP in H1 2024 (EUR -0.3m).

Other operating Income:

Non-current other operating income was NIL H1 2024 vs EUR 4.3m in H1 2023. 2023 figure was related to the post-closing sale of Indian projects as described above in the first part of the report.

As a consequence, operating result was a loss of EUR -1.8m compared to a gain of 2.7m in H1 2023.

FINANCIAL INCOME

Net financial income for H1 2024 was a gain of EUR 6.1m vs a loss of EUR 1.7m in H1 2023. The financial income of the Group is mostly dependent on two items:

- a) The capital gain/losses on its financial assets portfolio and the dividends received. The gain excluding Forex movements was EUR 9.5m.
- b) The Foreign exchange variations of the currencies in which the Group's financial investments are made. It generated a loss of EUR 3.4m.

COMPREHENSIVE INCOME

Net income for H1 2024 amounted to a gain of EUR 4.0m vs a gain of EUR 0.7m during H1 2023.

The impact of currency fluctuations on Group equity on items which are only recognized in the comprehensive income (mainly tangible and intangible assets) was an additional comprehensive income loss of EUR -0.6m in H1 2024 vs. a gain of EUR 0.7m in H1 2023.

This variation is mainly due to a lower Brazilian Real when compared to EUR which negatively impacted the book value of tangible assets (Rodeio Bonito power plant) booked in this currency (See above).

As a result total Comprehensive Income for H1 2024 amounted to a gain of EUR 3.3m vs. a gain of EUR 1.4m in H1 2023.