

# SEleNe CC Annual Report 2023



# Energy flows with security



SEleNe CC  
Annual Report  
2023

**SOUTHEAST ELECTRICITY  
NETWORK COORDINATION  
CENTER (SEleNe CC) S.A.**

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Date of incorporation:  
**22/05/2020**

Annual reporting period:  
**01/01/2023 – 31/12/2023**

Financial Year:  
**01/01/2023 – 31/12/2023**

**Board of Directors**  
(of the reporting period)

**Yannis Kampouris**  
IPTO (Chairperson of the BoD)

**Enrico Maria Carlini**  
TERNA

**Angelin Tsachev**  
ESO

**Executive Board**

**Yannis Kampouris, CEO**

**Auditors**

**Grant Thornton**  
87, 17is Noemvriou str.  
55534 Thessaloniki, Greece

## Abbreviations List

<b>ACER</b>	European Union Agency for the Cooperation of Energy Regulators	<b>EL</b>	Element List	<b>RA</b>	Remedial Action	<b>TTC</b>	Total Transfer Capacity
<b>BD</b>	Business Day	<b>EMF</b>	European Merging Function	<b>RAA</b>	Regional Adequacy Assessment	<b>TSO</b>	Transmission System Operator
<b>BM</b>	Business Month	<b>ENS</b>	Energy Not Supplied	<b>RAO</b>	Remedial Action Optimiser	<b>UAP</b>	Unavailability Plan
<b>BY</b>	Business Year	<b>ENTSOe</b>	European Network of Transmission System Operators for electricity	<b>RCC</b>	Regional Coordination Center	<b>UCTE</b>	Union for the Coordination of the Transmission of Electricity Data Exchange Format
<b>CACM</b>	Capacity Allocation and Congestion Management	<b>EU</b>	European Union	<b>RIAR</b>	Regional Incident Analysis and Reporting		
<b>CCC</b>	Coordinated Capacity Calculation	<b>FCA</b>	Forward Capacity Allocation	<b>ROSC</b>	Regional Operation Security Coordination		
<b>CCM</b>	Coordinated Capacity Methodology	<b>ICS</b>	Incident Classification Scale	<b>RSC</b>	Regional Security Center		
<b>CCR</b>	Capacity Calculation Region	<b>IGM</b>	Individual Grid Model	<b>SEE</b>	South-East Europe		
<b>CE</b>	Continental Europe	<b>KPIs</b>	Key Performance Indicators	<b>SEE MG</b>	South-East Europe Maintenance Group		
<b>CEP</b>	Clean Energy Package	<b>LT</b>	Long Term	<b>STA</b>	Short Term Adequacy		
<b>CGM</b>	Common Grid Model	<b>NGR</b>	North Greece	<b>SRO</b>	South Romania		
<b>CGMA</b>	Common Grid Model Alignment	<b>NMFT</b>	Network Model and Forecast Tools	<b>SOGL</b>	System Operation Guideline		
<b>CGMES</b>	Common Grid Model Exchange Standard	<b>NRA</b>	National Regulatory Authority	<b>SOR</b>	System Operation Region		
<b>CGS</b>	Critical Grid Situation	<b>NTC</b>	Net Transfer Capacity	<b>TCI</b>	Training and Certification Implementation	<b>Timeframes</b>	
<b>CNEC</b>	Critical Network Element with Contingency	<b>OPC</b>	Outage Planning Coordination	<b>TF</b>	Task Force	<b>ID</b>	Intraday
<b>CRAA</b>	Cross-Regional Adequacy Assessment	<b>OPDE</b>	Operational Planning Data Environment	<b>TH</b>	Time Horizon	<b>D-1</b>	Day Ahead
<b>CROSA</b>	Cross-Regional Operational Security Analysis	<b>OPI</b>	Outage Planning Incompatibility	<b>TLI</b>	Tie-Line Inconsistencies	<b>D-2</b>	Two-days Ahead
<b>CSA</b>	Coordinated Security Analysis	<b>PE</b>	Pan-European	<b>TS</b>	Timestamp	<b>M-1</b>	Month Ahead
		<b>QoCDC</b>	Quality of CGMES Datasets and Calculations	<b>TT</b>	Task Team	<b>W-1</b>	Weak Ahead
						<b>Y-1</b>	Year Ahead

We are delighted to present the annual report of SEleNe CC for the year 2023. This report offers a thorough overview of our organisation's performance, achievements, and future prospects. The past year has been a period of steady progress and dedication to our mission.

Throughout 2023, we have consistently upheld our commitment to providing exceptional tasks to the TSOs. Our team has worked diligently to expand the range of tasks we offer, ensuring that we meet and exceed the evolving needs of our stakeholders.



This report highlights our key accomplishments across various sectors of our operations and showcases the dedication and hard work of our employees. We have focused on increasing the number of tasks we provide, enhancing our capacity to serve our clients more effectively and efficiently.

In conclusion, this Annual Report encapsulates the determination, innovation, and resilience exhibited by every member of SEleNe CC. We are grateful to our dedicated employees and supportive shareholders for their unwavering trust and commitment.

We invite you to delve into the following sections to gain a comprehensive understanding of our accomplishments and the exciting opportunities that lie ahead.

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# Joint Letter from the CEO and the Board of Directors

Section 1

We commence this report with a joint letter from the CEO and the members of the Board of Directors. In this section, we will share insights, perspectives and strategic initiatives that have shaped the course of our journey in the past year.

pages: 10-13

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# About SEleNe CC

Section 2

This section outlines the information about the establishment of SEleNe CC, the CCRs that are covered and the engagement to support SEE TSOs.

pages: 14-17

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# Organisation and Governance

Section 3

In this section, you have a view of our organisational chart and departments, as well as the corporate bodies of the company.

pages: 18-21

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# Key Tasks

Section 4

Here we provide an overview of our RCC tasks in line with Article 37 of the European Regulation on the Internal Electricity Market (2019/943).

pages: 22-29

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# SEleNe CC Tasks

Section 5

In this section, we elaborate on the tasks we perform, reporting also on the performance, actions and tasks that we are responsible for.

pages: 30-87

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# Future developments

Section 6

Looking ahead, SEleNe CC aims to integrate into its portfolio new tasks. This section outlines these new tasks. In addition, we are pleased to announce the establishment of a backup data center.

pages: 88-93

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# Research activities

Section 7

At SEleNe CC, we recognise that research and innovation alongside international cooperation are pivotal to driving success in the energy sector. In this section, we provide an overview of our ongoing research activities.

pages: 94-95

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# Financial Statements

Section 8

Finally, we present the financial statements of SEleNe CC for the period from 1 January to 31 December 2023. This section provides a comprehensive overview of our financial performance, according to the International Financial Reporting Standards (IFRS).

pages: 96-168

# Joint Letter from the CEO and the Board of Directors

## Dear Shareholders, Stakeholders and Employees

It is with great pleasure that we present to you the annual report of Southeast Electricity Network Coordination Centre S.A. (SEleNe CC) for the year 2023. SEleNe CC has been established as a crucial player in South East Europe, supporting the Transmission System Operators (TSOs) all around the clock to maintain the operational security of networks, thus fulfilling the 943/2019 European Commission Regulation.

2023 has been another year of development and progress in both the technical and administrative fields. During 2023, SEleNe CC developed all required tools to provide Long Term (year and month ahead) Coordinated Capacity Calculation (LT-CCC) to Southeast Europe (SEE) TSOs. Additionally, during 2023, SEleNe CC further developed its European Merging Function (EMF) tool and efficiently participated in the CGMES rotational calendar, developing Common Grid Models (CGMs) for D-2, D-1, and ID time horizons as well as year ahead CGMs in CGMES format.

Moreover, during the reporting period, SEleNe CC was also prepared to carry out new tasks such as the Regional Incident Analysis and Reporting (RIAR), the consistency checks of Defense & Restoration Plans, and the Regional Electricity Crisis Scenarios, in addition to fulfilling the necessary preparations for the Training and Certification of all operators.

At SEleNe CC, we recognise that the criticality of cross-border partnerships is crucial to driving success in the energy sector. Collaboration with Transmission System Operators, Regulatory Authorities, and stakeholders across borders is always the key driver for SEleNe CC in achieving a secure, reliable, and environmentally sustainable energy ecosystem. Our active participation in Pan-European processes has been instrumental in shaping the future of the energy landscape, namely the creation of the Common Grid Model, the Outage Planning Coordination and the Assessment of System Adequacy.

Following our strong commitment to collaboration, SEleNe CC, in line with the other RCCs in Europe, continued its activities in deploying the new services as defined by the Article 37 of the 943/2019 European Commission Regulation. During 2023, SEleNe CC kept its steady progress



Yannis Kampouris, CEO



Nikolaos Boulaxis,  
Chairperson of the BoD  
(IPTO)



Enrico Maria Carlini  
(Terna S.p.A.)



Angelin Tsachev  
(ESO EAD)

towards a stable and well-defined entity with strong infrastructures, capabilities and motivated as well as highly skilled employees. As shown in this report, during 2023 SEleNe CC achieved excellent performance indices, allowing us a feeling of success and optimism.

Looking ahead, we are fully committed to the upcoming developments and challenges. Although we acknowledge our heavy duties ahead, we are fully prepared to navigate these complexities while upholding the highest standards of operation. We are committed to developing and implementing critical infrastructure that aligns with the regulatory objectives, promoting renewable energy integration, energy efficiency, and sustainability.

We remain deeply grateful for the support of our shareholders. Their trust and confidence in our capabilities have been the driving force behind our achievements. We extend our heartfelt gratitude to our exceptional team for their unwavering dedication and expertise.

Together, let us embrace the opportunities and challenges that lie ahead. We are determined to continue shaping a resilient, sustainable and interconnected electricity network for the Southeast region and the whole Europe as well. With your continued support and our collective efforts, we will create a brighter and greener future for generations to come.

Thank you for your ongoing belief in SEleNe CC.

Warm regards,  
Yannis Kampouris, Chief Executive Officer  
Nikolaos Boulaxis, Chairperson of the Board (IPTO)  
Enrico Maria Carlini (TERNA S.p.A)  
Angelin Tsachev (ESO EAD)

# 02

## About SEleNe CC

SEleNe CC is a Regional Coordination Center (RCC) established in Thessaloniki, Greece, for the European Union (EU) Transmission System Operators (TSOs) in South-East Europe (SEE) in compliance with the European Commission Regulations 1222/2015 and 2017/1485, the Third Energy Package and the Clean Energy Package. SEleNe CC was founded in May 2020 as a Regional Security Coordinator (RSC) by four TSOs: ESO-EAD (Bulgaria), IPTO (Greece), Terna S.p.A (Italy), and Transelectrica (Romania).

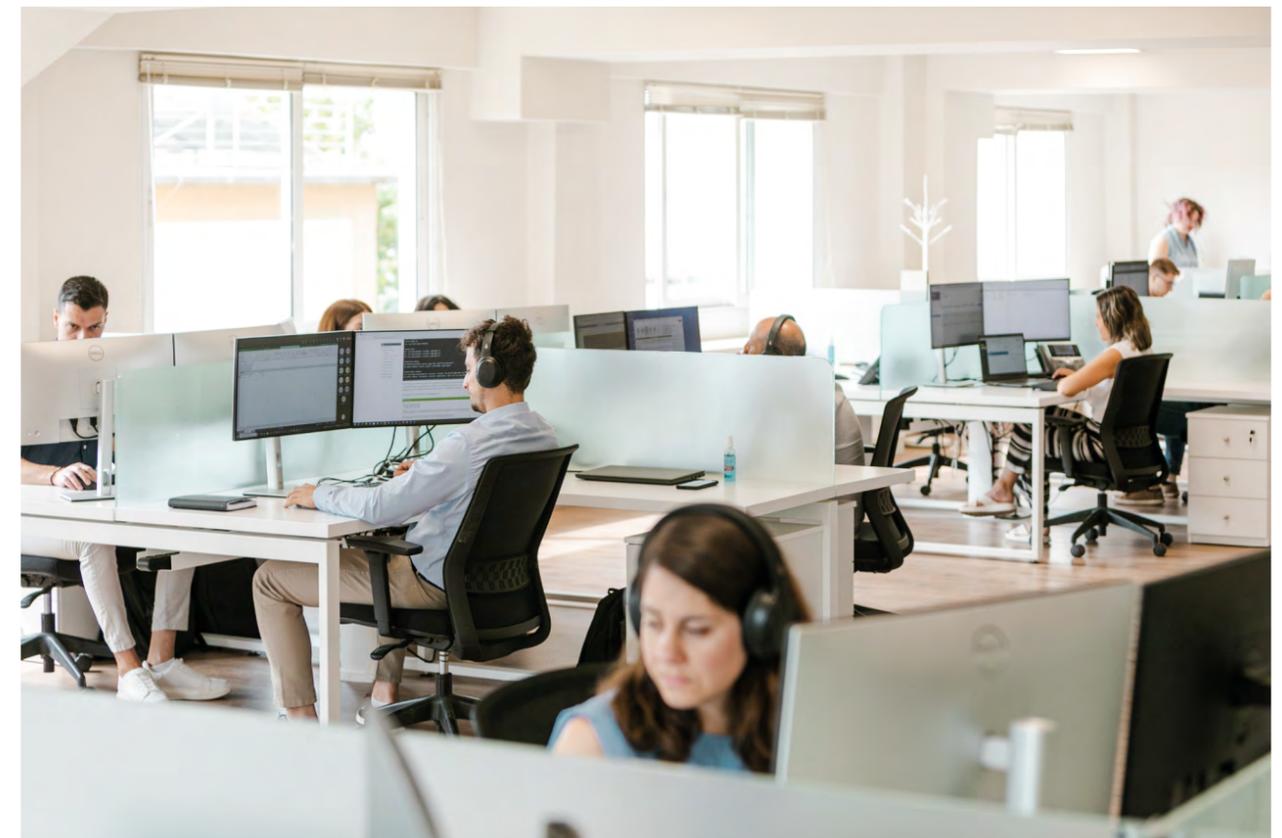
Energy  
flows with  
transparency

In July 2022, adhering to the European Commission Regulation 943/2019, SEleNe CC transformed into an RCC, with ESO-EAD, IPTO, Terna S.p.A. and Transelectrica continuing their participation. Transelectrica (the Romanian TSO) withdrew as a shareholder in SEleNe CC on February 7th, 2023, but remains a TSO of the region receiving our services.

SEleNe CC covers two Capacity Calculation Regions (CCR), i.e. the GR-IT CCR and the SEE (GR-BG-RO) CCR, providing the services foreseen in the Capacity Allocation and Congestion Management (CACM) Regulation, the Network Code on Forward Capacity Allocation (FCA Regulation) and the Network Code on System Operation (System Operation Guideline - SOGL). SEleNe CC has also established a subsidiary company (Esperia CC) located in Rome that deals with the 6 bidding zones within Italy.

SEleNe CC aims to support SEE EU TSOs in their operational activities. Through the close collaboration and coordination with the TSOs, SEleNe CC aims to: increase the efficiency in system operation, minimise risks of events occurring in large geographical areas, such as blackouts, reduce the cost of electricity and increase competition in the electricity market providing the maximum available transmission capacity to market participants. Additionally, SEleNe CC promotes the strong collaboration between EU and no-EU TSOs of the SEE area as well as the collaboration and coordination with other European RCCs in order to efficiently address the multiple challenges for the balancing of modern power systems, stemmed from the increased and volatile generation of renewable energy sources and the increased cross-border flows. Furthermore, we actively support the green transition by facilitating the integration of renewable energy sources into the grid, paving the way for a clean energy future.

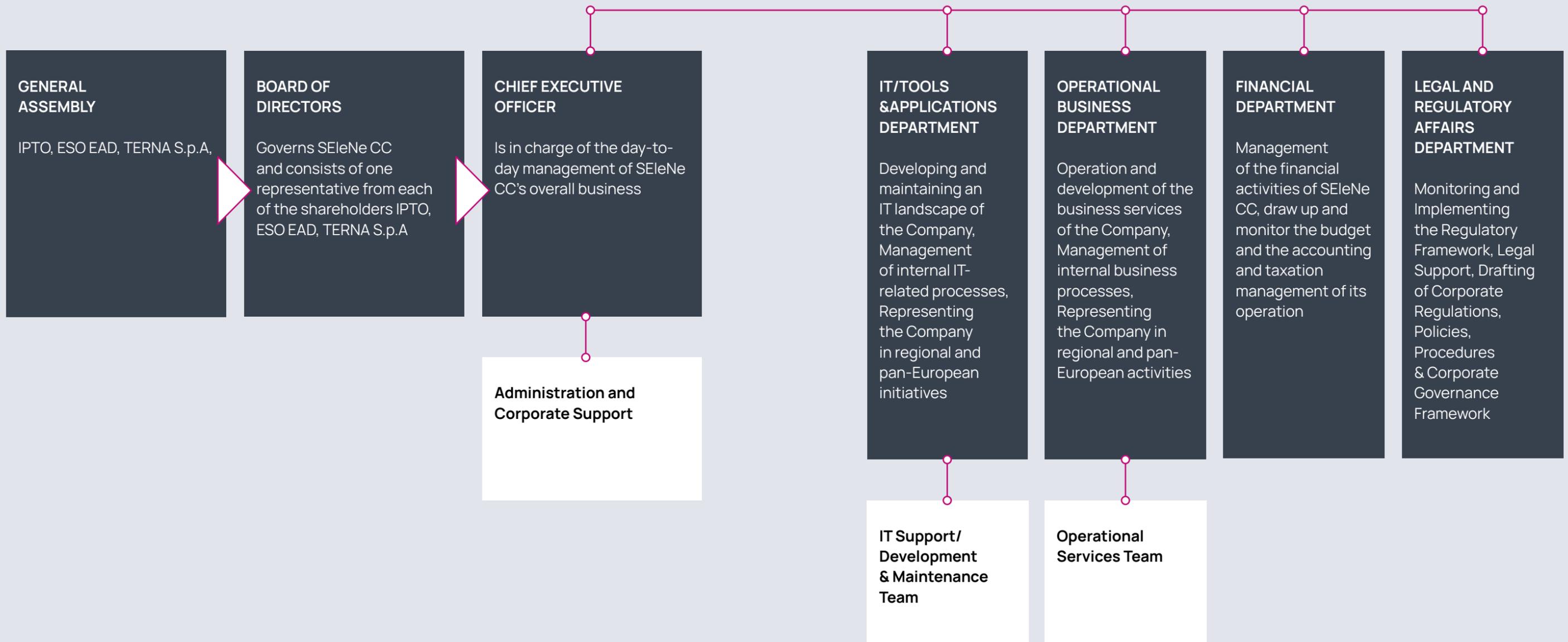
Regarding Esperia CC, the company is placed in Rome and established, in line with Article 44 of Regulation (EU) 2019/943, to act as a regional desk to address sub-regional specificities of the System Operation Region South-East Europe, i.e., Capacity Calculation Region Greece-Italy (CCR GRIT), for the efficient and reliable exercise of its tasks. The CCR GRIT includes all the Italian internal bidding zones and the border SUD-GRE over the GRIT HVDC link between the Italian and Greek HV grids. Thus, the Italian and Greek TSOs (Terna and IPTO) are among the service receiver Parties.



# Organisation & Governance

SEleNe CC is organised and governed as shown here, in order to effectively fulfill its obligations and perform its tasks given the conditions outlined. Employees working in the organisation need to be and are specialised with high educational levels and expert experience and are valuable knowledge resources.





# 04

## Key Tasks

SEleNe CC provides the full portfolio of tasks defined by EU regulation 2019/943. In particular, these include: Common Grid Model (CGM), Coordinated Security Analysis (CSA), Coordinated Capacity Calculation (CCC), Outage Planning Coordination (OPC) and Short Term Adequacy (STA). Aside from these key tasks, SEleNe CC is also prepared to carry out additional tasks, such as Training Certification and Implementation (TCI), Critical Grid Situation (CGS), Regional Incident Analysis and Reporting (RIAR), Consistency checks of Defence & Restoration Plans, Regional Electricity Crisis Scenarios and Maximum Entry Capacity (MEC). Moreover, SEleNe CC collaborates closely with SEE TSOs aiming to continuously improve existing tools, thus enhancing the quality of the provided services. Finally, SEleNe CC develops new tools and methods to ensure the efficient provision of future RCC services.

Improving  
efficiency of  
regional  
electricity  
markets

A short description of the main tasks is provided below



### Common Grid Model (CGM)

The Common Grid Model is the main forecast representation of generation, load, and grid topology, of the EU power system. The CGM provides the TSOs with the latest grid status information and establishes the foundations for the execution of the rest of the RCC tasks, such as CCC, CSA, and OPC.



### Coordinated Security Analysis (CSA)

This task is designed to forecast potential operational security risks, such as over-voltage, under-voltage, and congestion issues, one day ahead of time. By providing this early warning, CSA gives TSOs more time to identify appropriate RAs. By determining preventive RAs in advance, CSA helps minimise the number of decisions that need to be made during real-time operations.



### Coordinated Capacity Calculation (CCC)

The CCC task aims to calculate the maximum available cross-border capacity in the CCR while ensuring the security of the SEE grid. This is accomplished by performing security analysis for the given borders based on the CGM along with contingencies, critical elements of the grid, and RAs. After the NTC calculation, the cross-border capacities are provided to the market energy platforms where market participants can trade using a secure space to exchange energy within the European grid.



### Outage Planning Coordination (OPC)

The role of the OPC task is to facilitate the secure maintenance of grid assets, maintaining the reliability of the interconnected European power system. Each TSO is responsible for planning the outages of the internal grid elements. However, outages of grid elements and production units affect neighbouring TSOs, and moreover neighbouring TSOs almost always share interconnection lines. The regular maintenance of these elements is essential for the electricity system. To ensure the operational security of the system, the abovementioned outages shall be coordinated among relevant parties.



### Short Term Adequacy (STA)

The task of ensuring that generation capacity meets the demand is a critical aspect of power system operation. Regional Coordination Centres use input data provided by the TSOs to forecast the week ahead adequacy, enabling them to anticipate and address potential issues. When discrepancies arise, Regional Coordination Centers (RCCs) facilitate coordinated actions among TSOs. This collaborative approach allows for the selection and implementation of the most effective Remedial Actions (RAs) to maintain system operational security.



### Critical Grid Situation (CGS)

CGS represents a potential emergency state identified during the operational planning phase, where all available regular RAs are depleted. Consequently, TSOs must implement extraordinary countermeasures. CGS is characterised as a critical situation that cannot be resolved at the national level alone and necessitates coordination among multiple TSOs.



### Regional Incident Analysis and Reporting (RIAR)

RCCs carry out Post-Operation and Post-Disturbances Analysis in incidents across Europe. In the event of an incident reported, from a TSO, across Europe an investigation is launched by an expert group under ENTSO-E. Expert group members are coming from TSOs and RCCs representatives. The incidents are classified based on the Incident Classification Scale (ICS) that has been developed by ENTSOE. RCCs experts are focusing in RCC tasks and analyse the data to detect which tasks played a major role prior and during the incident.



**Other Tasks:**

SEleNe CC RCC, alongside other RCCs, is ready to perform the following regulated tasks:

**Consistency checks of Defence & Restoration Plans and Regional Electricity Crisis Scenarios.** In 2023, the focus for the Regional Crisis Scenario service was on updating RCC tasks within the methodology. The next round of consistency checks for Defence and Restoration plans is scheduled for 2024.

**Training Certification and Implementation (TCI):** During 2023 the focus was on the development of the training module structure and the procurement on an LMS.

SEleNe CC covers two CCRs, presented in figures 1a and 1b, namely the GRIT CCR (GR-IT) and the SEE CCR (GR-BG-RO) defined in Article 15 of Commission Regulation (EU) 2015/1222 and ACER decision No 04/2021. SEleNe CC performs CCC and CSA for the SEE CCR while Esperia performs CCC and ROSC for the GRIT CCR.

SEleNe CC performs regional tasks for the SEE System Operation Region (SOR) as defined in Article 36 of the EU regulation 2019/943 and ACER decision No 05/2022. The SEE SOR consists of the Greek and the Bulgarian TSOs, IPTO and ESO respectively, as well as TERNA, the Italian TSO. Additionally, SEleNe CC as the RCC of the SEE SOR shall coordinate the Bulgaria-Romania (BG-RO) bidding zone border in cooperation with the Romanian TSO, Transelectrica.

CGM, OPC and CGS are performed by SEleNe CC for IPTO, ESO and Transelectrica, while STA is performed for IPTO and ESO.

SEleNe CC also participates in the Pan-European OPC and STA tasks that are provided to TSOs across Europe (figure 1c).

Fig. 1: SEleNe CC Services from a Geographical Scope:

- a) GRIT CCR
- b) SEE CCR
- c) Pan-European



# 05

# SEleNe CC Tasks



In this part of the report, more information regarding the SEleNe CC tasks is provided. In particular, a dedicated section is foreseen for each one of the following tasks:

**Common Grid Model (CGM)**

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**Coordinated Security Analysis (CSA)**

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**Coordinated Capacity Calculation (CCC)**

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**Outage Planning Coordination (OPC)**

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**Short-Term Adequacy (STA)**

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**Regional Incident Analysis and Reporting (RIAR)**

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**Critical Grid Situation (CGS)**

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**Consistency Assessment of Defence and Restoration Plans**

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**Regional Electricity Crisis Scenarios**

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**Training and Certification Implementation (TCI)**

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An overview of each one of the abovementioned tasks is provided. Then, Key Performance Indicators (KPIs), used to track the efficiency and effectiveness of the task are presented. The adopted KPIs are in accordance with the guidelines and recommendations of EU regulation 2019/943 Art. 46. At this point it shall be noted that CGS is not governed by EU regulation 2019/943. Therefore, there are no KPIs for this task. CGS is only presented in this report to provide insights concerning the complete portfolio of SEleNe CC tasks. For each task, a future outlook is also provided.

Several of the provided tasks were under continuous evolution during 2023. Therefore, the readiness and technological level of the tasks and the corresponding tools vary. In this sense, for some tasks no coordinated actions have been issued yet. Thus, monitoring and reporting activities differ among them. In all cases, the adopted KPIs are aligned to the KPIs used by other RCCs, taking into account SEE regional implementations and practices.

# Common Grid Model (CGM)

CGMES

SEleNe CC developed and continues to further enhance, its own, custom European Merging Function (EMF) Tool for the scope of the CGMES CGM creation task. The EMF Tool was developed as per EMF Requirements v3 and QoCDC v3.3.1, capable to execute CGM creation for ID, D-1, D-2, and Year Ahead THs.

The development of the Tool was performed in the following order:

**Q4 2022 to Q1 2023: D-1 and D-2 merging functionality.**

**Q2 2023: ID merging functionality.**

**Q3 2023: Year Ahead merging functionality.**

**Q4 2023 and towards: CGM quality, IGM inclusion, Net Position Scaling improvements.**

The CGMES CGM creation is executed on a Rotational basis by the RCCs as defined by the CGM Rotational Principle Document and the relevant Rotational Calendar of 2023. D-1 and D-2 processes are executed ones per day for all EU synchronous areas, for all TSs, while ID is executed 24 times per day, each time for all the remaining TSs.

CGMES CGM creation in SEleNe CC has been in operation since the beginning of 2023. In specific, SEleNe CC debuted in the CGMES CGM creation on January 2023, as a merging agent for D-1 and D-2 THs. Throughout the year, SEleNe CC switched between D-1/D-2 merges and ID merges. The first participation in the ID merging role started in August 2023, with SEleNe CC merging ID IGMs, on a daily basis, 24 times per day.

Over this one-year period, SEleNe CC managed to establish a reliable and stable merging function, delivering CGMs to OPDE daily, for all TSs and THs. Indeed, this can be derived from Figures 3 CGM, 4 CGM, and 5 CGM, displaying the CGM publication success rates from ENTSOE, for D-1, D-2, and ID. As observed, there is a great increase in the effectiveness of the EMF Tool and OPDE IT infrastructures of SEleNe CC, from the beginning of the year until the end of it, with SEleNe CC achieving over 94% of successful publications in D-1, 97% in D-2, and over 99% in ID, starting from August 2023.

The Common Grid Model building process (as per Regulation (EU) 2019/943, Article 37.1 (c) and the Regulation (EU) 2017/1485, Articles 67 and 70 (SOGL)) provides the initial power system forecast input for the calculation of the subsequent tasks. The CGM task supplies TSOs with broad and detailed information, facilitating regional and Pan-EU processes. SEleNe CC delivers on a daily basis CGMs in both UCTE and CGMES format. The CGM task is provided for ID, D-1, D-2, and Year Ahead.

UCTE

All the tasks delivered by SEleNe CC are currently executed on the UCTE data exchange format CGMs. UCTE CGMs are created on a daily basis, for Continental EU region, ones per day, for D-1 (all TSs of the day), D-2 (all TSs of the day), and ID (TS 12:00 to 23:30). The UCTE CGM creation module, being in operation for over 2 years, has reached optimal efficiency and effectiveness, with:

- model quality being steadily sufficient for CGM usage in CCC and CSA, and
- CGM creation success rates reaching almost 100% throughout 2023, for all TSs of D-1, D-2, and ID processes (Figure 2 CGM).

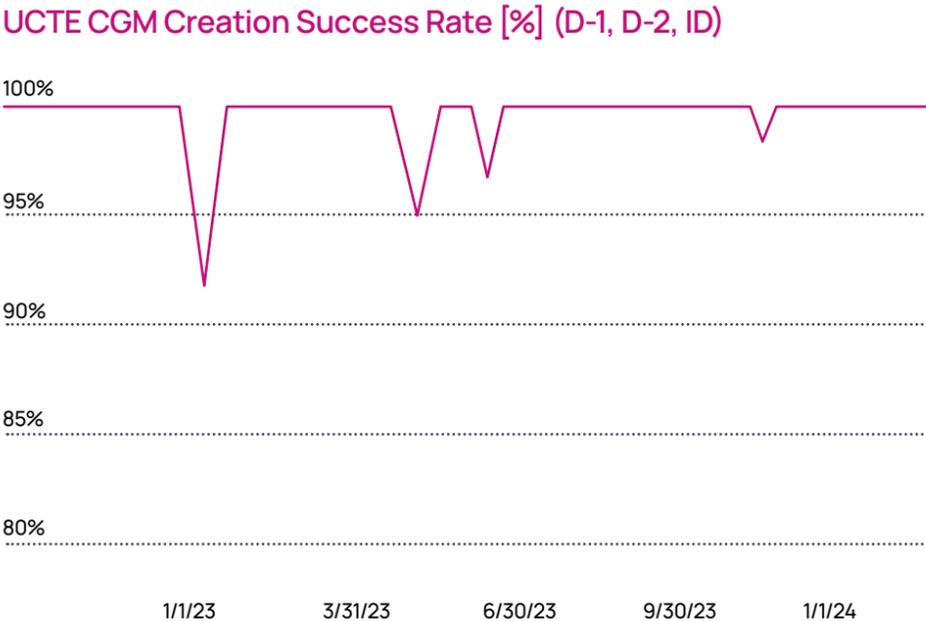


Fig. 2

D-1 CGMES CGM Publication Success Rate [%]

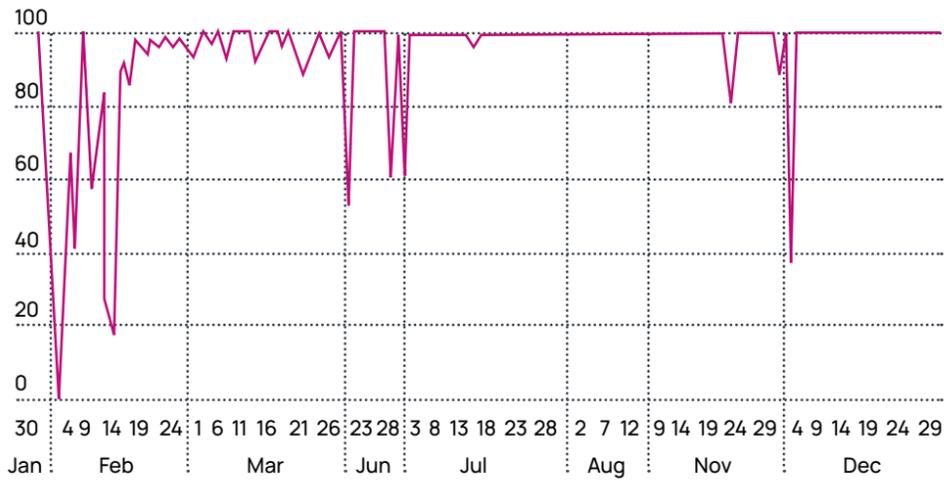


Fig. 3

D-2 CGMES CGM Publication Success Rate [%]

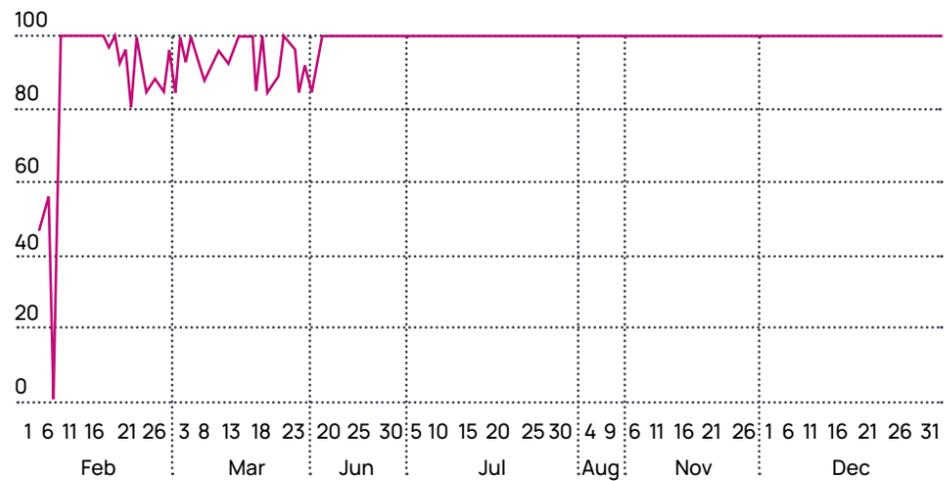


Fig. 4

ID CGMES CGM Publication Success Rate [%]

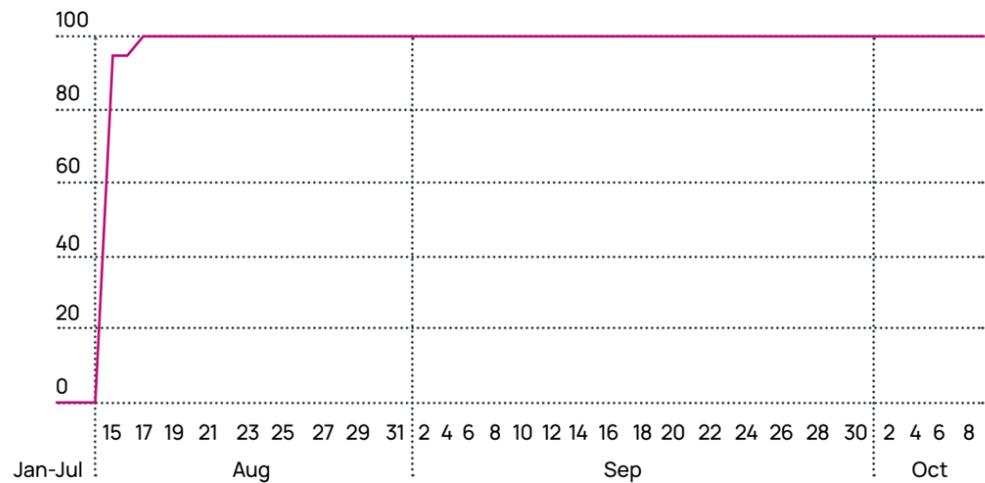


Fig. 5

Aside from the task's effectiveness and stability, SEleNe CC is focusing on efficiency, aiming for optimal IGM inclusion rates. The most demanding challenge in the CGMES CGM community is the inclusion of as many IGMs as possible in the merged CGM, aiming for a complete EU grid representation. In this sense, SEleNe CC performs continuous enhancements in the EMF Tool, supports TSOs in IGM improvements, and is actively involved in the RCCs IGM debugging initiatives. Through this approach, SEleNe CC manages relatively high IGM inclusion rates, which are significantly close to the IGM publication rates.

The contribution of SEleNe CC to the Pan-EU CGM community is accomplished through the active participation in CGM OPDE TT, NMFT TT, as well as the relevant topic groups, weekly/monthly meetings and sessions.

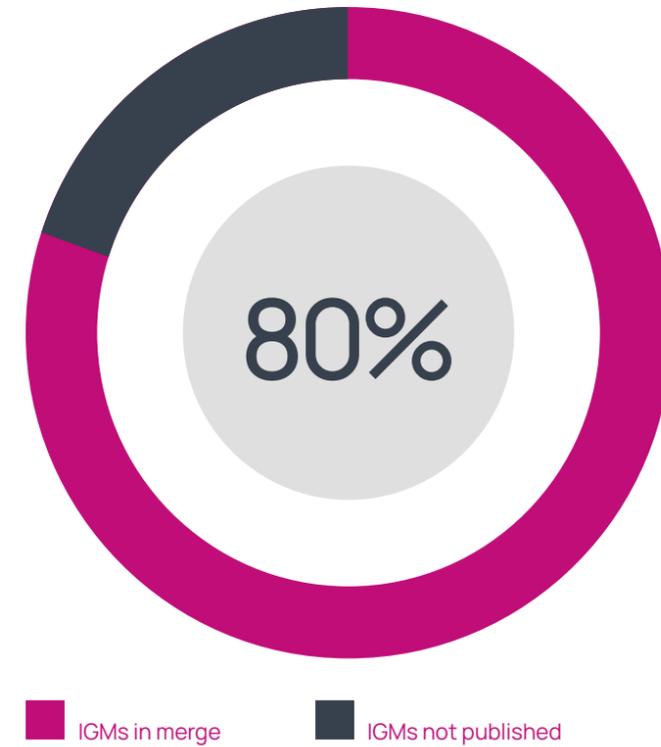
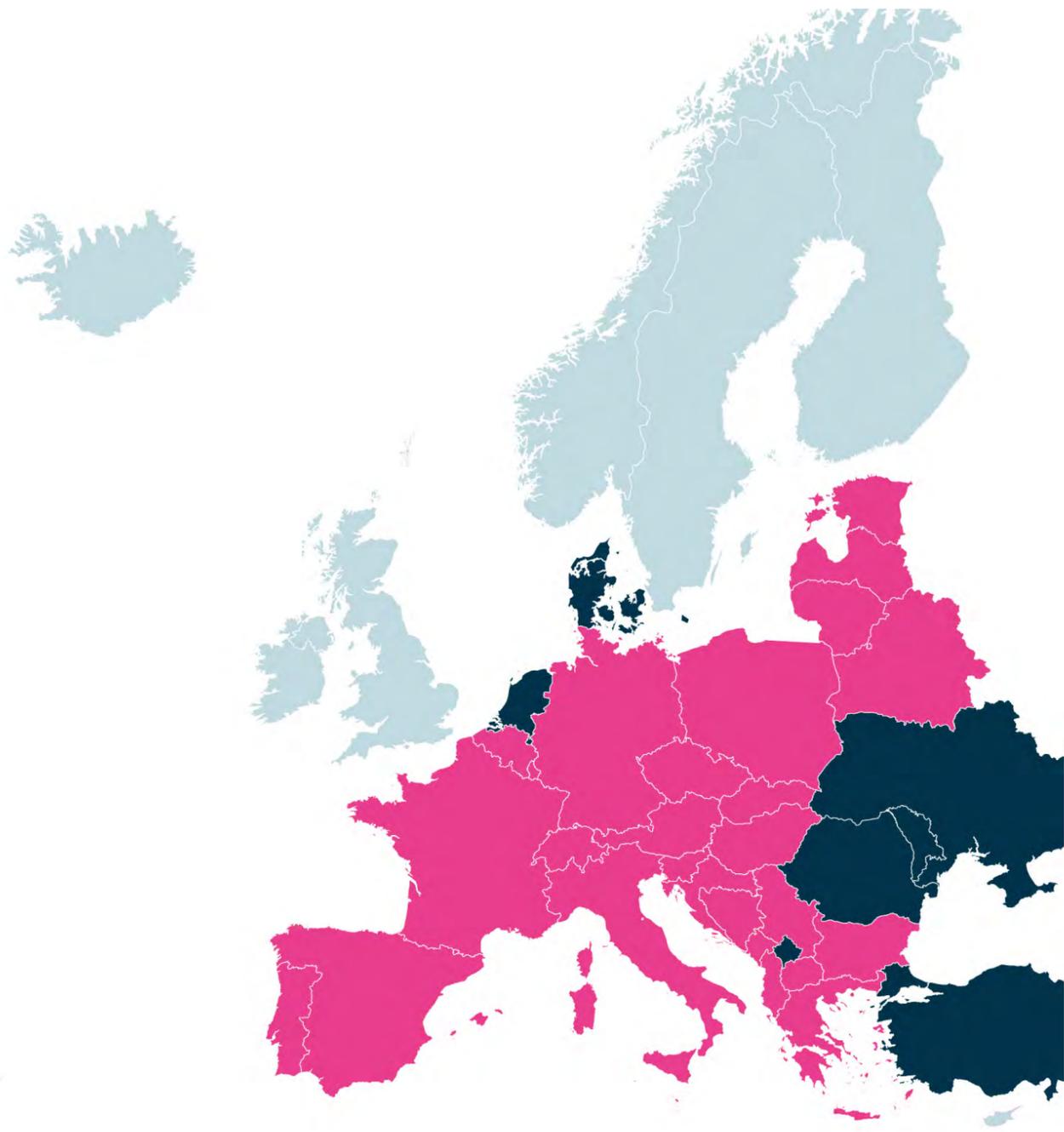


Fig. 6: YA CGMES IGMs in CGMs

As per the Rotational Calendar of 2023, SEleNe CC was assigned the role of the Main merging entity for the Year Ahead CGM creation. SEleNe CC utilised this demanding role to the maximum, accelerating the EMF evolution and development while simultaneously, providing valuable feedback to the TSOs for data quality improvements. Indeed, SEleNe CC managed to achieve 100% inclusion of all published IGMs in Y-1 TH. This Y-1 CGM is considered the most complete CGMES CGM created so far in the CGM community, scoring 80% of CGM completeness (TSOs out of scope of the Y-1 2024 process are excluded), as observed in Figures 6 and 7.



■ IGM included in the CGM   ■ IGM not available   ■ Out of scope of the Y-1 process

Fig. 7

**Shortcomings**

During the CGMES CGM publication success rate KPI collection, discrepancies among the reports absent CGMs and the actually absent ones were identified. RCCs had to investigate the reported missing CGM TSs, to identify the incorrect ones.

**Future Outlook**

The CGM evolution in the upcoming year is oriented towards the CGMES format. SEleNe CC will further develop the EMF Tool, based on the existing and the upcoming versions of the EMF Requirements, QoCDC, and CGM Methodology.

# Coordinated Security Analysis (CSA)

**Task Description**

The primary goal of CSA is to forecast potential operational security risks, such as over-voltage, under-voltage, and congestion issues, one day in advance. This allows SEE TSOs to determine preventive RAs beforehand, reducing the need for real-time interventions. The CSA process for SEE is carried out in a two-step procedure using UCTE D-1 CGMs. In the first step, the security of the power system is evaluated for all possible contingencies (N-x analysis) through load flow analysis. This analysis identifies all thermal and voltage violations based on contingencies defined by SEE TSOs, which include network elements within their observability area. In the second step, RAs are coordinated through an iterative process. TSOs propose RAs to resolve congestion and voltage issues, and SEleNe CC evaluates their impact on grid security using load flow simulations. Currently, only non-costly RAs are considered for CSA. The iterative process continues until all TSOs agree that the proposed RAs ensure system security. The activation and implementation of RAs are the full responsibility of the TSOs, with SEleNe CC not monitoring their implementation.

**Implementation Status**

The CSA task for SEE was developed and extensively tested during Q1/2022, Q2/2022, and Q3/2022. A detailed process handbook was created, and training was provided to SEleNe CC and SEE TSO personnel. The CSA task went live in September 2022.

**Outcome of Monitoring**

CSA was successfully executed from its go-live date on September 5, 2022, until December 31, 2023, without any data quality issues or tool failures. The current version of CSA does not include RA optimisation, and the RCC tool does not automatically propose RAs to TSOs. Instead, TSOs propose RAs based on their experience, which are then evaluated using the RCC tool. As a result, no coordinated actions have been issued yet.

**Effectiveness and Efficiency**

Currently, RAs for the SEE region are not defined through an optimisation routine, so their effectiveness and efficiency cannot be evaluated and quantified.

**Future Outlook**

In 2024, SEleNe CC aims to implement significant changes to the process timelines. The CSA task will be executed before the CCC D-1 process, allowing CGMs to address operational security risks through the coordination phase with TSOs. This will result in improved CGMs for the CCC process, enhancing overall system security.

Looking ahead, SEleNe CC plans to replace CSA with the SEE Regional Operational Security Coordination (ROSC) methodology. ROSC will operate on a D-1 and ID time horizon, considering both costly and non-costly RAs defined via an optimiser. The optimisation process will account

for grid constraints, such as intertemporal constraints and thermal limits. ROSC will be implemented in two phases: the first phase, focusing on day-ahead cross-regional operational security analysis (CROSA), is expected in Q4/2025, with the second phase, including ID CROSA, anticipated by Q3/2027.

# Energy flows with security

# Coordinated Capacity Calculation (CCC)

## Task Description

SEleNe CC along with the SEE TSOs (ESO, IPTO and Transelectrica) calculates the optimal level of NTC across various time horizons from long-term, namely Year-ahead (Y-1) and Month-ahead (M-1), to real time, namely Day-ahead, and Intraday. For the Day-ahead time horizon (D-2 TH) the calculation is performed two days before the Business day whereas for Intraday TH there are two calculation processes, the 1st ID which is executed one day before the BD (D-1 TH) for all TSs of the BD, and the 2nd ID which is executed the current BD for the last 12 TSs of the BD (ID TH). This calculation establishes the basis for the efficient performance of the European wholesale electricity markets across these time horizons.

Both Commission Regulation (EU) 2016/1719 establishing a guideline on forward capacity, used for the long-term time horizon, and Commission Regulation (EU) 2015/1222 establishing a guideline on capacity allocation and congestion management, used for the Intraday and Day-ahead time horizon, provide a framework to harmonize the way in which NTC is calculated and allocated in Europe. The capacity calculation process is implemented in the capacity calculation regions (CCRs). SEleNe CC is responsible for the SEE CCR, namely Greece, Bulgaria and Romania, and the GRIT CCR, namely Greece and Italy, through the Esperia which is the subsidiary of SEleNe CC.

## Implementation Status in SEE CCR

**Day-ahead and Intraday CC:** An industrial tool was developed by SEleNe CC. The borders in which the capacity calculation process is performed and the TTC values are calculated are the North Greek (NGR) borders i.e. Greece-Bulgaria, Greece-Albania, Greece-North Makedonia and Greece-Turkey and the South Romanian (SRO) borders i.e. Romania-Bulgaria and Romania-Serbia for both import and export direction. The approach that is used for the capacity calculation is the coordinated NTC. A N-1 security evaluation analysis is performed, and RAs are applied through the RAO in order to alleviate the overloads of the lines (loading above 100%).

The RAs are selected during the CCC process using the RAO and they are applied only in case violations of the respective limits are identified during the security evaluation step. The optimiser selects a suitable RA combination from a list of applicable combinations and applies the selected RA combination. Only non-costly RAs are used i.e. topological (switching of lines) RAs and RAs that use phase shifting transformers.

The NTC values are calculated by the tool only for Greece – Bulgaria and Romania – Bulgaria borders and the SEE TSOs validate them reducing or increasing the NTC which will be submitted for market functioning purposes. After the validation process, the NTC values are delivered by

SEleNe CC to the market departments of the SEE TSOs.

**Long Term Capacity Calculation:** SEleNe CC calculates the NTC values for the above-mentioned borders for two time horizons, Y-1 and M-1, and for two scenarios, Peak and Off-peak. The approach that is used for the capacity calculation is the coordinated NTC. The go-live for the M-1 time horizon was on 1st January 2023 and the first capacity calculation process was for BM 03/2023 whereas for Y-1 time horizon the go-live was on 15th November 2023 and the first capacity calculation process was for BY 2024.

**Key Performance Indicators:** On a quarterly and yearly basis, a KPI report for all time horizons (M-1, D-2, D-1 and ID) is created by SEleNe CC and Esperia in order to evaluate the performance, effectiveness and efficiency of the capacity calculation process and the TSOs provide their reasons for reduction of the NTC values that the RCC tool computes. To facilitate the creation of the report SEleNe CC developed a tool to collect the data of the CCC and make the relevant computations to produce the KPIs. The reports are sent to SEE NRAs and to ACER.

**Operational Performance:** The operational performance index expressed in %, denotes the percentage of the successful provision of the NTC values to the SEE TSOs, also including the cases which resulted in fallback. More specifically, it is defined as a ratio of the total number of timestamps SEleNe CC successfully computed the NTC values and delivered them to the TSOs within the agreed provision deadlines, to the total number of timestamps of the reporting period i.e. 2023, even if fallback values were applied. The reporting period is different for each time horizon as for D-2 and D-1 the CC process is performed for 8760 TSs i.e. all hours of each day of the 2023, whereas for ID time horizon for 4380 TSs (12 hours per day). For the M-1 time horizon, the CC process was performed for all days of the months March–December 2023 i.e. 306 days. The operational performance has been computed both for Greece-Bulgaria and Romania-Bulgaria borders and both for Import and Export direction as it is shown in Table 1. As it is presented in the table SEleNe CC provided the NTC values for all timestamps of 2023 and in all THs.

Operational Performance (%)		
D-2, D-1, ID and M-1 Time Horizon	GR-BG	100
	RO-BG	100

Tab 1: Percentage of successful computations for Greece-Bulgaria and Romania-Bulgaria for all time horizons.

**Effectiveness:** The effectiveness index, expressed in %, is introduced, aiming to quantify the number of TSs which were computed successfully without resulting in fallback during the reporting period for Greece-Bulgaria and Romania-Bulgaria border, both for Import and Export direction. More specifically, it is defined as the ratio of the total number of TSs SEleNe CC successfully computed the TTC values and delivered them to the TSOs within the agreed provision deadlines without resulting in fallback, to the total number of timestamps of the reporting period. The fallbacks include cases where the TTC calculation could not be performed either because no secure solution can be found during the security evaluation phase of the CC process or there are AC load flow convergence issues. The reporting period is the same as for the operational performance index. In Figs. 8-11 are presented the effectiveness indexes of both 2022 and 2023 to compare them and present the improvement of the CC process and the tool. As it is shown in Figs. 8-9, for D-2 and D-1 TH for Greece – Bulgaria border the effectiveness is 99.95% so the fallback values were applied in 0.05% of the TSs. Between 2022 and 2023 the increase is about 2%. For Romania – Bulgaria border the effectiveness is about 99% so the fallback values were applied in less than 1% of the TSs. Moreover, the increase is almost zero. For ID TH as it is shown in Fig. 10, there was not enough data for 2022 as the go-live was 1/10/2022 so no comparison can be made. As it is shown for both borders the fallbacks timestamps were less than 1%. For the M-1 TH, the index was computed both for peak and off-peak scenario, for both borders Greece – Bulgaria and Romania – Bulgaria and for both Import and Export direction. As it is shown in Fig. 11 for off-peak scenario the TTC was calculated successfully for more than 94% of the TSs, so the fallback values were applied for less than 6% of the TSs for both borders. For peak scenario the TTC was calculated successfully for Greece – Bulgaria border for more than 97% of the TSs and for Romania – Bulgaria for more than 94% of the TSs. So, the fallback values were applied for less than 3% and 6% of the TSs respectively. The above-mentioned analysis reveals the robustness of the process whereas due to the fallback procedure the NTC values were provided for the whole reporting period.

### D-2 Effectiveness(%)

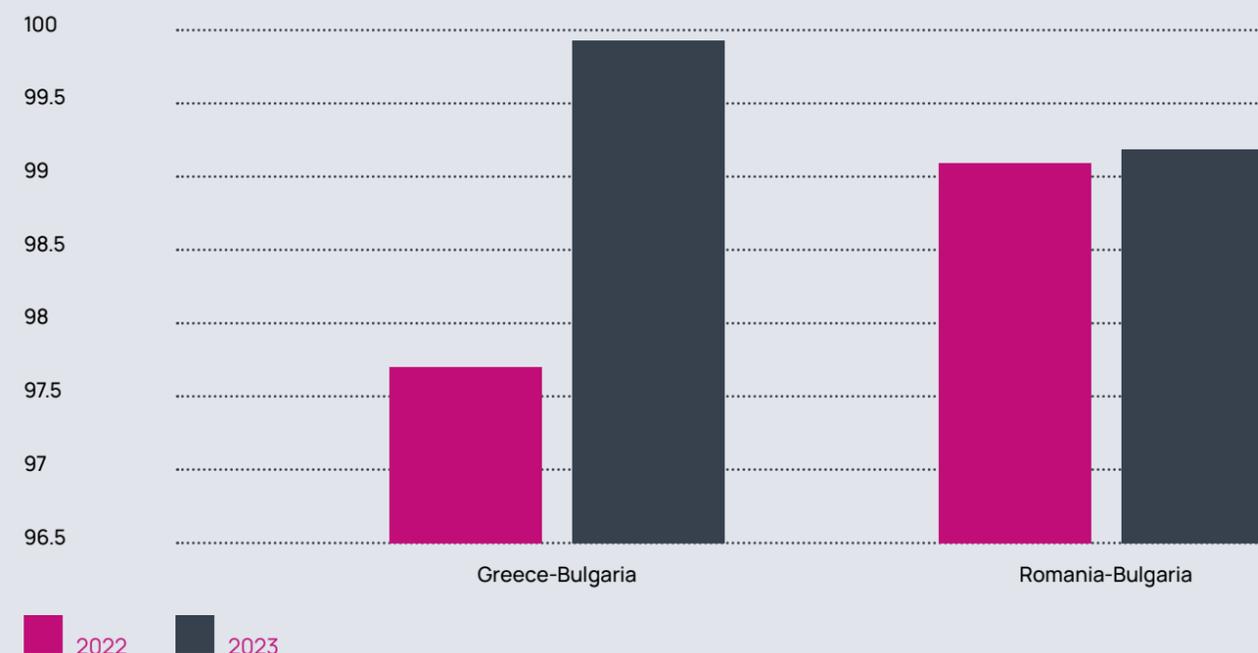


Fig. 8: Percentage of successful computations for Greece-Bulgaria and Romania-Bulgaria for D-2 TH

### D-1 Effectiveness(%)

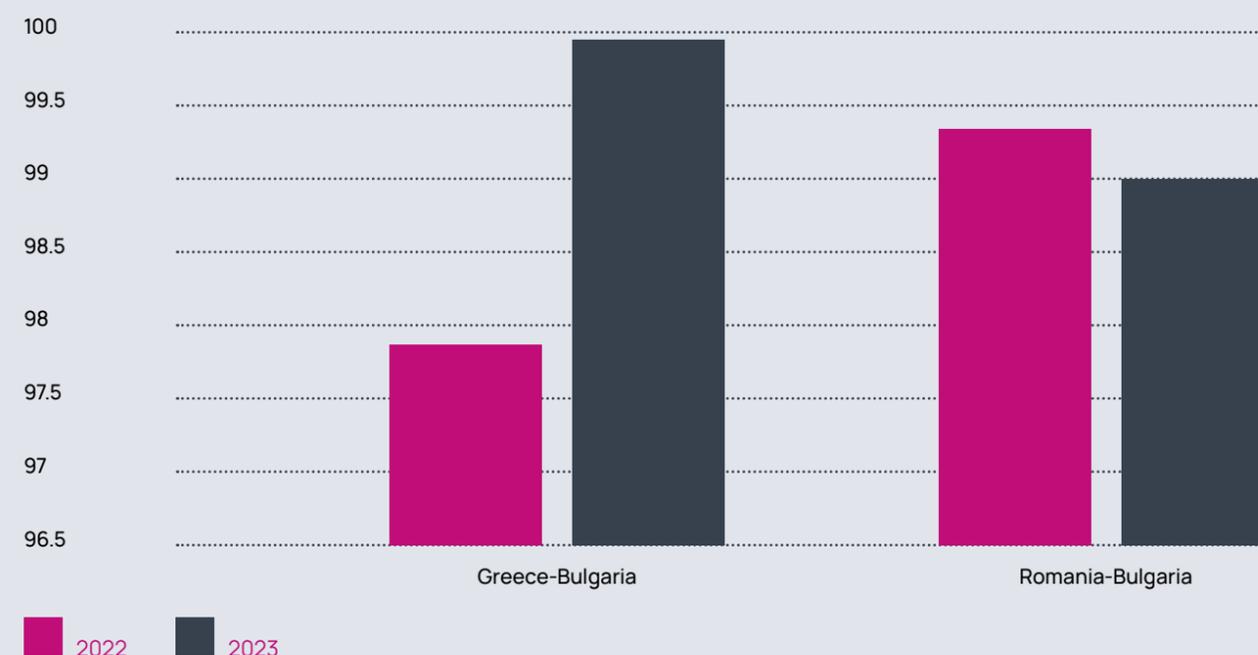


Fig. 9: Percentage of successful computations for Greece-Bulgaria and Romania-Bulgaria for D-1 TH

## ID Effectiveness(%)

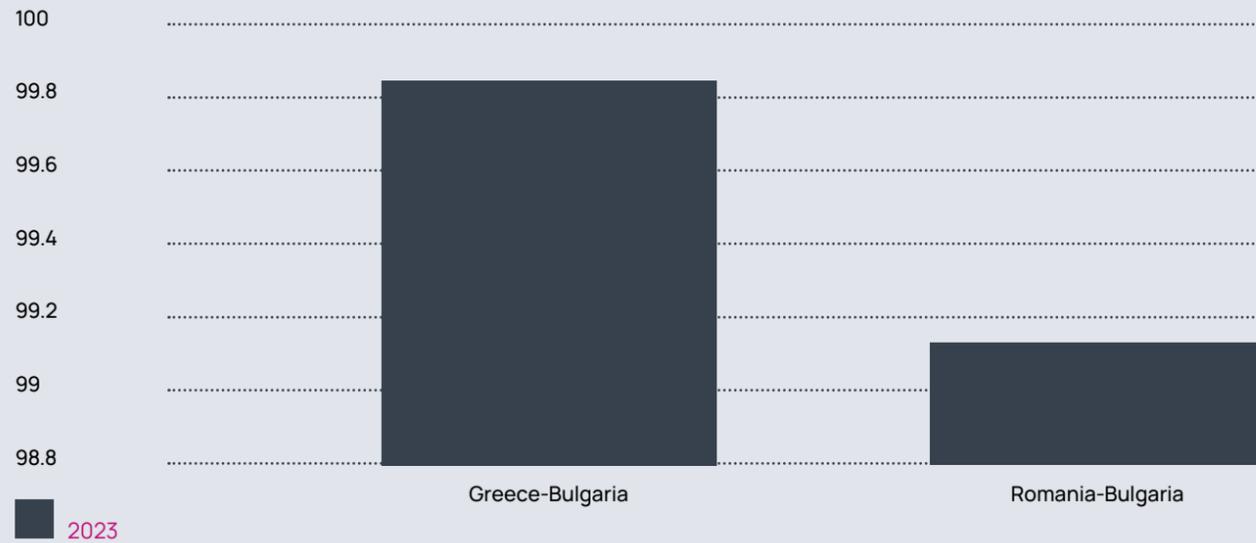


Fig. 10: Percentage of successful computations for Greece-Bulgaria and Romania-Bulgaria for ID TH

## LT MA Effectiveness(%)

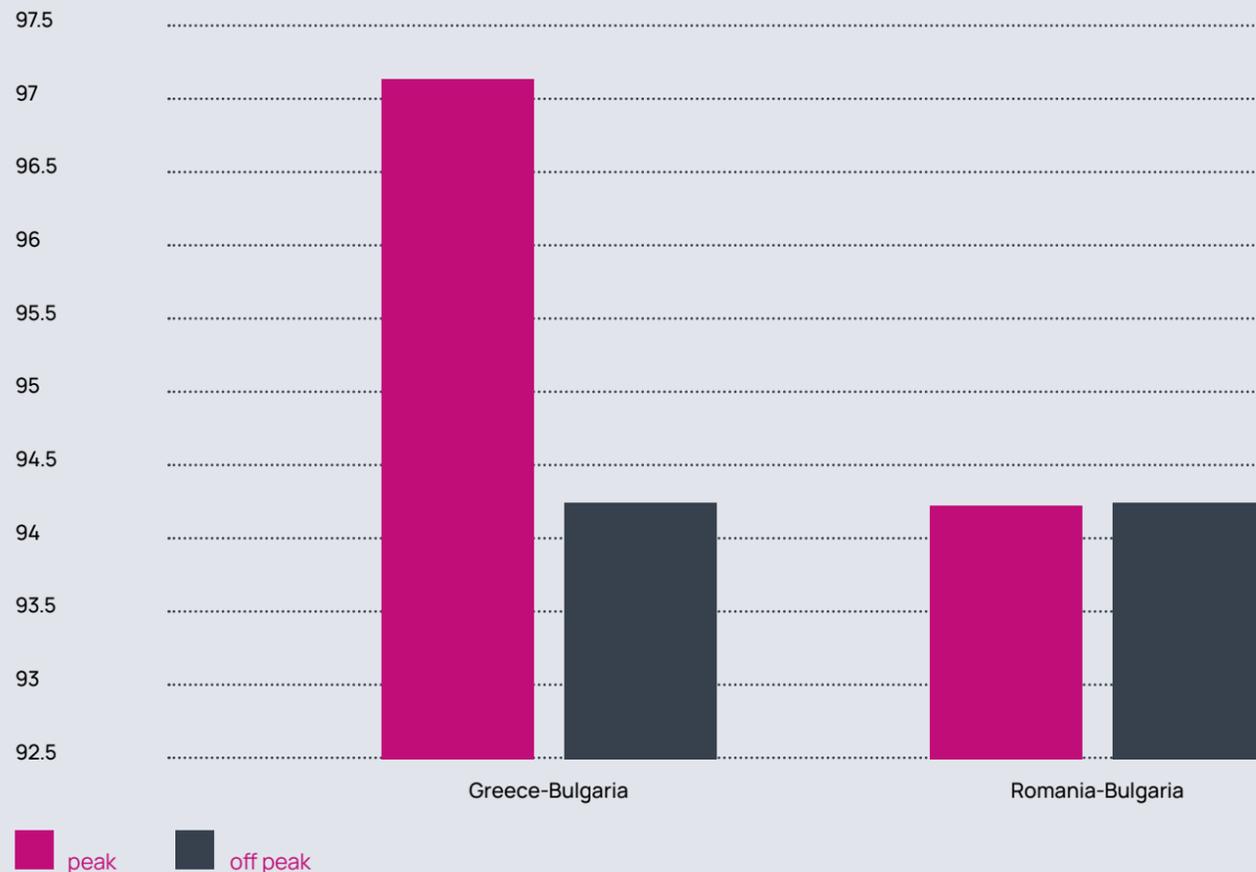


Fig. 11: Percentage of successful computations for Greece-Bulgaria and Romania-Bulgaria for M-1 TH

## Efficiency:

The efficiency index expressed in %, is introduced, aiming to quantify the number of TSs within the reporting period where the SEE TSOs used as the final validated NTC values, the NTC values computed by the SEleNe CC tool without reduction by one or both TSOs. More specifically, it is defined as the ratio of the total TSs for which the SEE TSOs used the initial computed NTC by SEleNe CC without reduction to the total TSs of the reporting period both for Greece-Bulgaria and Romania-Bulgaria borders and both for Import and Export direction. The reporting period is the same as for the other two indexes. In the Figs. 12-13 are presented the efficiency indexes of both 2022 and 2023 in order to compare them and present the improvement of the CC process and the tool. For D-2 and D-1 TH for Greece – Bulgaria border the SEE TSOs used the computed NTC values for 52% and 55% of the TSs respectively whereas there is a very big increase of the efficiency of the CC process between the years, about 113% and 98% respectively. On the other hand, for Romania-Bulgaria border the SEE TSOs used the computed NTC values for 58% and 62% of the TSs respectively, whereas the increase of the efficiency of the CC process between the years, is about 17% and 19% respectively. For ID time horizon there was not enough data for 2022 as the go-live was 1/10/2022 so no comparison can be made. As it is shown in Fig. 14 for Greece – Bulgaria border the TSOs used the computed NTC values for 58% of the TSs whereas for Romania – Bulgaria the TSOs used the computed NTC values for 65 % of the TSs. For the M-1 TH, the index was computed both for peak and off-peak scenario, for both borders Greece – Bulgaria and Romania – Bulgaria and for both Import and Export direction. As it is shown in Fig. 15 for Greece – Bulgaria border, the computed NTC was used by the TSOs for more than 30% of the TSs both for peak and off-peak scenario. On the other hand, for Romania – Bulgaria border the computed NTC was used for 63% of the TSs by the TSOs for peak scenario whereas 53 % of the TSs for off-peak scenario.

### DA Efficiency(%)

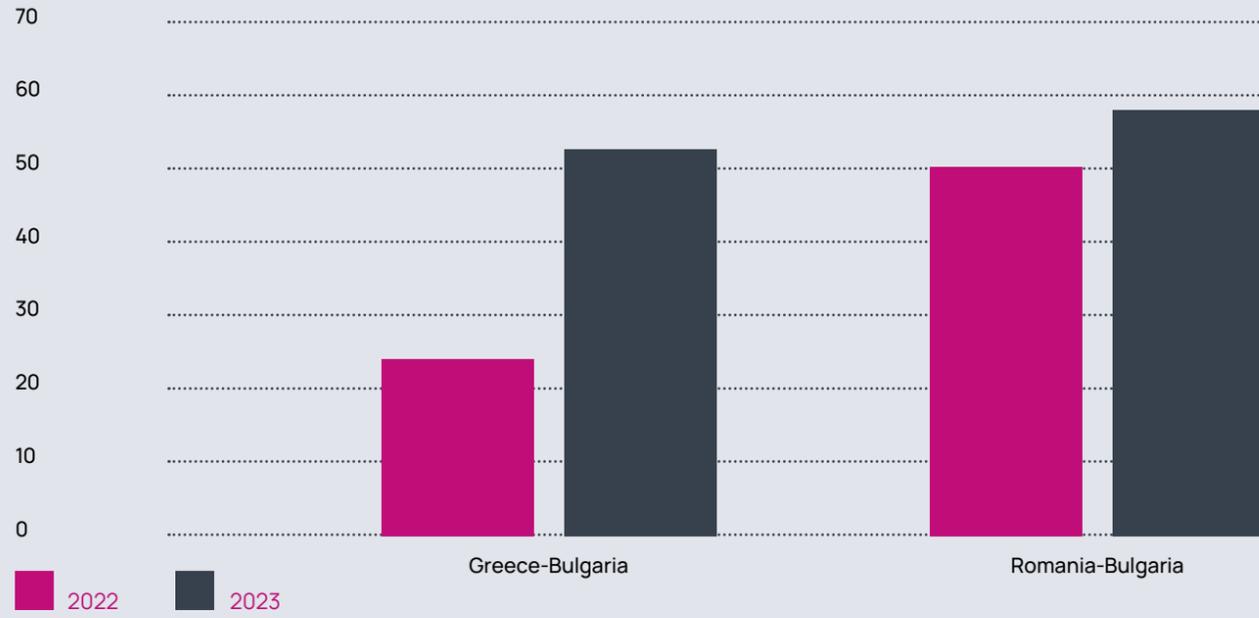


Fig. 12: Efficiency for Greece-Bulgaria and Romania-Bulgaria for D-2 TH

### ID1 Efficiency(%)

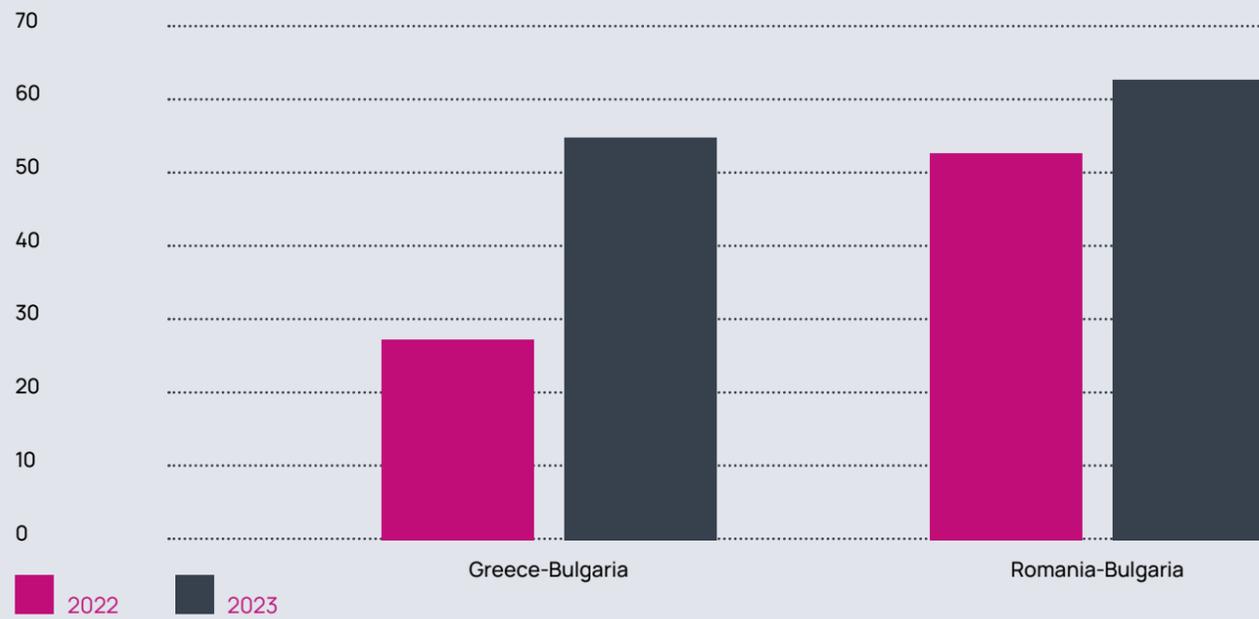


Fig. 13: Efficiency for Greece-Bulgaria and Romania-Bulgaria for D-1 TH

### ID2 Efficiency(%)

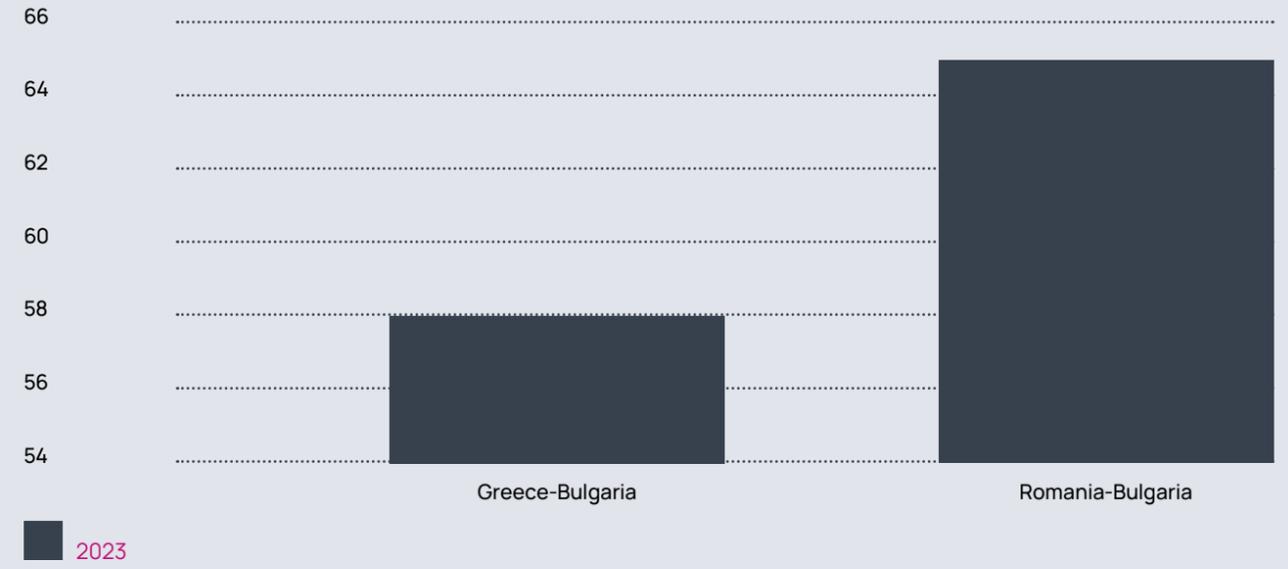


Fig. 14: Efficiency for Greece-Bulgaria and Romania-Bulgaria for ID TH

### LT MA Efficiency(%)

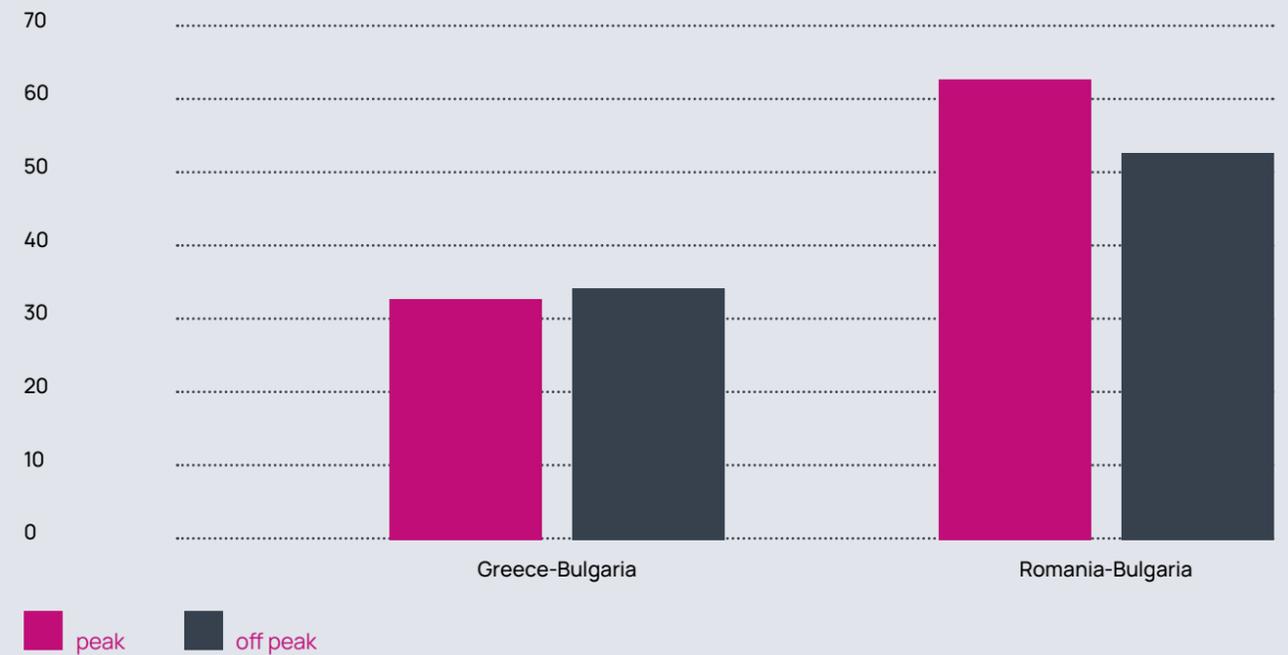


Fig. 15: Efficiency for Greece-Bulgaria and Romania-Bulgaria for M-1 TH

**Future outlook:** A new CC tool will be developed during 2024 for SEE CCR in order to incorporate the minimum capacity target, known as 70% capacity rule, which is requirement of the CEP. The minimum capacity shall be 70% of the transmission capacity respecting operational security limits after deduction of contingencies. More specifically, the minimum capacity is translated on a margin on the limiting CNEC and if the margin of the limiting CNEC is below the minimum margin 70% (or any other the TSOs defined through a derogation), then the NTC will be adjusted to comply with this minimum criterion. Both costly (redispatching) and non-costly RAs will be used in order to reach the target. The go-live will be on 1/1/2025.

**Implementation status in GRIT CCR:**

Esperia CC provides, through its internal organisational structure relying on a 24/7 operation room shift and a staff business unit, the following services:

**Day-ahead and Intraday CC:** This process aims at computing the maximum available capacity between the concerned bidding zones that can be provided to the wholesale market where market participants can trade cross-border exchanges of energy under secure system operation conditions. It is split into Day-ahead (live from 3rd August 2021), Intraday 1 (from 17th January 2023) and Intraday 2 (from 15th September 2021) coordinated capacity calculation sessions. The methodology for calculating capacity for the GRIT CCR differs, despite having as its objective the calculation and recalculation of all or part of the hourly periods of the same BD, depending on the calculation sessions: in "D-2" (s.c. Day-Ahead, DA), or Intra-Day 2 (s.c. IDCC2) or Intra-Day 1 (s.c. IDCC1). Moreover, Esperia's CCC process (day-ahead and intraday sessions) was specifically designed to systematically meet Article 16 of Regulation (EU) 2019/943 requirement on the minimum capacity to be reached on network elements so as not to limit the volume of interconnection capacity to be made available to market participants as a means of solving congestion inside their own bidding zone or as a means of managing flows resulting from transactions internal to bidding zones. The respect of this rule, known as the "70% rule", is a binding requirement at process level and duly monitored through the Margin Available for Cross-Zonal Trade (MACZT) parameter.

**Long-term timeframe capacity calculation:** According to GRIT Long-term capacity calculation methodology compliant with the Forward Capacity Allocation network code, the LT CC tool has been developed by Esperia. Similarly, to the DA and ID CCC, this service provides cross-border capacity but over long-term timeframes (on a yearly and monthly basis) for CCR GRIT borders and was in operation during 2023.



Img. 1: New Esperia operation room



Img. 2: New Esperia operation room

For GRIT CCR the efficiency shown below is measured as the ratio of the number of business days/timestamps with process results successfully delivered by Esperia CC to the total number of business days/timestamps with complete inputs regardless of their data quality provided for by the concerned TSOs in line with each Methodology.

For DACC, an overall efficiency level was registered equal to 96% of the total timestamps to be delivered (Figure 16). The reported cases with failed calculations, corresponding to back-up values for the Total Transfer Capacity (TTC) delivered to the wholesale market pursuant to art. 21 of Regulation (EU) 2015/1222), were due to exceptional cases, e.g., with unresolved non-converging power flow calculations influenced by low quality input data.

IDCC1 reached an overall efficiency level equal to 90% of the total timestamps to be delivered (Figure 17). The reported cases with failed calculations were due to exceptional cases, among which unresolved non-converging power flow calculations. The process started at the beginning of 2023, so the process efficiency has been influenced by a relatively higher failure rate associated with the initial project phase.

IDCC2 reached an overall efficiency level equal to 96% of the total timestamps to be delivered (Figure 18). The reported cases with failed calculations were due to exceptional cases among which unresolved non-converging power flow calculations influenced by low quality input data.

During 2023, all the yearly and monthly Long-term timeframe capacity calculations, inclusive of the splitting of long-term cross-zonal capacity, were delivered for internal bidding zones and the border SUD-GRE.

This service is thus reported at 100% efficiency (Figure 19).

In 2023, the mean value of MACZT on each Critical Network Element (CNE) reached in the DACC, IDCC1 and IDCC2 TTC calculations delivered by Esperia CC, was significantly above the CEP minimum requirement (70%). This result (e.g., cases of MACZT greater than 100%) is achieved thanks to the alleviating effect of tele tripping on the concerned Critical Network Element (CNE).

MACZT is expressed in per unit (pu) of seasonal maximum flow on CNE as referred to in Articles 23 and 29 of EU Regulation 2015/1222. Figure 23, Figure 25, Figure 27 show DACC, IDCC1 and IDCC2 MACZT (pu) aggregated at different percentiles. Figure 24, Figure 26 and Figure 28 present the same database of MACZT (pu) values as sampled per each timestamp. Benefiting from the most updated information and forecasts on the system state, the available cross-zonal capacity close-to-target day allows for a timely assessment of TTC values in favour of both a secure and economically efficient system operation. In this sense, the CCC unlocks the opportunity to reduce, if needed in case of unplanned grid elements outages affecting the cross-zonal capacity or increase the TTC values taking advantage of more favourable and accurate forecasts of the system state enabling the energy transition. In 2023, a significant increase

of TTC was delivered to the wholesale market. As a general trend, TTC values calculated by Esperia CC are higher than Terna's annual reference values (adjusted on the basis of planned grid elements outages and net-load influences on cross-border capacity) that would have been provided to the market in the absence of the RCC daily calculations, (Figure 20, Figure 21 and Figure 22). On average, for the Italian continental borders, a 13%<sup>1</sup> increase was delivered during 2023 RCC operation.

<sup>1</sup>For the Cala→Sud border the TTC comparison between reference and computed values shows a slight reduction since the reference values are set equal to standard upper limits imposed by Dynamic Stability.





Fig. 16:  
DACC percentage of timestamps delivered

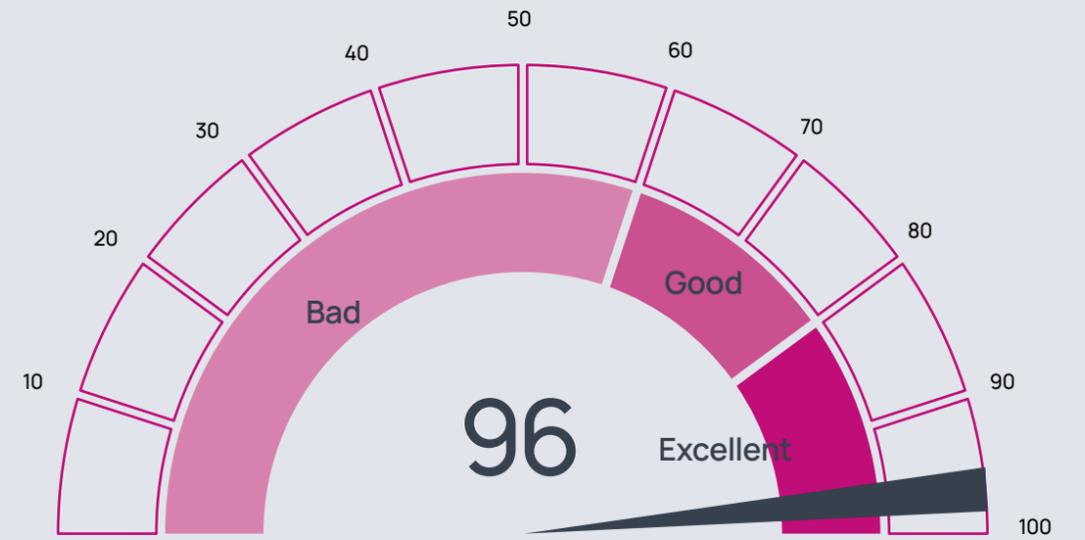


Fig. 18:  
IDCC2 percentage of timestamps delivered

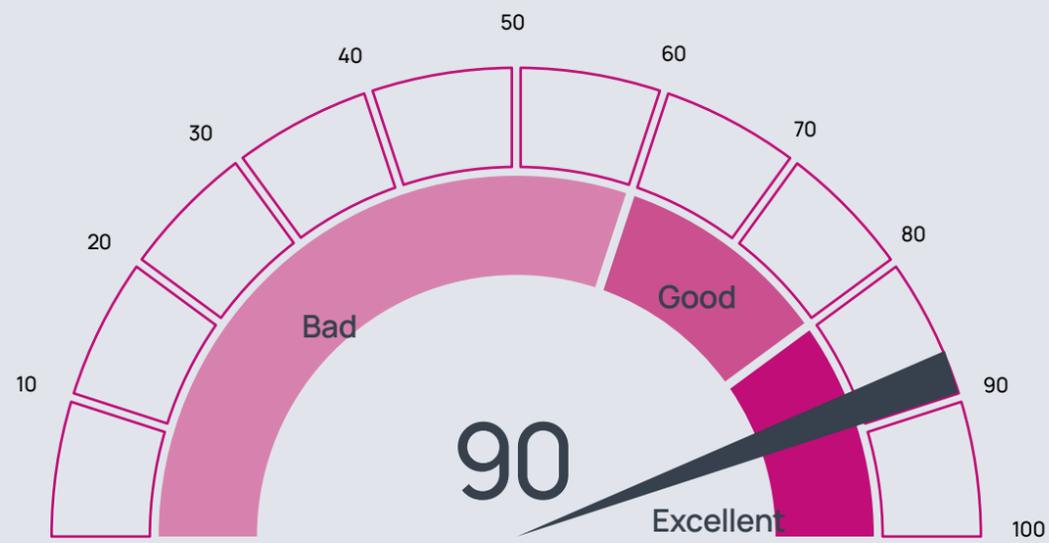


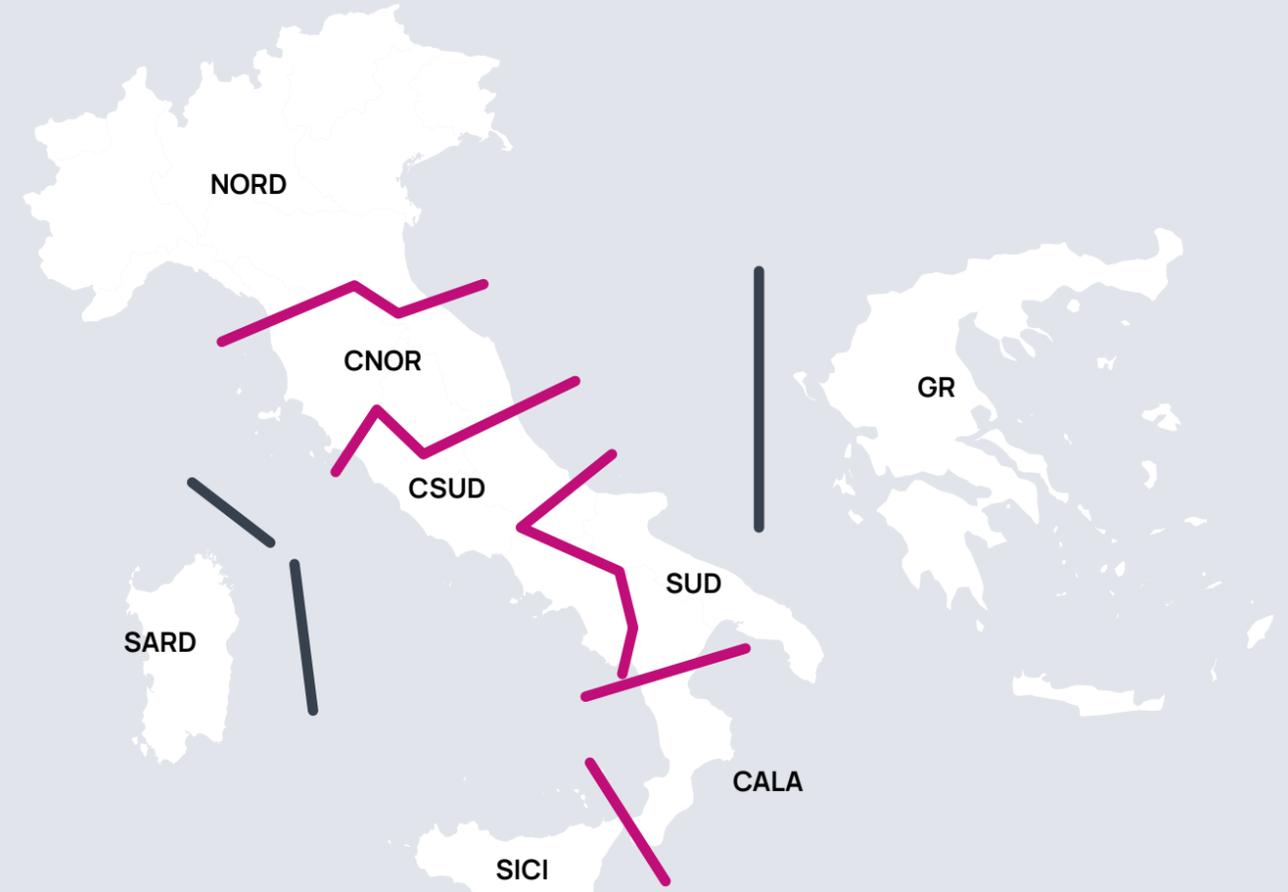
Fig. 17:  
IDCC1 percentage of timestamps delivered



Fig. 19:  
FCA 2023 timeframes delivered

DACC TTC MEAN VALUES (MW) REFERENCE VS ESPERIA CC - RCC ESPERIA OPERATION

Fig. 20: DACC TTC comparison

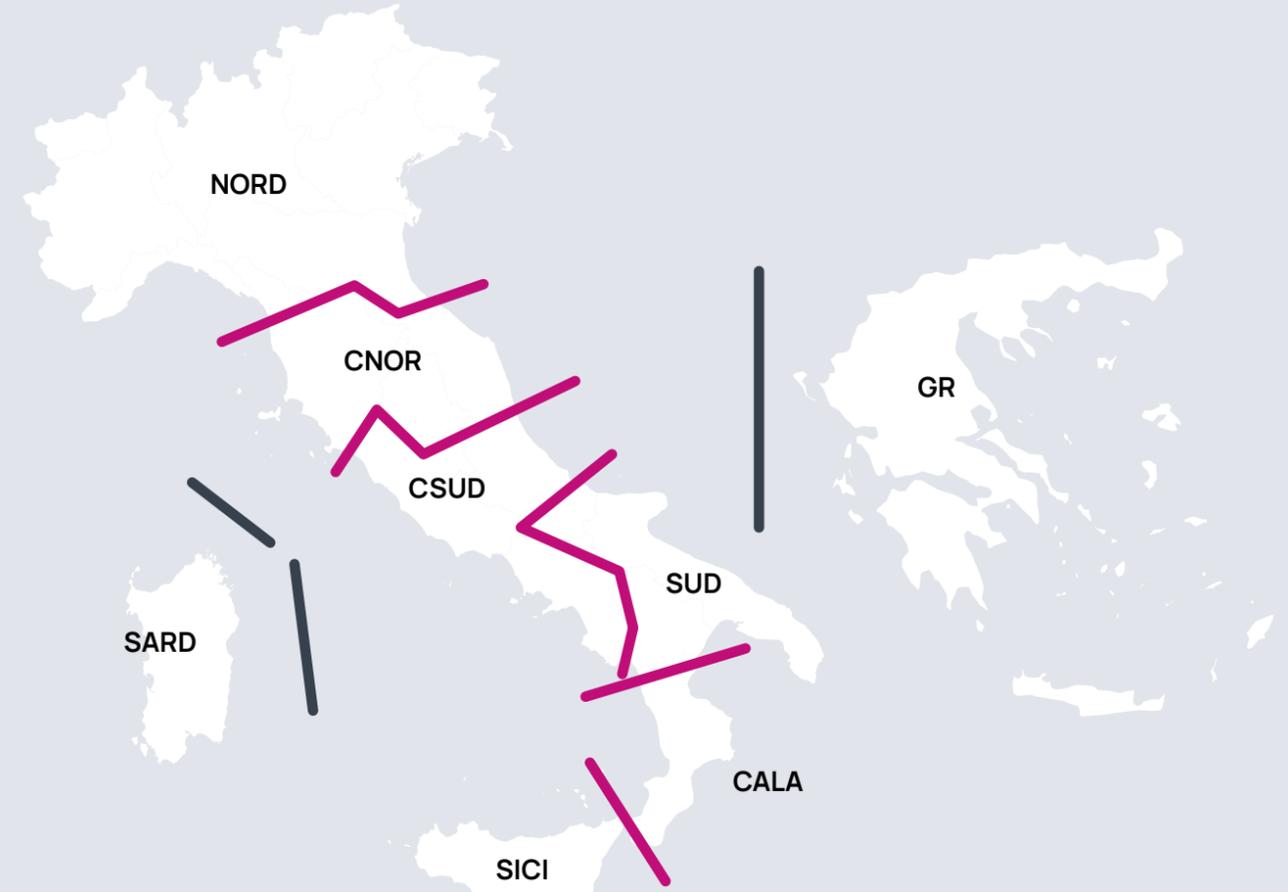


■ Mean of TTC\_Reference ■ Mean of TTC\_Espéria

— AC LINKS — DC LINKS

IDCC1 TTC MEAN VALUES (MW) REFERENCE VS ESPERIA CC - RR ESPERIA OPERATION

Fig. 21: DACC1 TTC comparison



■ Mean of TTC\_Reference    ■ Mean of TTC\_Esperia

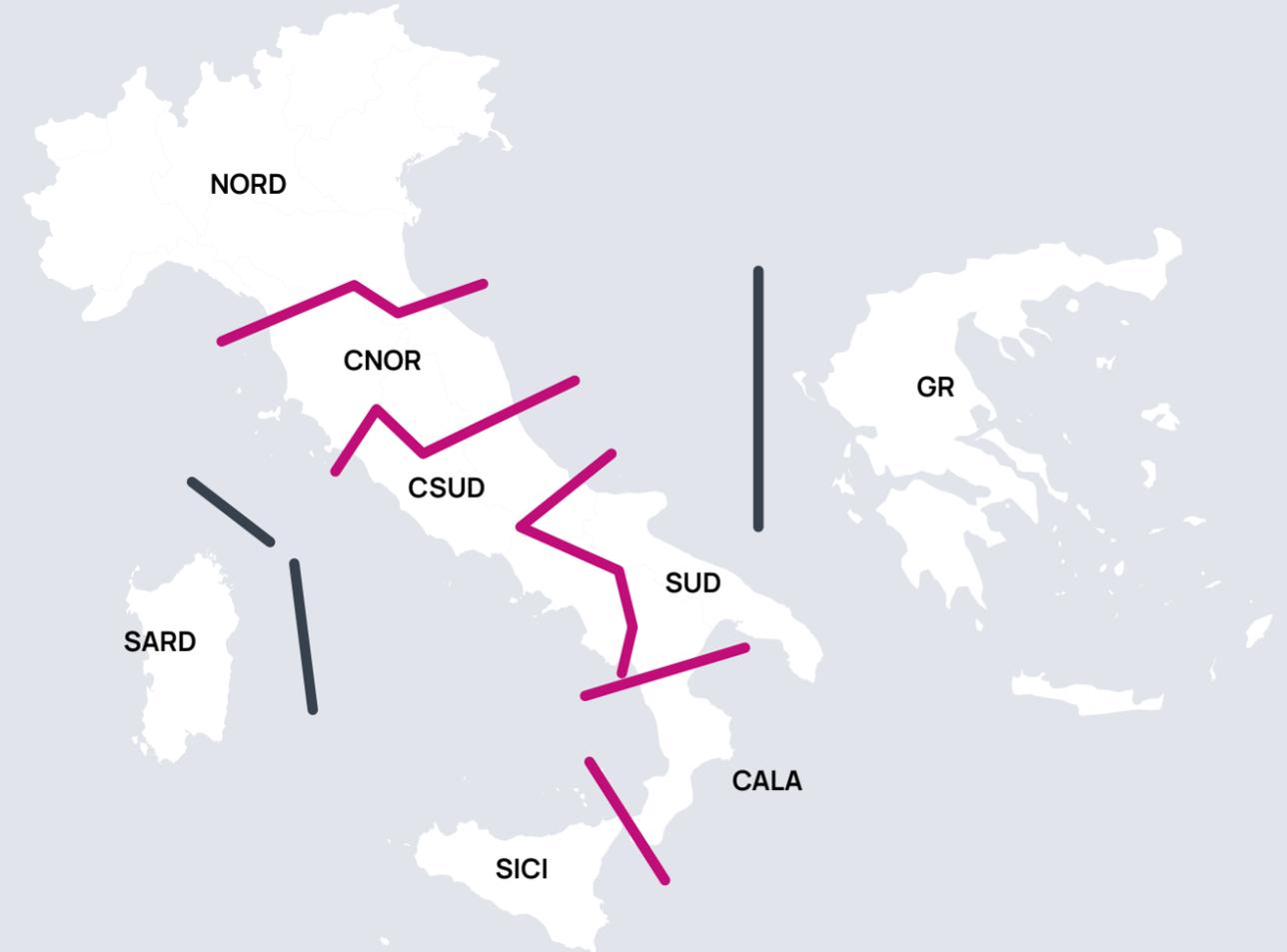
— AC LINKS    — DC LINKS

## IDCC2 TTC MEAN VALUES (MW) REFERENCE VS ESPERIA CC - RR ESPERIA OPERATION



■ Mean of TTC\_Reference    ■ Mean of TTC\_Esperia

Fig. 22: DACC2 TTC comparison



— AC LINKS    — DC LINKS

### RCC operation 2023 - DACC MACZT



Fig. 23: Day-Ahead CC MACZT (pu)

### RCC Operation 2023 - IDCC1 MACZT

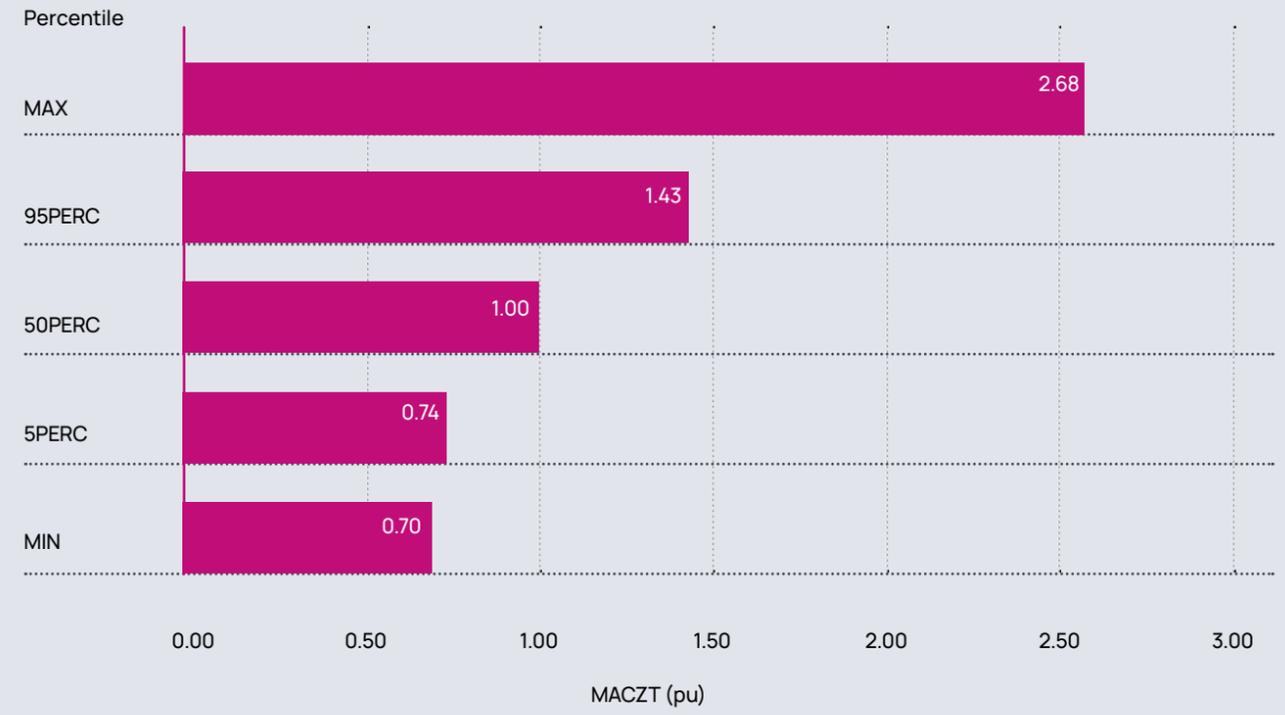


Fig. 25: 1st Intra-Day MACZT (pu)

### DACC MACTZ (pu Fmax) vs Sensitivity - RCC operation 2023



Fig. 24: MACZT Day-Ahead CC (full sampling of values)

### IDCC1 MACTZ (pu Fmax) vs Sensitivity - RCC operation 2023

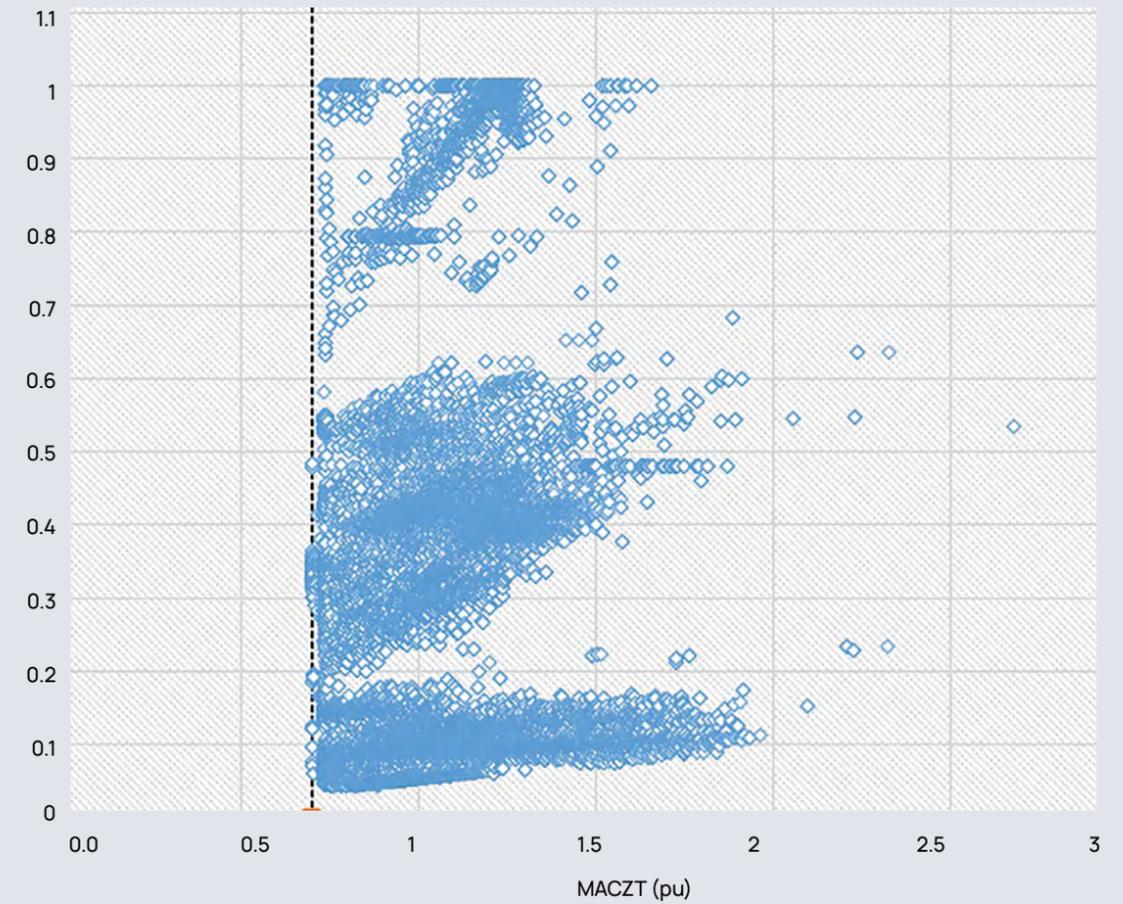


Fig. 26: MACZT 1st Intra-Day (full sampling of values)

### RCC operation 2023 - DACC2 MACZT



Fig. 27: Day-Ahead CC MACZT (pu)

### IDCC2 MACTZ (pu Fmax) vs Sensitivity - RCC operation 2023

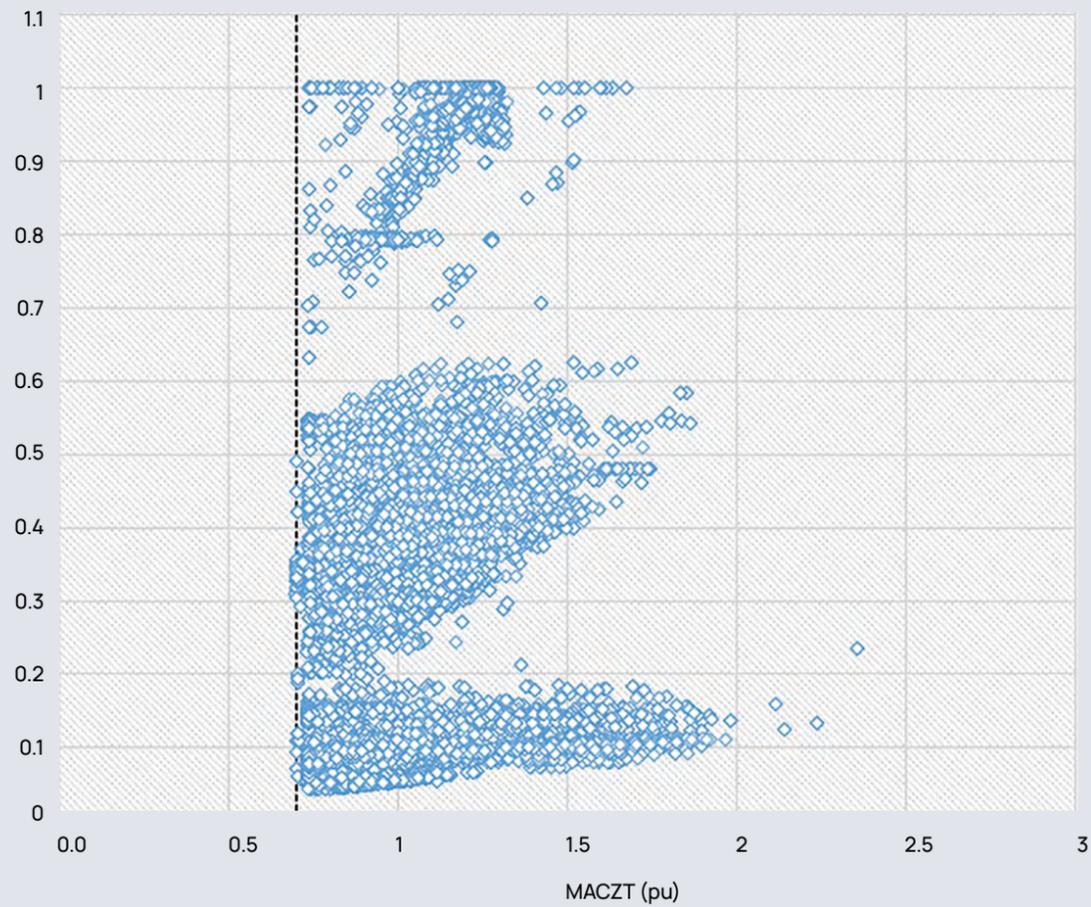


Fig. 28: MACZT 2nd Intra-Day (full sampling of values)

### Shortcomings

For 2023, SEleNe CC and Esperia CC do not report any shortcomings identified in the monitoring process under paragraph 1 of Article 46 of Regulation (EU) 2019/943.

# Outage Planning Coordination (OPC)

**Task Description**

Target of the Outage Planning Coordination (OPC) is to facilitate the outage of grid assets, ensuring the operational security of the transmission system. This is realised by processes performed in Pan European (PE) and Regional level. Coordination of relevant assets' outages and regional operational security analyses is performed by SEE TSOs and SEleNe CC in close collaboration since 2022.

Within the OPC task the following processes are performed:

- Merge of individual unavailability plans, delivered by each member TSO**

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- Detect and resolve Tie-Line Inconsistencies (TLI) at a PE level**

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- Perform Outage Planning Incompatibility (OPI) assessment. Evaluate SEE TSOs grid security using the combination of the upcoming maintenance plans and network model forecasts applying possible N-x contingencies**

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- Propose solutions to resolve any security constraints by RA coordination, re-scheduling, and/or canceling maintenance plans**

The PE OPC process is executed as defined in the PE OPC Rulebook. The Regional OPC process is executed based on the procedures agreed among SEE TSOs.

**Y-1 Regional OPC Process**

This is the starting point of the Regional OPC task and acts as a benchmark for the next year outage coordination. The Y-1 OPI assessment is the core of Y-1 Regional OPC that is performed once per year, along with TLIs check and resolution and legal KPIs compliance monitoring. Inputs for the Y-1 process are the following:

- Reference seasonal CGMs in UCTE format**

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- Merged Unavailability Plan (UAP) and Element List (EL), retrieved from the PE OPC tool**

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- List of contingencies and monitored elements provided by SEE TSOs via seasonal Critical Network Element with Contingency (CNEC) files**

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- List of available RAs**

During the Y-1 process, meetings are held among all RCCs but also among SEleNe CC and SEE TSOs, scheduled based on the regional annual

calendar, which is created each year by SEleNe CC in line with the PE OPC Y-1 calendar and in alignment with SEE TSOs. The primary objective of the Y-1 regional process is the effective annual outage planning coordination.

**W-1 Regional OPC Process**

Similar to the Y-1 Regional OPC, the core of the W-1 Regional OPC process is the W-1 OPI assessment that is performed twice per week, namely Initial and Final OPI. TLI errors are monitored and affected SEE TSOs are notified respectively. Inputs for the W-1 process are the following:

- Updated Reference seasonal CGMs in UCTE format**

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- Merged UAP and EL, retrieved from the PE OPC tool**

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- List of contingencies and monitored elements provided by SEE TSOs via seasonal CNEC files**

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- List of available RAs**

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- Vulcanus File**

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- SEleNe CC participates on the RCC - RCC weekly call based on the PE OPC Rulebook obligations, to align with other RCCs in the following topics:

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- OPI assessment results, emphasising to the critical TSs**

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- OPIs detected after the conclusion of OPI assessment**

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- Cross-Regional TLIs coordination**

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- Any Issues regarding STA**

In 2023, in continuous efforts to strengthen cooperation among RCCs and TSOs in South East Europe region, SEleNe CC has joined the SEE Maintenance Group (SEE MG), which consists of the 12 TSOs of the region and the RSC/RCC: SCC and SEleNe CC.

Enhancing coordination among SEE MG TSOs, the group focuses on the yearly procedure for the harmonisation of the annual maintenance plan in the region, as well as on the medium- and short-term scheduling and information exchange on outage planning. To this end, confirmation of planned outages and information exchange is performed on a weekly basis. The group is regularly coordinating via the weekly SEE MG WOPT scheduled on Fridays at 10:00 EET, hosted by the SEE MG Coordinator. The role of SEE MG Coordinator for 2023 is performed by SCC.

## Shortcomings

During 2023 there are no shortcomings identified in the monitoring of Y-1 and M-1 regional OPC processes, under paragraph 1 of Article 46 of Regulation (EU) 2019/943.'

## PE OPC

The PE counterpart of the task focuses on outage planning coordination for year, month, and week ahead timeframes.

SEleNe CC participates, since September 2022, in OPC RCC roles in rotational plan as described in the PE OPC Rulebook. Moreover, SEleNe CC participates in OPC Task Forces (TFs) under the governance of OPCSTA Task Team (TT).

During 2023, SEleNe CC performed the role of Weekly Merge Operator (RCC1A) and Back-up Weekly Merge Operator (RCC1B) in rotational order with other RCCs. Main tasks of such roles are:

### Monitor and report issues with the automatic W-1/M-1 merge process of the PE OPC tool

### Participation in weekly maintenance call to keep track of future deployments/maintenances that affect the functionality of the PE OPC tool

Additionally, SEleNe CC actively participates in the following TFs, developed within the framework of the PE OPC community:

**TF Operational Forum:** Main task is the development of guidelines regarding data quality and operational process topics. Based on these guidelines, the Best Practices document is developed. This document is maintained by the TF. In effort to initiate further detailing and implementation strategy for the Evolution of the Outage Coordination via the OPC Framework within the PE OPC community, a subgroup has been established within the TF, to organise and facilitate the task.

**TF CGMES:** Main task is to facilitate the transition of the OPC task to CGMES format.

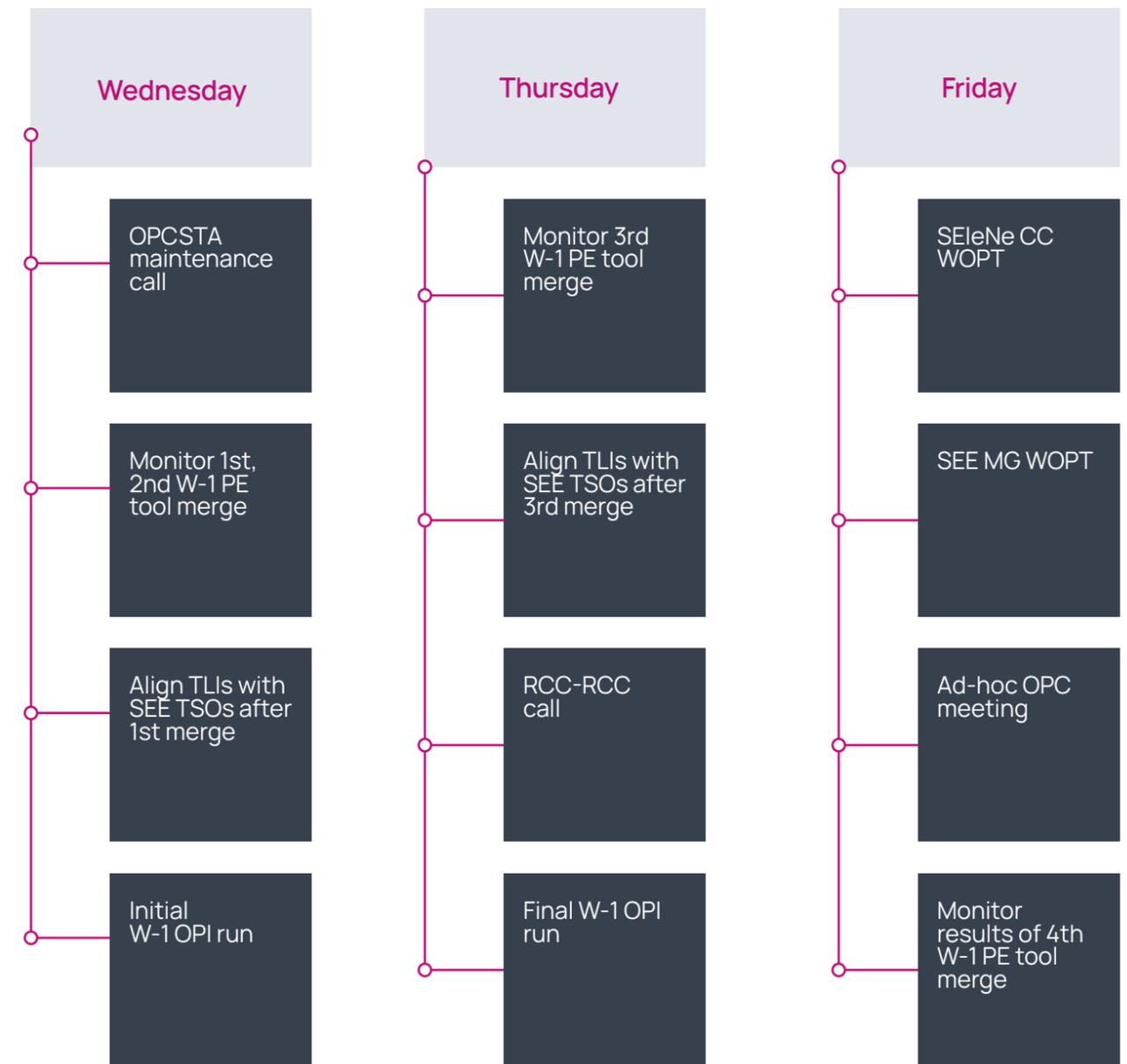
**TF OPCSTA Business:** Main task is to facilitate the parallel evolution of overlapping topics between OPC and STA tasks. The development of the 10-year vision and 5-year roadmap is the most important one.

**TF PE OPC Tool:** Main task is to facilitate the continuous improvement of the PE OPC tool which is realised by the establishment and implementation of the annual PE OPC tool release plan.

During 2023, SEleNe CC acquired the role of OPC Training Coordinator, a role introduced to facilitate the creation and maintenance of Joint Training Modules related to OPC task, according to ACER's Decision 07-2022 on RCC Training and Certification of Staff Methodology.

The weekly OPC routine is as follows:

Fig. 29



## Outcome of Monitoring

### Operational performance

In 2023, SEleNe CC performed W-1 and Y-1 OPI assessment for 52 weeks in total.

The classification of a process as successful relies on the timings provided to the following table as per RCCs agreement during 2023.

Merge	Failure
W-1: 1st	After 3h of initial scheduled time
W-1: 2nd, 3rd, 4th	After 4h of initial scheduled time
Y-1: Pre, 1st, 2nd, 3rd, 4th	After 4h of initial scheduled time

Tab. 2

Among the calculated TSs (42 TSs per week, thus 2184 in total) for the W-1 OPI assessment, only 7 TSs were unsuccessful due to IT related issues\*, which were resolved without affecting subsequent OPI calculations.

During November 2023, both Y-1 Initial and Final OPI assessment were performed by SEleNe CC for target year 2024. Y-1 OPI was carried out during 2023 for 52 weeks in total. All TSs (2 TSs per week, thus 104 in total), concluded successfully.

In the following table, the monitored KPI refers to the operational performance regarding the OPI assessment performed by SEleNe CC for SEE TSOs:

Operational Performance OPI	W-1	Y-1
.....		
% of process successes	<b>99.68%</b>	<b>100.00%</b>
In case of failure, provide reason (1-4*)		
.....		
*1: Data Quality, 2: Application, 3: Infrastructure, 4: Other		

Tab. 3

Regarding the PE OPC task, the OPC merges performed for the W-1 timeframe, during 2023, were successful and no blocking issues were encountered, except for two failed merges (4th merge of BW21 & 1st merge of BW37) out of 208 in total. As a result, the index defining the W-1 PE OPC task operational performance is 99%. These shortcomings in the operational process resulted from IT infrastructure and IT tool issues. For the Y-1 timeframe, all OPC merges were successful, and no blocking issues were encountered.

In the following table, the monitored KPI refers to the operational performance related to the PE OPC task:

Operational Performance OPC	W-1	Y-1
.....		
% of process successes	<b>99.04%</b>	<b>100.00%</b>
In case of failure, provide reason (1-4*)		
.....		
*1: Data Quality, 2: Application, 3: Infrastructure, 4: Other		

Tab. 4

In the following table, the monitored KPI refers to the shortcoming in the operational process for the W-1 timeframe. No shortcomings are reported for the Y-1 timeframe.

Shortcomings in the operational process	Process timing	Reason class
.....		
26.05.2023	W21 4th merge	IT Infrastructure
.....		
06.09.2023	W37 1th merge	IT Tool

Tab. 5

## Recommendations & Outcome

The main focus of the SEE Regional OPC process is the optimisation of grid elements unavailability plans, both in W-1 and Y-1 timeframes, to achieve maximum availability of SEE TSOs transmission system and effective reduction of respective outages impact on grid security.

To this end, SEE TSOs are coordinating RAs during W-1 and Y-1 OPI assessment, in order to eliminate or mitigate the identified grid security issues caused by specific outage schedules. SEleNe CC participates in the aforementioned activities, assisting SEE TSOs in the coordination process during the OPI assessment. Individual outages or set of outages cancellation are possible countermeasures available to SEE TSOs in order to resolve effectively any limits' violations arising during OPI.

No adaptation of such proposal was necessary in any of the timeframes that the OPI assessment was performed during 2023.

## Effectiveness & Efficiency

Regarding the W-1 OPI assessment, the timely provision of results to SEE TSOs is an important aspect that SEleNe CC is aiming for. Indeed, TSOs update their UAPs based on respective OPI results. Therefore, these results shall be available in a reasonable amount of time prior to the next OPC merge. For this reason, SEleNe CC and SEE TSOs have agreed that W-1 OPI results shall be available till 12:00 AM EET/EEST of the date of calculation. Regarding the Y-1 OPI results, these shall be available prior to the publication of OPI results deadline defined by the Y-1 OPC timeline.

Effectiveness OPI	W-1	Y-1
.....		
% of result delivery within defined deadlines (YES=100%, NO=0%)	<b>100.00%</b>	<b>100.00%</b>

Tab. 6

In order to monitor the effectiveness of OPI process, the % of result delivery within defined deadlines for 2023 is provided in the following table. As shown below, no violation of the aforementioned deadlines was encountered.

In a similar manner, PE OPC merge results timely provision is essential since these are the main inputs to the OPI assessment. TSOs shall perform the next outage coordination cycle for the target timeframe using both PE OPC merge and OPI assessment results.

During 2023, one W-1 PE OPC merge out of 208 (52 weeks, 4 merges per week) was delayed due to IT issues, nevertheless the merges were successfully reinitiated, and results were delivered within the defined deadlines. These are provided in the following table:

Tab. 7

Merge	Deadline
W-1: 1st	Initial scheduled time for 2nd W-1 merge
W-1: 2nd, 3rd	After 4h of initial scheduled time
W-1: 4th	00:00 End of Friday
Y-1: Pre, 1st, 2nd, 3rd, 4th	00:00 End of Day of the merge

Thus, the index defining W-1 PE OPC task effectiveness is 100%. Moreover, 100% effectiveness of the Y-1 PE OPC process indicates that all Y-1 PE OPC merges (5 in total) were concluded in a timely manner and results were delivered within defined deadlines.

In the following table, the respective KPI is provided.

Effectiveness OPC	W-1	Y-1
% of result delivery within defined deadlines (YES=100%, NO=0%)	<b>100.00%</b>	<b>100.00%</b>

Tab. 8

The efficiency of the PE OPC process is captured via monitoring of the resolved TLIs during coordination cycles and the achieved mapping ratio between reference models and the EL.

As it has been already mentioned, TLIs resolution is coordinated both for W-1 and Y-1 timeframes in order to ensure quality of the outage data exchanged between TSOs and used during the subsequent OPI assessments. For 2023, the percentages of the successfully resolved TLIs between the first and fourth merge both for W-1 and Y-1 PE OPC process are provided in the form of KPIs in the following table.

Efficiency OPC	W-1	Y-1
% of TLIs comparing 1st and 4th OPC UAP merge	<b>95.69%</b>	<b>96.65%</b>

Tab. 9

Another objective to evaluate the efficiency of the PE OPC process is also related to data quality and is the percentage of correctly mapped network elements between reference CGM and definition of elements within the Element List (EL). Both are used as inputs for the OPI assessment, with EL serving as the map for the outages application to the reference CGM prior to the security analysis. Thus, high mapping ratio indicates reliable OPI results.

Tab. 10

Efficiency OPC	W-1	Y-1
% of correctly mapped network elements between OPC data & used CGM	<b>94.13%</b>	<b>93.82%</b>

In the above table, the achieved mapping ratio for W-1 and Y-1 PE OPC process is provided in the form of KPIs for 2023.

### Future Outlook

Currently, in the Regional OPC task, UCTE format is used. Taking into account that the PE OPC tool will be able to fully support CGMES format from Q3 2024, the transition of all OPC task activities to this format is anticipated to be performed in the near future.

In line with this evolution within OPC task framework, SEleNe CC is planning to migrate all Regional OPC processes to CGMES format, aiming for optimisation of the overall task. To achieve smooth transition, high quality CGMES input data shall be available prior to the development of the adapted OPI tool.

Furthermore, the enhancement of collaboration between SEE TSOs and SEleNe CC is of high importance in order to increase the value of the Regional OPC task in the region.

# Short Term Adequacy (STA)

**Task Description**

Regional Coordination Centres (RCCs) play a crucial role in maintaining the balance between electricity demand and supply through Short-Term Adequacy (STA) assessments. These assessments are vital for identifying potential shortages in generating capacity that could occur due to a variety of unpredictable factors, such as the tripping of DC lines or generators, limitations in hydroelectric power, or fluctuations in wind and solar photovoltaic (PV) inputs.

When such situations are detected, RCCs, in collaboration with Transmission System Operators (TSOs), are tasked with developing and coordinating remedial actions. These actions are essential for addressing adequacy issues and ensuring the operational security of the power system. The STA task, as part of the broader responsibilities of RCCs, includes performing Regional Adequacy Assessments and proposing recommendations to optimise cross-border exchanges of electricity. This collaborative effort is crucial, especially considering the increasing reliance on intermittent renewable energy sources and the complex dynamics of modern electrical grids.

**Cross-Regional Adequacy Assessment (CRAA)**

The Cross-Regional Adequacy Assessment (CRAA) is a critical process in ensuring the reliability and stability of the power grid. Transmission System Operators (TSOs) play a pivotal role by providing essential data, including expected load, generation module availability, and operational security limits. This information is crucial for Regional Coordination Centers (RCCs) to perform adequacy assessments. These assessments are conducted on a daily basis for the week ahead, enabling RCCs to identify potential inadequacies in the control areas. The process takes into account not only the individual control area's situation but also the interconnected nature of the grid, considering cross-border exchanges. Such comprehensive evaluations help in maintaining operational security and in planning necessary interventions to prevent power shortages.

SEleNe CC has been participating in the CRAA process since September 2022. Participating RCCs are CORESO, Nordic RCC, Baltic RCC, SCC and SEleNe CC. Each RCC participates according to the Annual Rolling Schedule. Two roles have been implemented to ensure that the process will run without any interruptions. Main role is the one used by the RCC that is responsible to monitor and report any issues detected during the process. Back-up role is the one that can replace the main RCC in case it is requested. This task is running 365 days/year and the RCCs alternate in the main and back-up role on a biweekly basis.

**Regional Adequacy Assessment (RAA)**

The process of ensuring adequate electricity supply within a power system involves a sequence of interactive actions between Transmission System Operators (TSOs) and Regional Coordination Centers (RCCs). TSOs, responsible for the stable operation of the electricity transmission system, may request a Regional Adequacy Assessment (RAA) based on the Cross-Regional Adequacy Assessment (CRAA) results or their own estimations. RCCs then conduct an RAA within the specified adequacy coordination region to evaluate if the generating capacity of the resources meets electricity demand. The RCCs' role extends to analysing these results and providing additional insights to TSOs, facilitating a coordinated response to any identified adequacy issues. This collaborative effort aims to ensure operational security and the continuous supply of power. Should the measures proposed fail to resolve the adequacy concerns, a Critical Grid Situation (CGS) can be initiated by the TSOs, signaling a potential emergency state that requires regionally coordinated extraordinary countermeasures. The final report, encompassing the assessment results and recommended actions, is submitted to the European Network of Transmission System Operators for Electricity (ENTSO-E), which plays a pivotal role in overseeing the European electricity market and ensuring cross-border cooperation and security of supply.

SEleNe CC is providing RAA service to Greece (IPTO) and Bulgaria (ESO), on demand, since the beginning of 2022. Experimentation sessions is a good practice to keep awareness in operators and use the tools provided efficiently.

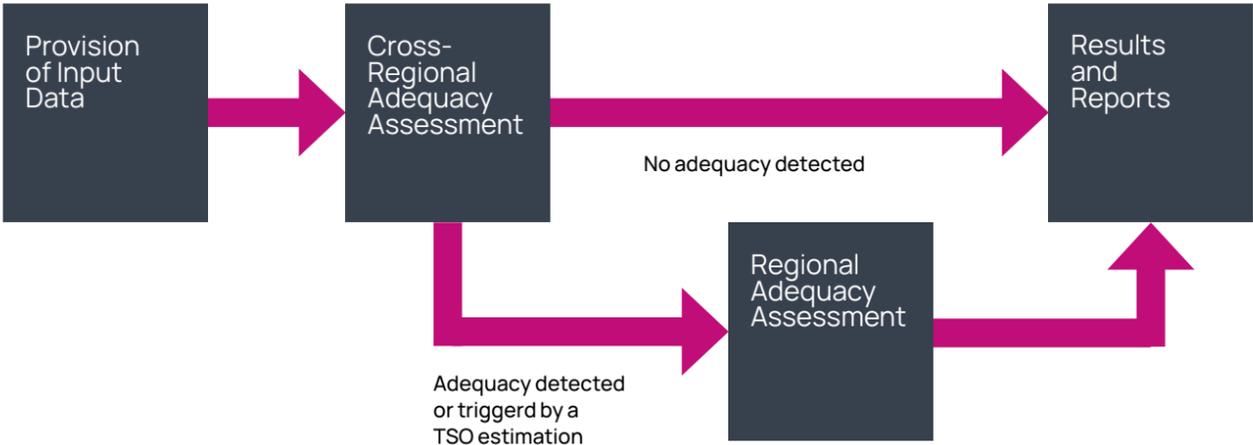


Fig. 30: High Level STA Business Process

# Outcome of Monitoring

## Operational Performance

In 2023 no regional STA process was triggered. There is no Effectiveness to report. In case of Regional Adequacy Assessment is triggered, the data, commonly agreed by the RCCs, to be tracked can be found on the table below.

Operational performance is defined as the percentage of successful processes compared to all processes performed on the pan-European level. The pan-European STA process runs once every day; an additional run can be requested by any TSO(s). Thus, the total number of runs would be maximum 365\*2 (or 366\*2 in leap years). The number of runs in 2023 was 389, while both calculations and the reporting part of the process failed 4 times in total.

Tab. 11

	1st and 2nd computation combined	
	Calculation	Report
# of successful calculations	389	389
# of triggered calculations	393	393
Operational Performance [%]	98	98

## Coordinated Actions and Recommendations

In 2023 no regional STA process was triggered for SEE Region. Therefore, no coordinated actions and recommendations are to be reported.

## Efficiency

This is defined as the number of days without additional STA calculation compared to the total number of days with STA calculation triggered (% of days without the need of additional run). Efficiency concerns the pan-European STA process.

For 2023 the monitored period was 365 days. The days that required an additional calculation were 3.

Tab. 12

	1st computation	
	Calculation	Report
# of days without additional calculation	362	362
# of total days of calculations	365	365
Efficiency [%]	99	99

## Effectiveness

In 2023 no regional STA process was triggered. There is no Effectiveness to report. In case of Regional Adequacy Assessment is triggered, the data, commonly agreed by the RCCs, to be tracked can be found on the table below.

No	Date of Assessment	Date of Event	RCC leader	No. of concerned TSOs	Inadequacy duration	ENS [MWh]	Proposed mitigation action
N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A

Tab. 13

## Legend

**No:** order number of inputs

**Date of Assessment:** date when the pan-European STA is assessed

**Date of Event:** date and timestamp of the case for which Regional STA process is triggered

**RCC leader:** RCC responsible for leading the Regional STA process

**No. of concerned TSOs:** No. of TSOs participating in the Regional STA process, main affected TSO (for which ENS is detected) and their neighbours that can have an impact on the main affected TSO (determined based on Dynamic matrix)

**Inadequacy duration:** number of timestamps in the week-ahead time-frame for which Main affected TSO is in inadequacy situation (each timestamp corresponds to one hour)

**ENS [MWh]:** amount of Energy Not Supplied in the timestamp assessed during the Regional STA process

**Proposed mitigation action:** list of RAs considered as a solution to the lack of adequacy (this can be one or multiple actions depending on the case assessed)

## Shortcomings

For 2023, there are no shortcomings.

## Future Outlook

In the perimeter of the STA 1B, in 2023 SEleNe CC in collaboration with Coreso conducted an impact analysis and assessed if the characteristics of the prototype SEleNe CC Regional STA tool and the complementary microservices developed for other tasks can satisfy the Business Requirement Specifications drafted by the dedicated STA group experts. The results can give a 68% compatibility provided that necessary enhancements that support various aspects are implemented.

# Regional Incident Analysis and Reporting (RIAR)

**Task Description**

The RCCs' process to carry out the post-operation and post-disturbances analysis and reporting (also known as Regional Incident Analysis and Reporting) interacts with the existing process run by the Incident Classification Scale (ICS) Expert Panel established for the investigation of incidents on scale 2 and scale 3 in accordance with the ICS Methodology.

After the incident threshold of scale 2 or 3 is triggered, a factual and final report shall be prepared by an Expert Panel.

An RCC Investigation Subgroup is created within the ICS Expert Panel, in the case that the RCC Investigation Threshold is met.

RCC Investigation Threshold is defined as being exceeded if as a result of certain actions taken by a TSO being in Emergency, Blackout or Restoration system state, another TSO has moved from Normal or Alert System State to Emergency System State.

A chapter pertaining to RCC activities will be prepared by the RCC subgroup and included in the final report.

Fig. 31: Interactions and activities led by the ICS Expert Panel and the RCC subgroup



Details of the interactions and activities led by the ICS Expert Panel and the RCC subgroup are shown in figure 31.

One essential part of this task is to identify recommendations based on the findings of the RCC Investigation with the aim to avoid similar incidents in the future. Recommendations can be issued by the RCC subgroup relating only to RCC activities. Other proposals will be made by the ICS Expert Panel.

Recommendations issued by the RCC subgroup will be tracked in a dedicated database and updated by each RCC for their respective SOR.

RIAR is live in SEleNe CC since March 2023.

**Operational Performance:** In 2023 there was an incident, that was suspected to be classified as scale 2, was reported to RCCs. On 19 September, RCCs were informed that an incident had occurred in Montenegro on 28 May. The methodology would have foreseen a nomination within one week after the incident occurred. On 22 September, all RCCs nominated their main and backup members according to Article 3 of the RIAR methodology. During the detailed assessment of the ICS Expert Panel, it was decided that the incident would only be classified as scale 1 which implies that the RCC investigation threshold was not met and no RCC investigation was initiated.

**Coordinated Actions and Recommendations:** No recommendations were made during the year 2023, since no incidents triggered the RCC Threshold.

**Effectiveness:** Effectiveness of this task has been defined as:

**Nomination and communication of the RCC members within one week of the start of the scale 2 or 3 incident**

**Publication of the final report, including the RCC chapter by the end of September in the year after the incident**

**Efficiency:** Efficiency of this task has been defined as:

**The number of hours spent on the Post-Operation and Post-Disturbances Analysis and Reporting task (process implementation, training and certification, recommendation follow-up)**

**The number of hours spent per incident triggering the RCC Threshold**

In 2023 SEleNe CC spent 100 hours on the task for process implementation and training and certification preparation.

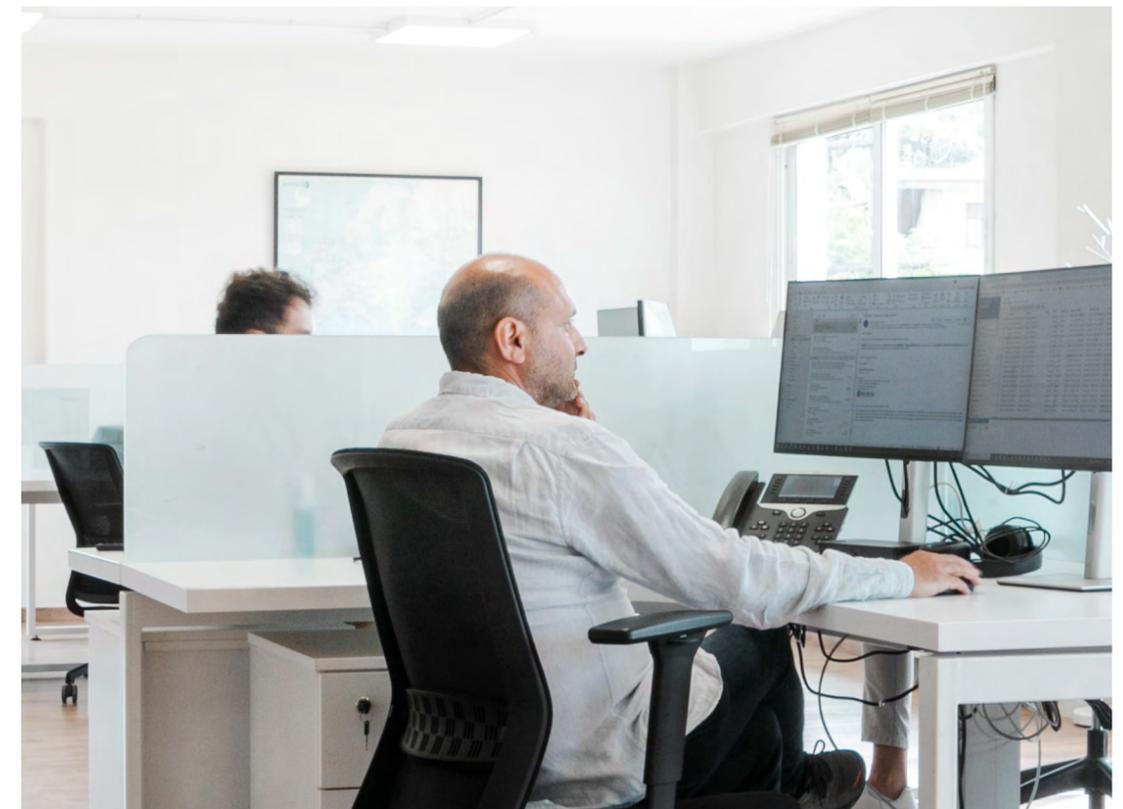
**Shortcomings:** For 2023, there are no shortcomings.

## Future Outlook

Training Material will be finalised in 2024. Training and Certification to be implemented and prepare operators for future incidents and how to act proactively. RIAR group is constantly seeking to improve training material and to enrich knowledge between its members.

## Outcome of Monitoring

## Effectiveness and efficiency



# Critical Grid Situation (CGS)

## Task Description

Critical Grid Situation (CGS) represents a potential emergency state identified during the operational planning phase, where all available regular RAs are depleted. Consequently, TSOs must implement extraordinary countermeasures. CGS is characterised as a critical situation that cannot be resolved at the national level alone and necessitates coordination among multiple TSOs.

The Critical Grid Situation (CGS) protocol may be activated in response to infrequent yet highly impactful events. Examples include extreme weather, fuel shortages, and forest fires. CGS can also be triggered based on the results of CSA, OPC, and STA, when the regular RAs cannot solve the grid problems. Moreover, individual SEE TSOs can initiate CGS through local analysis using their proprietary tools and models. In each scenario, affected TSOs can activate CGS to implement coordinated measures aimed at maintaining the power system's reliability and security. Upon CGS activation, SEleNe CC assumes the responsibility of facilitating regional or cross-regional coordination and facilitating information exchange among pertinent TSOs and relevant RCCs. This entails organising teleconference meetings, disseminating necessary information to all stakeholders, and conducting supplementary analyses and studies as resources permit. Following the coordination phase, the identified Remedial Actions (RAs) are communicated to all parties involved. Upon completion of the entire process, a comprehensive report detailing all intermediate steps and actions is compiled and submitted to ENTSO-E. Within 2023 SEleNe CC CGS business process was agreed between RCC and TSOs, and respective handbook had been finalised.

**Outcome of Monitoring:** No CGS incidents occurred during the reporting period and thus no monitoring performed.

Upon CGS activation, SEleNe CC assumes the responsibility of facilitating regional or cross-regional coordination and facilitating information exchange among pertinent TSOs and relevant RCCs. This entails organising teleconference meetings, disseminating necessary information to all stakeholders, and conducting supplementary analyses and studies as resources permit. Following the coordination phase, the identified Remedial Actions (RAs) are communicated to all parties involved. Upon completion of the entire process, a comprehensive report detailing all intermediate steps and actions is compiled and submitted to ENTSO-E.

**Future outlook:** Cross regional joint protocol for CGS situations is currently under development by RCCs. Regional and cross regional simulation tests will also be carried out for the CGS service. These tests will enhance collaboration among all stakeholders in the SEE and wider European region, a crucial step in bridging the gap in cross-border as well as cross regional coordination.

# Consistency Assessment of Defence and Restoration Plans

## Task Description

TSOs produce defence and restoration plans per Network Code Emergency and Restoration (Regulation EU 2017/2196). Throughout this process, TSOs shall ensure consistency within their respective synchronous areas and with neighbouring TSOs. At the same time, RCCs are tasked with evaluating the consistency of these measures. Following consultation, the pertinent RCC shall prepare a technical report assessing the consistency of the TSO measures.

TSOs shall review their defence and restoration plans at least every five years with a subsequent consistency assessment. In December 2023, a new process has been initiated by European TSOs that shall be coordinated and completed in 2024.

**Outcome of Monitoring:** The task has not been carried out during the reporting period and thus no monitoring was performed.

## Future Outlook

SEleNe CC RCC shall carry out a consistency assessment for the first time in 2024.

# Regional Electricity Crisis Scenarios



## Task Description

Per Article 5 of Regulation (EU) 2019/941, the objective of the Identification of regional Electricity Crisis Scenarios is to provide a basis for Member States to develop national risk preparedness plans, based on regional scenarios with cross-border impact (beyond the normal TSO operational measures). As far as RCCs are concerned, ENTSO-E has not yet developed a dedicated task proposal pursuant to Article 6(1) of Regulation (EU) 2019/941 and Article 37.1(m) of Regulation EU 2019/943, where tasks relating to the identification of regional electricity crisis scenarios to the RCCs are delegated to RCCs.

**Outcome of Monitoring:** The task has not been carried out during the reporting period and thus no monitoring was performed.

## Future Outlook

The next process of identifying regional electricity crisis scenarios commenced towards the end of 2023 and is expected to conclude in 2024.

# Training and Certification Implementation (TCI)

## Task Description

On May 18, 2022, ACER endorsed the RCC Training and Certification of Staff Methodology, mandating that RCCs develop and implement training and certification programs for all operational staff. Under this methodology, SEleNe CC RCC, along with other RCCs, is required to establish a training and certification program by May 2024. By May 2026, all operational staff are required to be fully certified in accordance with these standards.

## Implementation Status

In 2023, SEleNe CC RCC began preparations for the foreseen launch in May 2024, by setting out the training module structure and by defining the modules' requirements as dictated by the methodology. Additionally, SEleNe CC conducted research for the procurement of a Learning Management System (LMS), to facilitate easy access to training materials and enable assessment processes, as well as to track trainee progress and certification status.

SEleNe CC RCC also actively participates since 2023 in the RCC Working Table and Training and Certification Implementation Working Group in Pan-European level, by attending foreseen meetings and by contributing to development of joint training programs and delivering cross-regional training where relevant.

**Outcome of Monitoring:** The task is still under development and no monitoring has been carried out yet.

## Future Outlook

The implementation is progressing as planned and is consistent with the relevant methodology. The training and certification program implementation will commence in 2024.

# Regular Meetings

## SEE TSOs Weekly Progress Teleconference

The planning of regular meetings is provided in Fig. 32.

Every week, on Wednesday, SEleNe CC performs the SEE TSOs Weekly Progress Teleconference. During this meeting the important events of the past week are analysed, any questions or concerns are discussed and decisions are taken. Moreover, planned work for the week ahead is discussed aiming to the best coordination of the involved parts. This telco is also an opportunity to discuss any problems SEleNe CC or the TSOs are facing allowing to work together to brainstorm potential solutions. SEleNe CC recognises the importance of communication and therefore truly values it, in pursuit of better cooperation.

## LT CCM Weekly Teleconference

Every Thursday, SEleNe CC performs the SEE TSOs LT CCM Weekly Teleconference, a dedicated meeting on the LT processes. Year-ahead (Y-1) and Month-ahead (M-1) Capacity Calculation related topics are discussed during this meeting with main objective to ensure the best possible operation and alignment.

Moreover, SEleNe CC has a dedicated Bi-weekly synchro teleconference with its vendors. This meeting focuses on the continuous development of the RCC tools by solving the problems or concerns that may have occurred and by adding useful new features to the tool. Frequent communication with vendors mainly aims to prioritise and coordinate the changes that need to be done to the tool in order SEleNe CC to provide the best quality services.

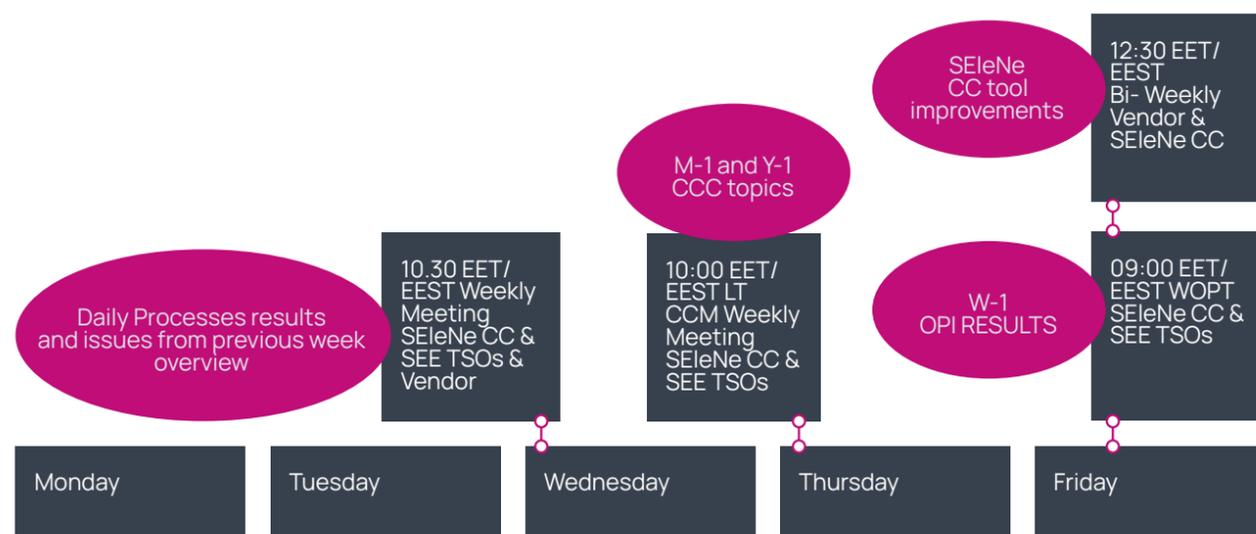


Fig. 32: Weekly Regular Meeting Planning Overview

## SEleNe CC Weekly Operational Planning Teleconference (SEleNe CC WOPT)

SEleNe CC performs a Weekly Operational Planning Teleconference every Friday for SEE TSOs, with regard to the W-1 Regional OPC process. SEleNe CC engineers coordinate the meeting and representatives from all SEE TSOs participate for the weekly updates and alignment. During the meeting, W-1 OPI results are summarised and discussed while remaining issues on operational planning between SEE TSOs & SEleNe CC are resolved.

Main topics for discussion during WOPT meeting are summarised as follows:

### Initial/Final W-1 OPI assessment results

### OPIs detected after the conclusion of W-1 OPI assessment

### Unresolved TLI Errors/Warnings

### Operational KPI Performance

### STA issues

WOPT is a key pillar for the successful coordination of all Regional OPC related topics of the upcoming week, with main objective the sharing of information to ensure the best possible operation.

The agenda of the call is as follows:

### Presentation and discussion of the Initial/Final W-1 OPI assessment results

### Presentation of the identified OPC data quality issues

### Presentation and discussion of the remaining (after 3rd merge) TLI, with focus on Error TLI type

### Discussion of relevant operational information

### Discussion of STA related issues

## SEE MG WOPT

SEleNe CC participated in SEE MG Weekly Operational Planning Teleconference every Friday for SEE MG TSOs, hosted by SCC.

Main topics for discussion during SEE MG WOPT meeting are summarised as follows:

### SEE MG W-1 outage plan approval

### Tie-line Inconsistencies (TLIs) resolution in the SEE region

### Relevant operational information (WOPT report)

### AoB

# The role of IT

As a European Regional Coordination Center (RCC), SEleNe CC plays a pivotal role in facilitating seamless coordination processes across Europe’s energy sector. This role entails adhering to stringent requirements and regulations, particularly regarding the confidentiality of the data exchanged with our clients. The IT department is essential in ensuring the security and operational availability of these services.

### IT Department Mission

The IT department is dedicated to safeguarding against potential data breaches and tampering, while continuously monitoring and supporting the company’s operational and business services around the clock. This mission is achieved through the set of policies and procedures, providing a comprehensive approach to include all various key activities.

### Software Updates and Patching

One of the primary responsibilities is to ensure that all software and applications are current with the latest versions and patches. This proactive measure mitigates vulnerabilities, requiring meticulous coordination to update systems and tools without disrupting service continuity.

### Continuous Monitoring

SEleNe CC’s IT infrastructure is under constant surveillance, 24/7/365, to identify any anomalies or unauthorized access attempts.

### Cyber Security Awareness Training

Human error is a significant vulnerability in cyber security. To address this, all SEleNe CC employees undergo annual cyber security training. This training raises awareness about potential threats and educates employees on best practices for maximizing data security.

### Data Center Capabilities //

In addition to the above measures, maintaining a robust data center is crucial. The IT department oversees the entire data center, ensuring its operational efficiency and reliability. Currently our hardware resources include:

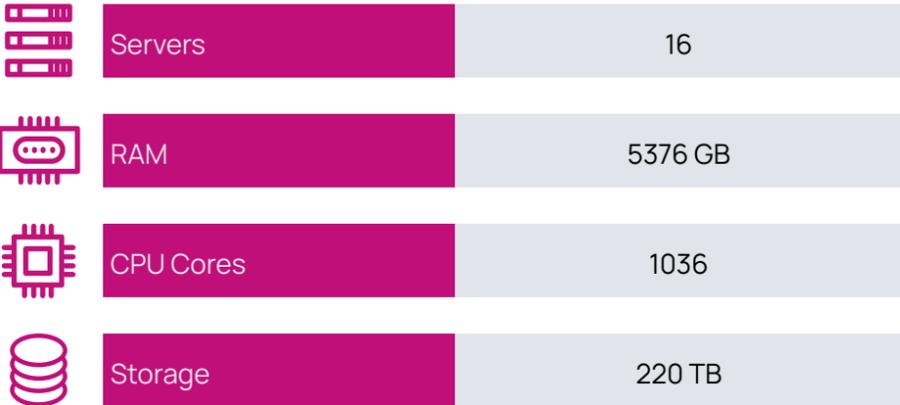


Fig. 33  
Caption: This image illustrates the scale and capacity of our data center infrastructure, highlighting the number of servers, CPU cores, RAM, and storage capacity available to support our extensive operations.

### Conclusion

The IT department at SEleNe CC is a cornerstone of the organisation, ensuring the integrity and efficiency of our services. By focusing on rigorous security measures, continuous monitoring, and compliance with regulatory standards, the IT team supports SEleNe CC’s mission of maintaining seamless and secure coordination within the European energy sector.

# 06

# Future Developments

Apart from the already existing tasks, SEleNe-CC aims to integrate to its portfolio new tasks in the near future. Among the new tasks is the implementation of the 70% rule for the SEE, which is a remaining obligation from the Clean Energy Package, as well as the following tasks arising from EU regulation: a. Regional Operational Security Coordination (ROSC), b. sizing of reserves and balancing capacity procurement, c. balancing timeframe capacity calculation.

Regarding the implementation of the 70% rule, SEleNe-CC defined during 2023 the detailed business and technical requirements for the development of the required tool. During Q1/2024, the vendor for the implementation of the tool was selected, following an open tender process. The task is expected to be on a go-live mode on at 01/01/2025. A detailed timeplan for development of the required tool is presented in the figure below:



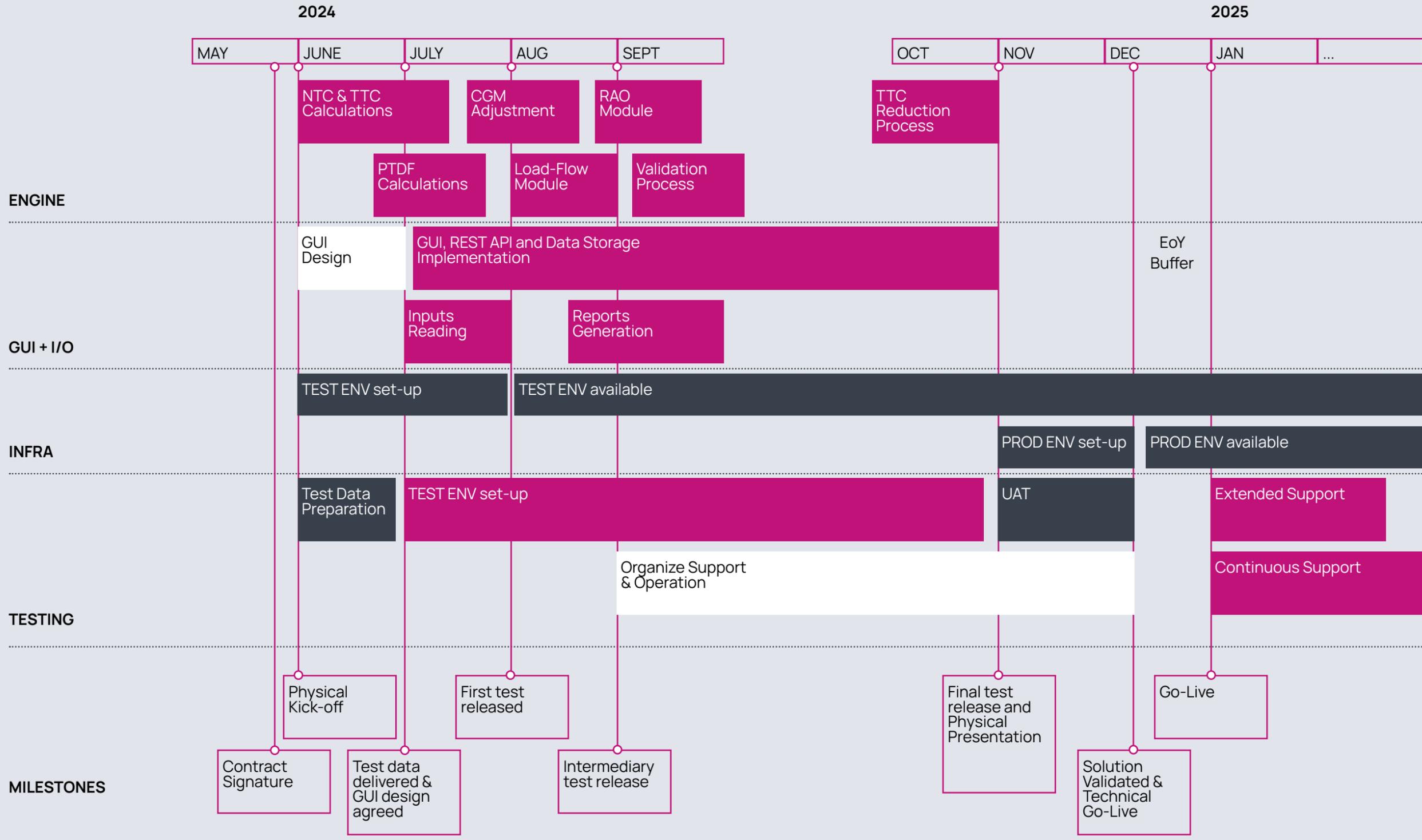


Fig. 34

# Backup datacenter at Sofia, Bulgaria

An indicative timeplan for the implementation of a. ROSC, b. sizing of reserves and balancing capacity procurement, and c. balancing timeframe capacity calculation is provided in the next figure. As shown, the ROSC will be implemented in two distinct phases. The first phase is expected to be on a go-live mode until the end of 2025. The second phase will be ready until Q3/2027. During 2023, the technical and business requirements of both ROSC phases have been finalised in coordination with the SEE TSOs. Moreover, SEleNe-CC initiated discussions with CorNet project to investigate the possibility of co-development of the required tools. Concerning the sizing of reserves and balancing capacity procurement, the relevant tasks are expected to start during Q3/2024 and the go-live of the service is scheduled for Q2/2026. Finally, the balancing timeframe capacity calculation is expected for Q3/2024. Indeed, according to the existing legislation and the relevant methodologies, the balancing timeframe capacity calculation for the SEE is expected one year after the go-live of ROSC phase 2.

## Disaster Planning

In alignment with its commitment to ensuring the continuity and reliability of its services, SEleNe CC is pleased to announce that the company is establishing a backup data center in Sofia, Bulgaria. This strategic initiative is a crucial part of our disaster recovery and business continuity planning, aimed at mitigating the risks associated with potential outages at its primary data center.

Sofia, Bulgaria, was selected as the location for the backup data center due to its favorable economic environment, advanced technological infrastructure, and highly skilled workforce. The ESO TSO facility in Sofia offers the optimal balance—close enough to SEleNe’s primary operations for efficient data synchronisation, yet sufficiently distant to mitigate the impact of regional disruptions.

The backup data center will be outfitted with cutting-edge technology, mirroring the capabilities of the primary center. This includes high-speed connectivity, redundant power supplies, advanced cooling systems, and top-tier security measures. These provisions are designed to ensure that the backup center can support SEleNe’s full range of services seamlessly, should the need arise.

## Business Continuity and Risk Management

The establishment of the backup data center underscores our proactive approach to risk management and business continuity. By ensuring a fully operational backup facility, SEleNe’s is enhancing its ability to maintain service levels, uphold contractual obligations, and deliver consistent value to customers even during unforeseen events.

## Project Timeline

It is anticipated that the setup and testing phases of the backup data center will be completed within the next few months. During this period, extensive testing will be conducted to verify that all systems operate as intended and that our staff is fully prepared to manage a seamless transition if required.

The setup of the backup data center in Sofia, Bulgaria, inside the ESO TSO facility, represents a significant advancement in our efforts to bolster the resilience and reliability of the services provided. This initiative not only enhances our disaster recovery capabilities but also demonstrates the ongoing dedication to protecting the interests of our stakeholders.

SEleNe CC is confident that this strategic investment will provide greater peace of mind for its customers and partners, reinforcing its position as a dependable service provider.

Tab. 14

	2024				2025				2026				2027				2028			
	Q1	Q2	Q3	Q4																
ROSC (V1)	█				█															
Sizing of reserve and balancing capacity procurement					█				█											
ROSC (V2)									█				█							
Balancing timeframe capacity calculation													█				█			

# Research activities

SEleNe CC, besides providing daily coordination tasks to Transmission System Operators (TSOs), is actively involved in three significant European Union projects. These projects include one under the Horizon Europe research and innovation programme (COCOON project) and two under the Digital Europe Programme (SECUR-EU and INTERSOC).

The COCOON project emerged in response to recent geopolitical events, such as the war in Ukraine, which underscored the vulnerabilities of setups managed by Transmission System Operators (TSOs), Distribution System Operators (DSOs), and aggregators to cyber threats. COCOON aims to deliver a practical cyber-physical systems solution for integrated EPES, specifically targeting the enhancement of information exchange reliability through the development of the COCOON Programmable Node.

The project also seeks to implement an Early Warning System for cooperative cyber-physical protection and operator training, provide real-time cyber-physical protection, pursue data-driven detection of known and unknown (zero-day) exploits, and strengthen resilience among entities involved in grid stability processes through practical threat mitigation mechanisms. This 36-month project, with a budget of 5.8 million euros, will benefit energy communities interacting with a DSO, EU Regional Security Centres (RSC) interacting with multiple TSOs, DSO substations, and DRES aggregators interacting with a DSO.

The other two projects, SECUR-EU and INTERSOC, focus on bolstering digital security across the European Union.

SECUR-EU addresses the pressing need for heightened cybersecurity measures, particularly within the realm of small and medium-sized enterprises (SMEs). In collaboration with esteemed partners, this consortium aims to cultivate a shared culture of cybersecurity awareness among SMEs, empowering them to swiftly develop and implement robust solutions against emerging threats. Through the project's comprehensive approach, SEleNe CC will develop and refine cutting-edge security testing tools, including both offensive attack solutions and proactive defense mechanisms. By fostering collaboration among security professionals, organisations, and critical infrastructures, SECUR-EU establishes a unified network dedicated to fortifying Europe's digital landscape. With a focus on sectors vital to our society, SECUR-EU is poised to address targeted cyber threats and safeguard the foundational principles of peace, democracy, and human rights. As a proud participant in this initiative, SEleNe CC is committed to upholding the EU's values of solidarity, cooperation, and mutual respect, working collectively to defend against malicious digital adversaries and preserve the progress and prosperity of our shared digital future.

INTERSOC envisions improving disruption preparedness, resilience of digital infrastructures, and capacity building through advanced threat forecasting, improving cyber-incident detection and response capabilities at national and EU levels, while respecting privacy and other fundamental rights. To achieve these objectives, INTERSOC will combine and deploy several different technologies, tools, and techniques concurrently and in unison, including machine learning detection and prevention systems in the network and hosts, decentralised threat intelligence information sharing, and the collection, categorisation, aggregation, and correlation of structured and unstructured data.

In conclusion, our involvement in these critical EU projects underscores our commitment to enhancing cybersecurity and digital resilience across Europe. Through the COCOON, SECUR-EU, and INTERSOC projects, SEleNe CC is not only addressing current cybersecurity challenges but also paving the way for a more secure and resilient digital future. SEleNe CC's dedication to innovation, collaboration, and the continuous improvement of cybersecurity measures ensures that we remain at the forefront of protecting the digital landscape, supporting the foundational principles of peace, democracy, and human rights in the process.

# Financial Statements

«The following financial data are included in the annual financial statements of the company, as approved by the Annual General Meeting held on July 17, 2024. The approved annual financial statements have been published on the General Business Register website <https://publicity.businessportal.gr/>»

## MANAGEMENT REPORT OF THE BOARD OF DIRECTORS OF “SOUTHEAST ELECTRICITY NETWORK COORDINATION CENTER SEleNe CC SOCIETE ANONYME”

Dear Shareholders,

We kindly address the present document in order to submit to you, as stipulated by the Law and the Company's Articles of Association, the Annual Activity Report of the Board of Directors for the fiscal year 2023 (01/01/2023 – 31/12/2023), being issued in accordance with the provisions of articles 150 - 153 of Law 4548/2018 for companies that prepare financial statements, according to the International Accounting Standards adopted by the European Union.

This Report contains the complete review of the financial results for the fiscal year 2023, together with the report of the main events that took place during this year and after the end thereof, up to the submission date. It also includes the analysis of the main risks-uncertainties, as well as the future prospects.

The course of the company for the 12-month fiscal year, from 01/01/2023 to 31/12/2023, which closed as the fourth (4th) fiscal year, is considered to be satisfactory.

From the fiscal year 01/01/2021 onwards, the Company prepares consolidated financial statements, as well as its respective notes, referring to the further analysis of its financial transactions with the International Financial Reporting Standards (IFRS). In the Group's financial statements, the subsidiary company Esperia CC S.r.l, based in Italy, is unified under the method of total consolidation. The Group participates in the consolidated financial statements of IPTO, ESO EAD and TERNA where it is consolidated under the method of equity.

## BRIEF ANALYSIS OF THE COMPANY'S BUSINESS MODEL

The Regional Coordination Centers (RCCs), such as SEleNe CC SA, are companies founded and owned by Transmission System Operators (TSOs), with their primary purpose and objective to maintain the operational security of the Electricity System at a European level.

Under this aspect, the four European Energy Transmission System Operators, namely, IPTO (Greece), ESO-EAD (Bulgaria), TERN SpA (Italy) and Transelectrica (Romania), founded on May 22, 2020, the RSC under the name "SEleNe CC S.A." (Southeast Electricity Network Coordination Center), with Thessaloniki being the company's headquarters and the energy center of Southeastern Europe and the Greek-Italian border. According to the Company's articles of association, its purpose is to enhance the security of electricity supply in the system's capacity calculation regions, to which the shareholders belong, in accordance with the applicable EU legislation. From 1st July 2022, following the provisions of the "Clean Energy Package (CEP)", SEleNe-CC has been transformed to an RCC. According to this view, the purpose of the Company includes indicatively and not restrictively the execution of the following tasks:

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creating common grid models in accordance with the methodologies and procedures developed pursuant

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carrying out the coordinated security analysis for Southeast Europe (SEE) and Greece-Italy (GRIT) CCRs in accordance with the methodologies developed pursuant to the system operation guideline adopted on the basis of Article 18 (5) of Regulation (EC) No 714/2009

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carrying out the Coordinated Capacity Calculation for SEE and GRIT CCRs in accordance to the methodologies developed pursuant to the capacity allocation and congestion management guideline adopted on the basis of Article 18(5) of Regulation (EC) No 714/2009

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supporting the consistency assessment of transmission system operators' defense plans and restoration plans in accordance with the procedure set out in the emergency and restoration network code adopted on the basis of Article 6(11) of Regulation (EC) No 714/2009

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carrying out regional week ahead to at least day-ahead system adequacy forecasts and preparation of risk reducing actions in accordance with the methodology set out in Article 8 of Regulation (EU) 2019/941 and the procedures set out in the system operation guideline adopted on the basis of Article 18(5) of Regulation (EC) No 714/2009

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carrying out regional outage planning coordination in accordance with the procedures and methodologies set out in the system operation guideline adopted on the basis of Article 18(5) of Regulation (EC) No 714/2009

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training and certification of staff working for regional coordination centers

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supporting the coordination and optimization of regional restoration as requested by transmission system operators

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carrying out post-operation and post-disturbances analysis and reporting

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regional sizing of reserve capacity

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facilitating the regional procurement of balancing capacity

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supporting transmission system operators, at their request, in the optimisation of inter-transmission system operators settlements

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carrying out tasks related to the identification of regional electricity crisis scenarios if and to the extent they are delegated to the regional coordination centers pursuant to Article 6 (1) of Regulation (EU) 2019/941

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carrying out tasks related to the seasonal adequacy assessments if and to the extent that they are delegated to the regional coordination centers pursuant to Article 9 (2) of Regulation (EU) 2019/941

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calculating the value for the maximum entry capacity available for the participation of foreign capacity in capacity mechanisms for the purposes of issuing a recommendation pursuant to Article 26 (7)

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carrying out tasks related to supporting transmission system operators in the identification of needs for new transmission capacity, for upgrade of existing transmission capacity or their alternatives, to be submitted to the regional groups established pursuant to Regulation (EU) No 347/2013 and included in the ten-year network development plan referred to in Article 51 of Directive (EU) 2019/944.

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carrying out the long term coordinated capacity calculation for SEE and GRIT CCRs in accordance with the Methodologies developed for the respective CCRs, pursuant to Article 10 of Commission Regulation (EU) 2016/1719 of 26 September 2016 establishing a guideline on forward capacity allocation ("FCA Regulation").

## FINANCIAL REVIEW

As shown by the financial statements, in 2023 the Group and the Company showed the following changes:

<b>Total Revenue</b>	Total revenues of the Group and the Company amounted to € 3.850.000,00 during the financial year 2023 compared to € 3.036.600,00 in the comparative year 2022.
<b>Total Operating Expenses</b>	The group's total operating expenses for the financial year 2023 amounted to € 3.583.319,76 compared to € 2.916.210,54 in the comparative year 2022, while the Company's amounted to € 3.661.824,22 compared to € 3.003.038,59 in 2022.
<b>Profits before tax</b>	The Group's profits before tax amounted to a profit of € 290.335,02 compared to € 117.391,00 in the comparative year 2022, while the Company's results amounted to a profit of € 210.879,86 against profits of € 30.499,40 in the previous fiscal year.
<b>Income Tax</b>	The Group's income tax amounted to € 74.563,41 during the fiscal year 2023 compared to € 33.897,33 in the comparative fiscal year, while the Company's amounted to € 52.003,41 compared to € 9.351,33 in 2022.
<b>Net profit</b>	The Group's net profit during the financial year 2023 amounted to € 215.771,61 compared to € 83.493,67 in the comparative year, while that of the Company to € 158.876,45 compared to € 21.148,07 in 2022.

## RISK MANAGEMENT

The Group is constantly monitoring developments aiming to limit as much as possible the possible negative effects, which may arise from various events. More specifically, the main risks related to the Group's activity are listed below.

**Credit Risk:** The Group is not exposed to significant credit risks. Claims from customers derive mainly from affiliated companies.

**Liquidity Risk:** Prudent management of liquidity risk requires sufficient cash flow and the availability of the necessary sources of funding available. The Group manages its liquidity needs on a daily basis, through the systematic monitoring of short- and long-term financial liabilities, as well as through the daily monitoring of payments made.

**Currency risk:** Currency risk is the risk that arises when the value of financial instruments fluctuates due to changes in exchange rates. Currency risk arises when future transactions and the recognized assets and liabilities are in a currency other than the euro, which is

the domestic currency of the Group's Companies. The management of foreign exchange risks, where necessary, shall be addressed mainly through the use of physical hedging instruments and foreign exchange futures. At this point, the Group is not exposed to foreign exchange risk as all its transactions together with its assets, are depicted in euro.

## NON-FINANCIAL INFORMATION

### Employment issues

The promotion of equal opportunities and the protection of diversity are key principles of the Group. The Management does not discriminate in recruitment / selection, remuneration, training, assignment of work duties or any other work activities. The factors that are exclusively considered by all companies of the Group in the assignments of directors' responsibility duties are the experience, personality, theoretical training, qualifications, efficiency and abilities of the individual. The Group encourages and recommends to all employees to respect the diversity of any employee or supplier or customer and not to accept any behavior that may be discriminatory in any form.

The number of staff of the Group and the Company on 31/12/2023 amounted to 17 people (2022: 16).

### Respect for workers' rights

The Group respects the rights of employees and complies with labor legislation.

### Health and safety at work

Safety at work for employees is a top priority and a prerequisite for the Group's operation. The Group maintains materials (medicines, bandages, etc.) in all workplaces first aid kits, while it has a safety technician, in accordance with the applicable legislation.

In detail, the following take place:

### Inspections of workplaces

#### Workplace risk assessments

## OTHER ISSUES

### Information relating to the acquisition of Own Shares

During the fiscal year 2023, the Company acquired 2 own shares and subsequently proceeded with their cancellation.

### Investments in fixed and intangible assets

The Group's investments in fixed assets during the closing year amounted

to € 29.816,54 while in intangible assets an amount of € 506.713,20.

### Financial instruments

The Group does not own financial instruments.

### Activities in the field of research and development

The Group is not active in the field of research and development.

### Company Branches

The Company has no branches.

## IMPORTANT EVENTS FOR 2023 AND PROSPECTS FOR 2024

SEleNe CC S.A. was established on 22/05/2020 by the System Operators of Greece (ADMIE), Bulgaria (ESO-EAD), Italy (Terna) and Romania (Transelectrica). From July 2022 SEleNe CC has been transformed to a Regional Coordination Center (RCC) according to the 943/2019 European Commission Regulation with the participation of the TSOs of Bulgaria (ESO-EAD), Greece (IPTO) and Italy (Terna). The establishment of SEleNe CC is an important step towards the smooth and stable integration of the region with the EU's 3rd Policy Package and the efficient coordination of the European TSOs at the regional level to cope with the new challenges that arose in the "green transition" process.

In accordance with the European and national legal framework, mainly referring to the Regulation (EU) 2019/943 on the internal market for electricity, the following tasks are currently performed by SEleNe CC, offering comprehensive assistance to regional Transmission System Operators (TSOs):

### Common Grid Model (CGM)

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### Coordinated Security Analysis (CSA)

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### Coordinated Capacity Calculation (CCC)

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### Outage planning Coordination (OPC)

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### Short-Term Adequacy (STA)

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### Regional Incident Analysis and Reporting (RIAR)

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### Critical Grid Situation (CGS)

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### Training and Certification Implementation (TCI)

## Enhancement of Provided Tasks

**CGM:** During 2023, the CGMES CGM creation was initiated for SEleNe CC, in January. SEleNe CC participated among the RCCs, successfully, with no interruptions, in the CGMES CGM Rotational Calendar throughout the year. In this regard, SEleNe CC developed its own EMF (European Merging Function) based on the most recent requirements. The development was organized based on the Rotational Calendar needs. First the D-1 and D-2 modules were implemented, in Q1 2023, followed by the Y-1 and ID modules, in Q2. The EMF Tool achieved reliable and steady results delivery, and the highest average IGM inclusion rates in the CGM community.

**CCC:** Until the end of 2022 the Coordinated Capacity Calculation (CCC) was performed for the Day-ahead time horizon (D-2 TH), for the 1st Intraday time horizon (D-1 TH), and for the 2nd Intraday time horizon. During 2023, SEleNe CC started to provide Long Term Coordinated Capacity Calculation (LT-CCC) for the Month Ahead and the Year Ahead time horizons to the Southeast Europe (SEE) Transmission System Operators (TSOs). The go-live for the Month Ahead time horizon was on 1st January 2023 and the first capacity calculation process was for business month 03/2023 whereas for the Year Ahead time horizon the go-live was on 15th November 2023 and the first capacity calculation process was for Business Year 2024. Throughout the year, in close cooperation with the vendor (Unicorn) and the TSOs, minor remaining bugs were effectively resolved improving both the tool and the quality of the results.

**CGS:** Within 2023, the SEleNe CC CGS business process was agreed between RCC and TSOs, and respective handbook was finalised. Whilst no critical incidents occurred within SEleNe's operational region, our engineers were prepared to provide CGS services if required.

**CSA:** The CSA task for SEE was developed, tested, and launched in September 2022, with comprehensive training and a process handbook provided. From September 5, 2022, to December 31, 2023, CSA operated successfully without data issues or tool failures. However, it lacks RA optimization, and TSOs must propose RAs based on experience, which are then evaluated but have not led to coordinated actions. Consequently, the effectiveness and efficiency of RAs in the SEE region remain unquantified.

**OPC:** The Outage Planning Coordination (OPC) service is provided to the SEE TSOs at both pan-European and regional level, both in the long term (Year Ahead) and in the medium and short term (Month Ahead, Week Ahead) time horizons. The main aspect of the service is to facilitate the maintenance of the electricity grid assets in the region, by ensuring the operational security of the system. SEleNe CC participates in the OPC RCC roles for the pan-European OPC service, in accordance with the annual rotation plan with all other RCCs. In particular, the roles of Weekly Merge Operator (RCC1A0) and Back-up Weekly Merge Operator (RCC1B) are performed. In addition, it participates at pan-European level in all sub-working groups under the support of the pan-European OPC community. At regional level, the service is provided on an annual and bi-weekly time horizon, with the objective of resolving outage planning inconsistencies by performing security analysis.

## Provided Tasks

**STA:** Regional Coordination Centres (RCCs) play a crucial role in maintaining the balance between electricity demand and supply through Short-Term Adequacy (STA) assessments. These assessments are vital for identifying potential shortages in generating capacity that could occur due to a variety of unpredictable factors, such as the tripping of DC lines or generators, limitations in hydroelectric power, or fluctuations in wind and solar photovoltaic (PV) inputs.

When such situations are detected, RCCs, in collaboration with Transmission System Operators (TSOs), are tasked with developing and coordinating remedial actions. These actions are essential for addressing adequacy issues and ensuring the operational security of the power system. The STA task, as part of the broader responsibilities of RCCs, includes performing Regional Adequacy Assessments (RAA) and proposing recommendations to optimize cross-border exchanges of electricity. This collaborative effort is crucial, especially considering the increasing reliance on intermittent renewable energy sources and the complex dynamics of modern electrical grids.

SEleNe CC is providing RAA service to Greece (IPTO) and Bulgaria (ESO), on demand, since the beginning of 2022.

The next step for RAA, according to methodology, is to use CGMs in order to assess the impact of remedial actions at the regional level (step 1B). So far SEleNe CC has a unique prototype tool that could be used as the basic infrastructure to develop Future Regional STA tool. Another option is to join Coreso and TSCNET (Corenet) initiative and join them to develop together a completely new tool. In 2023 SEleNe CC in collaboration with Coreso conducted an impact analysis and assessed if the characteristics of the prototype Regional STA tool and the complementary microservices developed for other tasks can satisfy the Business Requirement Specifications drafted by the dedicated STA group experts. The results can give a 68% compatibility provided that necessary enhancements that support various aspects are implemented.

**RIAR:** RCCs carry out Post-Operation and Post-Disturbances Analysis in incidents across Europe. In the event of an incident reported, from a TSO, across Europe an investigation is launched by an expert group under ENTSO-E. Expert group members are coming from TSOs and RCCs representatives.

The incidents are classified based on the Incident Classification Scale (ICS) that has been developed by ENTSO-E. RCCs are investigating incidents of class 2 incidents and above which is the RCC Investigation threshold. "RCC Investigation Threshold" is defined as being exceeded if as a result of certain actions taken by a transmission system operator being in Emergency, Blackout or Restoration system state, another TSO has moved from Normal or Alert System State to Emergency System State.

The RCCs experts are focusing in RCC tasks and all related aspects. To avoid losing any valuable information, one of the first actions is to determine what data needs to be stored. RCC experts analyze the data and detect which tasks played a major role prior and during the incident. They also provide explanations of how the incident happened and recommendations to the TSOs, based on the investigation, on what needs to be done to prevent similar incidents in the future.

RCC Investigation conclusions should have:

- a description of the functioning of the RCC(s) tasks affected by the incident and how these impacted the incident

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- explanations of the causes of the incident

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- recommendations based on the findings of the RCC(s) Investigation with the aim to avoid similar incidents in the future

These conclusions are submitted, in a form of a chapter, to the expert group, which will include them in the final report.

SEleNe CC started participating in RIAR group in March 2023. For this year the participation mainly focused on developing training and assessment material to train and certify future operators. In parallel the participation in incident investigations that was suspected to be scale 2 or 3 has given valuable experience on how to proceed and in which tasks to focus in future incidents.

**TCI:** On May 18, 2022, ACER endorsed the RCC Training and Certification of Staff Methodology, mandating that RCCs develop and implement training and certification programs for all operational staff. Under this methodology, SEleNe CC RCC, along with other RCCs, is required to establish a training and certification program by May 2024. In 2023, SEleNe CC RCC has begun preparations for the foreseen launch in May 2024, by setting out the training module structure and by defining the modules' requirements as dictated by the methodology. Additionally, SEleNe CC conducted research for the procurement of a Learning Management System (LMS), to facilitate easy access to training materials and enable assessment processes, as well as to track trainee progress and certification status.

SEleNe CC RCC also actively participates since 2023 in the RCC Working Table and Training and Certification Implementation Working Group in Pan-European level, by attending foreseen meetings and by contributing to development of joint training programs and delivering cross-regional training where relevant.

Individual Grid Models (IGMs) are provided by the Transmission System Operators (TSOs) on a daily basis for 24 timestamps for the Day-ahead time horizon (D-2 TH) and for the 1st Intraday time horizon (D-1 TH), and for the last 12 timestamps for the 2nd Intraday time horizon. These models

## Daily Tasks

are merged to create the Common Grid Model (CGM). The Common Grid Models (CGMs) for each timestamp are used for the Coordinated Capacity Calculation (CCC) and the Coordinated Security Analysis (CSA). At this point in time, the OPC service runs every Wednesday, an Initial Outage Planning Incompatibility Assessment (OPI) and (every Thursday) a Final OPI Assessment, while every Friday the relevant Weekly Operational Planning Conference Call takes place, with representatives from all the SEE TSOs. This provides analysis for the whole following week. While on an annual basis, the OPC service is provided at the end of each year with the target year being the following year, in accordance with the pan-European plan agreed between all RCCs and participating TSOs. Regional Short-term Adequacy Assessment (Regional STA) service is performed in case any adequacy issue is identified in the countries of the SEE region, which provides analysis and recommends corrective actions for the critical timestamps.

### Enhancement of human resources and operational shift planning

During 2023, SEleNe CC staff increased to 14 engineers, covering two shifts (the night shift has been temporarily postponed, allowing engineers to better focus on daily tasks and deployment of the future tasks.) Nevertheless, 24 hours a day and 365 days a year an engineer is on standby to provide support to the TSOs if needed.

### Shareholder Transelectrica's Exit

On 07/02/2023, Transelectrica (the TSO of Romania) ceased to be a shareholder in SEleNe-CC but remains as the TSO of the region receiving services. During the process of buying and selling its shares by the remaining shareholders, SEleNe-CC purchased two (2) own shares and subsequently cancelled them.

### Outlook for 2024

During 2024, efforts will focus on improving IT tools, training operators (old and new employees/engineers) and further enhancing operational tasks provided to TSOs. Cooperation with the other Regional Coordination Centers (RCCs) is also planned to be strengthened and every effort will be made to find common ways of working, new ways of interacting with each other and joint training of engineers.

**CGM:** The development and enhancement of the EMF is continuous, aiming for CGM quality improvement and IGM inclusion increase. For 2024, the focus will be given on the Scaling Algorithm enhancement, the configurability of the LF engine, the completion of the substitution strategies, the improvement of the LF engine, and the implementation of remaining/new EMF requirements and constraints. The development will follow EMF Requirements v3 and QoCDC v3.3.1. Based on decision taken on ENTSO-E level, regarding the implementation of W-1 CGM module, new QoCDC rules (QoCDC v4), CGMES v3, further development efforts may be required.

**CCC:** A new CC tool will be developed during 2024 for SEE CCR to incorporate the minimum capacity target, known as 70% capacity rule, which is requirement of the Clean Energy Package (CEP). According to this rule, the minimum capacity shall be 70% of the transmission capacity

respecting operational security limits after deduction of contingencies. The steps for the implementation include the definition of the detailed business and technical requirements of the tool, the selection of the most suitable vendor and the testing of the tool before the go-live which is expected to be on 1/1/2025.

**CGS:** Regarding the CGS service, Cross regional joint protocol for CGS situations shall be developed by all RCCs. Regional and cross regional simulation tests will also be carried out for the CGS service. These tests will enhance collaboration among all pertinent stakeholders in the SEE and wider European region, a crucial step in bridging the gap in cross-border as well as cross regional coordination.

**CSA:** In 2024, SEleNe CC aims to implement significant changes to the process timelines. The CSA task will be executed before the CCC D-1 process, allowing CGMs to address operational security risks through the coordination phase with TSOs. This will result in improved CGMs for the CCC process, enhancing overall system security. Additionally, during 2024 SEleNe CC will enhance its tools and processes to implement ID CSA for the SEE region. Looking ahead, SEleNe CC plans to replace CSA with the SEE Regional Operational Security Coordination (ROSC) methodology. ROSC will operate on a D-1 and ID time horizon, considering both costly and non-costly RAs defined via an optimizer. The optimization process will account for grid constraints, such as intertemporal constraints and thermal limits. ROSC will be implemented in two phases: the first phase, focusing on day-ahead cross-regional operational security analysis (CROSA), is expected in Q4/2025, with the second phase, including ID CROSA, anticipated by Q3/2027.

**OPC:** Strengthening the cooperation between the SEE TSOs and SEleNe CC is very important to increase the value of the OPC service in the region. Regarding the pan-European OPC service, SEleNe CC is actively involved in all RCC roles, in weekly meetings, and in many working groups within the OPC community. In addition, SEleNe CC is actively involved in the upcoming new versions of the pan-European OPC tool. Regarding the migration of all regional processes to the CGMES format, the pan-European OPC tool will be able to support the CGMES format in the near future, which means that the migration of all OPC service activities to this format is expected to take place shortly. In the effort of continuous improvement and strengthening of the cooperation between the RCCs and TSOs in the SEE region, SEleNe CC has joined the SEE Maintenance Group (SEE MG), which consists of the 12 SEE TSOs and the 2 RCCs in the region. Further coordination and enhancement of communication in the group is of paramount importance for the strengthening of relations in the region and the achievement of high-quality coordination and cooperation.

**STA:** In 2024 SEleNe CC is going to assess the detailed business requirements specifications of the future Regional STA tool by comparing them with the SEleNe CC prototype tool. However, it is worth mentioning that the future Regional STA tool has strong dependencies that can significantly affect the development timeline. Week ahead CGMES models required by the future regional STA tool are not available and according to

a survey, contacted by STA SG, several TSOs are not eager to contribute to this part. This is a big obstacle that can postpone the next steps.

**RIAR:** In 2024 RIAR members will be directly involved in ICS group as this membership will further engage them in a more active role participating in investigation task forces and contributing to ICS methodology to further clarifying definitions and improve knowledge of how RCC tasks interact before and after incidents.

**TCI:** The Training and Certification Implementation is progressing as planned and is consistent with the relevant methodology. Within 2024, the SEleNe internal training program shall be finalized and launched in the procured LMS. SEleNe shall also actively participate in the creation of Joint Training Modules as well as in the continuous review and development of training and certification practices, in collaboration with the other European RCCs.

**New Tasks:** Among the new tasks arising from EU regulation and we are planning to start working on during 2024 is the Sizing of Reserves and Balancing Capacity Procurement. In particular, preparatory tasks for the development of these services are expected to start during Q3/2024. The go-live of the services is scheduled for Q2/2026.

As risks refer to uncertain events that might occur in the future and which would affect the achievement of objectives set by the Company, it is self-evident that the two notions are interlinked. As SEleNe CC is a rather newly established Company, continuously developed and evolved, it might have in the future to consider and deal with uncertain events, as:

The further application and possible amendment of the policy framework related to the Clean Energy Package

The number of TSOS that will either enter the Company as shareholders or receive services by SEleNe CC in the future is still unclear, since there is already an ongoing procedure in relation to the effective implementation of the European energy legal framework in the Energy Community Contracting Parties and this process may result in the provision of services to some non-EU TSOs by SEleNe CC

The possible collaboration with the rest RCCs in the Continental Europe ("CE") and some related costs (both OPEX & CAPEX) that may be thus narrowed down.

Corporate decisions that are interrelated with the aforementioned uncertain events are the following:

The extent and the timeline of implementing additional future developments.

The financing policy in order the future necessary investments to be realized.

## DISCLOSURES OF RELATED PARTIES

The amounts of purchases sales of the Group and the Company to and from the related parties cumulatively from the beginning of the financial year as well as the balances of the liabilities receivables of the company with the related parties at the end of the current financial year are shown in the following table:

	The Group	The Company
Sales of goods and services	3.531.819,79	3.531.819,79
Purchases/Expenses	225.900,00	2.288.034,08
Liabilities	0,00	160.087,34
Receivables	276.167,29	276.167,29

Dear Shareholders,

The Board of Directors invites you to approve the following Financial Statements for the fiscal year 2023, i.e., the Statement of Financial Position, the Income Statement, the Statement of Changes in Equity, the Statement of Cash Flow as well as the Notes to the Financial Statements.

Thessaloniki, 25th June 2024

On behalf of the Board of Directors

Chairman of the BoD  
Nikolaos Boulaxis

## Uncertainties and Future Risks

# Independent Auditor's Report

To the shareholders of the Company "SOUTHEAST NETWORK COORDINATION CENTER SEleNe CC S.A."

## REPORT ON THE AUDIT OF THE SEPARATE AND CONSOLIDATED FINANCIAL STATEMENTS

We have audited the accompanying separate and consolidated financial statements of "SOUTHEAST NETWORK COORDINATION CENTER SEleNe CC S.A." ("the Company"), which comprise the separate and consolidated statement of financial position as at December 31st, 2023, separate and consolidated statements of comprehensive income, changes in equity and cash flows for the year then ended and a summary of significant accounting policies and other explanatory information.

In our opinion, apart from the effect on the matter described in the Basis for Qualified Opinion paragraph, the accompanying separate and consolidated financial statements present fairly, in all material respects, the financial position of the Company "SOUTHEAST NETWORK COORDINATION CENTER SEleNe CC S.A." and its subsidiaries (the Group) as at December 31st 2023, their financial performance and cash flows for the year then ended in accordance with International Financial Reporting Standards (IFRS) that have been adopted by the European Union.

It arose from our audit that the Company's tax returns for FYs from 2020 to 2023 have not been inspected by the tax authorities. Therefore, the tax results for these years have not been finalized. The Company has made no estimate of additional taxes and surcharges that may potentially arise under the future tax inspection and has made no relative provision for this contingent obligation. Based on our audit, we have not obtained reasonable assurance regarding the estimate of the size of the provision that is potentially required.

We conducted our audit in accordance with International Standards on Auditing (ISAs) incorporated into the Greek Legislation. Our responsibilities under those standards are described in the Auditor's Responsibilities for the Audit of the Separate and Consolidated Financial Statements section of our report. We are independent of the Company within the entire course of our appointment in accordance with the International Ethics Standards Board for Accountants' Code of Ethics for Professional Accountants (IESBA Code) incorporated into the Greek Legislation and ethical requirements relevant to the audit of separate

and consolidated financial statements in Greece and we have fulfilled our other ethical responsibilities in accordance with these requirements and the IESBA Code. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

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

In preparing the separate and consolidated financial statements, management is responsible for assessing the Company's and the Group's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the management's intention is to proceed with liquidating the Company and the Group or discontinuing its operations or unless the management has no other realistic option but to proceed with those actions.

Our objectives are to obtain reasonable assurance about whether the separate and consolidated financial statements as an aggregate, are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance but is not a guarantee that an audit conducted in accordance with ISAs, incorporated into the Greek Legislation, will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to affect the economic decisions of users taken on the basis of these separate and consolidated financial statements.

As part of an audit in accordance with ISAs, incorporated into the Greek Legislation, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

Identify and assess the risks of material misstatement of the separate and consolidated financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than that resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Company's and the Group's internal control.

### Responsibilities of Management for the Separate and Consolidated Financial Statements

### Auditor's Responsibilities for the Audit of the Separate and Consolidated Financial Statements

### Qualified Opinion

### Basis for Qualified Opinion

Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the management.

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Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's and the Group's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the separate and consolidated financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company and the Group to cease to continue as a going concern.

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Evaluate the overall presentation, structure, and content of the financial statements, including the disclosures, and whether the separate and consolidated financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

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Obtain sufficient appropriate audit evidence regarding financial information of entities or business activities within the Group for the purpose of expressing an opinion on the separate and consolidated financial statements to be able to draw reasonable conclusions on which to base the auditor's opinion. Our responsibility is to design, supervise and perform the audit of the Company and the Group. We remain solely responsible for our audit opinion.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

Taking into consideration the fact that under the provisions of Par. 5, Article 2 (part B), Law 4336/2015, management has the responsibility for the preparation of the Board of Directors' Report and the Corporate Governance Statement included in this report, the following is to be noted:

In our opinion, the Board of Directors' Report has been prepared in compliance with the effective legal requirements of Articles 150 and 153, Law 4548/2018, and its content corresponds to the accompanying separate and consolidated financial statements for the year ended as at 31.12.2023.

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Based on the knowledge we acquired during our audit, we have not identified any material misstatements in the Board of Directors' Report in relation to the Company "SOUTHEAST NETWORK COORDINATION CENTER SEleNe CC S.A." and its environment apart from the matter described in the Basis for Qualified Opinion paragraph.

## Report on Other Legal and Regulatory Requirements

Athens, 26 June 2024  
The Certified Public Accountant

Andreas Sofis  
Registry Number SOEL 47771

STATEMENT OF FINANCIAL POSITION AS AT 31/12/2023 (in € unless otherwise stated)

Assets	Group		Company		
	Note	31/12/2023	31/12/2022	31/12/2023	31/12/2022
<b>Non-Current Assets</b>					
Tangible Assets	4	173.521,34	216.393,64	173.521,34	216.393,64
Intangible Assets	4	708.861,49	332.413,37	708.861,49	332.413,37
Right of use assets	12	-	12.058,34	0,01	12.058,34
Investments in subsidiaries	5	-	-	9.900,00	9.900,00
Deferred tax asset	11	1.421,50	955,88	1.421,50	955,88
Other non-current assets	6	2.743,00	2.743,00	2.743,00	2.743,00
<b>Total Non-Current Assets</b>		<b>886.547,33</b>	<b>564.564,23</b>	<b>896.447,34</b>	<b>574.464,23</b>
<b>Current Assets</b>					
Trade Receivables	7	276.167,29	119.084,19	276.167,29	79.480,99
Other Receivables	8	766.948,33	617.116,03	344.353,13	106.917,12
Cash and cash equivalents	9	5.891.995,81	238.309,66	5.747.222,89	202.029,55
<b>Total Current Assets</b>		<b>6.935.111,43</b>	<b>974.509,88</b>	<b>6.367.743,31</b>	<b>388.427,66</b>
<b>TOTAL ASSETS</b>		<b>7.821.658,76</b>	<b>1.539.074,11</b>	<b>7.264.190,65</b>	<b>962.891,99</b>

Equity and Liabilities	Group		Company		
	Note	31/12/2023	31/12/2022	31/12/2023	31/12/2022
<b>Equity attributable to the shareholders of the parent company</b>					
Share Capital	10	6.210.000,00	200.000,00	6.210.000,00	200.000,00
Legal Reserves	10	7.495,33	6.437,93	1.789,03	731,63
Other Reserves	10	(1.121,26)	(1.001,24)	(1.132,59)	(1.011,35)
Retained Earnings	10	331.509,83	118.953,33	192.868,07	35.049,02
<b>Equity attributable to Owners of the Company</b>		<b>6.547.883,90</b>	<b>324.390,02</b>	<b>6.403.524,51</b>	<b>234.769,30</b>
<b>Non-controlling interests</b>		<b>3.512,97</b>	<b>1.356,47</b>	-	-
<b>Total Equity</b>		<b>6.551.396,87</b>	<b>325.746,49</b>	<b>6.403.524,51</b>	<b>234.769,30</b>
<b>Non-Current Liabilities</b>					
Liabilities for retirement benefits	16	6.461,38	3.980,92	6.461,38	3.980,92
<b>Total non-current liabilities</b>		<b>6.461,38</b>	<b>3.980,92</b>	<b>6.461,38</b>	<b>3.980,92</b>
<b>Current Liabilities</b>					
Trade and other payables	13	646.549,41	1.162.789,73	236.953,66	691.201,70
Short Term Finance Leases	12	-	12.422,31	-	12.422,31
Deferred Income	15	284.080,56		284.080,56	
Income tax payable		54.970,42	24.343,13	54.970,42	10.726,13
Accrued and other liabilities	14	278.200,12	9.791,53	278.200,12	9.791,53
<b>Total Current Liabilities</b>		<b>1.263.800,51</b>	<b>1.209.346,70</b>	<b>854.204,76</b>	<b>724.141,67</b>
<b>Total Equity and Liabilities</b>		<b>7.821.658,76</b>	<b>1.539.074,11</b>	<b>7.264.190,65</b>	<b>962.891,89</b>

INCOME STATEMENT FOR PERIOD 01/01/2023-31/12/2023

(in € unless otherwise stated)

		Group		Company	
	Note	01/01-31/12/2023	01/01-31/12/2022	01/01-31/12/2023	01/01-31/12/2022
<b>REVENUES:</b>					
Revenues	16	3.850.000,00	3.036.600,00	3.850.000,00	3.036.600,00
<b>Total Revenues</b>		<b>3.850.000,00</b>	<b>3.036.600,00</b>	<b>3.850.000,00</b>	<b>3.036.600,00</b>
<b>EXPENSES</b>					
Payroll cost	17	(809.601,18)	(630.597,61)	(809.601,18)	(630.597,61)
Raw Materials		(1.328,46)	(620,28)	-	-
Depreciation and amortization	18	(215.012,25)	(53.075,47)	(215.012,25)	(53.075,47)
Third party fees	19	(2.079.599,11)	(1.829.131,98)	(2.227.392,15)	(1.983.993,10)
Third party benefits	20	(364.923,13)	(357.472,01)	(298.183,21)	(290.732,09)
Taxes-duties		(44.226,75)	(3.993,38)	(44.226,75)	(3.993,38)
Other Expenses	21	(68.628,88)	(41.319,81)	(67.408,68)	(40.646,94)
<b>Profit/(loss) before taxes and financial results</b>		<b>266.680,24</b>	<b>120.389,46</b>	<b>188.175,78</b>	<b>33.561,41</b>
Financial Income	22	27.632,22	76,46	27.632,22	76,46
Financial Expenses	22	(2.966,94)	(2.842,96)	(3.917,64)	(2.906,51)
Other Financial Results		(1.010,50)	(231,96)	(1.010,50)	(231,96)
<b>PROFITS/(LOSSES) BEFORE TAXES</b>		<b>290.335,02</b>	<b>117.391,00</b>	<b>210.879,86</b>	<b>30.499,40</b>
Income Tax	23	(74.563,41)	(33.897,33)	(52.003,41)	(9.351,33)

Group

Company

	01/01-31/12/2023	01/01-31/12/2022	01/01-31/12/2023	01/01-31/12/2022
<b>NET PROFITS/(LOSSES) AFTER TAX (A)</b>	<b>215.771,61</b>	<b>83.493,67</b>	<b>158.876,45</b>	<b>21.148,07</b>
<b>Attributable to:</b>				
Owners of the Company	213.613,90	82.658,73	-	-
Non-Controlling interests	2.157,22	834,94	-	-
<b>Other Comprehensive income non-reclassified in the income statement</b>				
Actuarial gain/loss based on IAS 19	(155,44)	(1.296,60)	(155,44)	(1.296,60)
Deferred tax on actuarial gain/loss	34,20	285,25	34,20	285,25
<b>Other Comprehensive income (B)</b>	<b>(121,24)</b>	<b>(1.011,35)</b>	<b>(121,24)</b>	<b>(1.011,35)</b>
<b>Cumulative Comprehensive Income after tax (A) + (B)</b>	<b>215.650,37</b>	<b>82.482,32</b>	<b>158.755,21</b>	<b>20.136,72</b>
<b>Attributable to:</b>				
Owners of the Company	213.493,87	81.657,50		
Non-Controlling interests	2.156,50	824,82		

STATEMENT OF CHANGES IN EQUITY FOR PERIOD 01/01/2023-31/12/2023

(in € unless otherwise stated)

Group	Attributable to the shareholders of the parent company					
	Share Capital	Legal Reserve	Other Reserves	Retained Earnings	Non-Controlling interests	Total equity
<b>Balance as at 31/12/2021</b>	<b>200.000,00</b>	<b>107,67</b>	-	<b>42.625,26</b>	<b>531,64</b>	<b>243.264,57</b>
Reclassifications	-	-	-	(0,40)	-	(0,40)
Formation of reserves of 01/01-31/12/2022	-	6.330,26	-	(6.330,26)	-	-
Net Profit/(Loss) for the period 01/01-31/12/2022	-	-	-	82.658,73	834,94	83.493,67
Other comprehensive income	-	-	(1.001,24)	-	(10,11)	(1.011,35)
<b>Balance as at 31/12/2022</b>	<b>200.000,00</b>	<b>6.437,93</b>	<b>(1.001,24)</b>	<b>118.953,33</b>	<b>1.356,47</b>	<b>325.746,49</b>
<b>Balance as at 01/01/2023</b>	<b>200.000,00</b>	<b>6.437,93</b>	<b>(1.001,24)</b>	<b>118.953,33</b>	<b>1.356,47</b>	<b>325.746,49</b>
Formation of legal reserves of 01/01-31/12/2023	-	1.057,40	-	(1.057,40)	-	-
Share Capital Increase	6.010.000,00	-	-	-	-	6.010.000,00
Net Profit/(Loss) for the period 01/01-31/12/2023	-	-	-	213.613,90	2.157,72	215.771,61
Other comprehensive income	-	-	(120,03)	-	(1,21)	(121,64)
<b>Balance as at 31/12/2023</b>	<b>6.210.000,00</b>	<b>7.495,33</b>	<b>(1.121,27)</b>	<b>331.509,83</b>	<b>3.512,97</b>	<b>6.551.396,86</b>

(in € unless otherwise stated)

Company

	Share Capital	Legal Reserve	Other Reserves	Retained Earnings	Total equity
<b>Balance as at 31/12/2021</b>	<b>200.000,00</b>	<b>107,67</b>	-	14.524,91	214.632,58
Formation of reserves of 01/01-31/12/2022	-	623,96	-	(623,96)	-
Net Profit/(Loss) for the period 01/01-31/12/2022	-	-	-	21.148,07	21.148,07
Other comprehensive income	-	-	(1.011,35)	-	(1.011,35)
<b>Balance as at 31/12/2022</b>	<b>200.000,00</b>	<b>731,63</b>	<b>(1.011,35)</b>	<b>35.049,02</b>	<b>234.769,30</b>
<b>Balance as at 01/01/2023</b>	<b>200.000,00</b>	<b>731,63</b>	<b>(1.011,35)</b>	<b>35.049,02</b>	<b>234.769,30</b>
Formation of legal reserves of 01/01-31/12/2023	-	1.057,40	-	(1.057,40)	-
Share Capital Increase	6.010.000,00	-	-	-	6.010.000,00
Net Profit/(Loss) for the period 01/01-31/12/2023	-	-	-	158.876,45	158.876,45
Other comprehensive income	-	-	(121,24)	-	(121,24)
<b>Balance as at 31/12/2023</b>	<b>6.210.000,00</b>	<b>1.789,03</b>	<b>(1.132,59)</b>	<b>192.868,07</b>	<b>6.403.524,51</b>

STATEMENT OF CASH FLOW FOR PERIOD 01/01/2023-31/12/2023

(in € unless otherwise stated)

	Group		Company	
	01/01-31/12/2023	01/01-31/12/2022	01/01-31/12/2023	01/01-31/12/2022
<b>Cash flows from operating activities</b>				
<b>Profit before tax</b>	<b>290.335,02</b>	<b>117.391,00</b>	<b>210.879,86</b>	<b>30.499,40</b>
<b>Adjustments for:</b>				
Depreciation	215.012,25	53.075,47	215.012,25	53.075,47
Interest income	(27.632,22)	(76,46)	(27.632,22)	(76,46)
Personnel provisions	2.141,35	2.670,97	2.141,35	2.670,97
Interest expense	4.868,34	2.970,06	3.917,64	2.906,51
<b>Operational profit before changes in the working capital</b>	<b>484.724,74</b>	<b>176.031,04</b>	<b>404.318,88</b>	<b>89.075,89</b>
<b>(Increase)/Decrease:</b>				
Trade and other receivables	(84.171,49)	50.712,94	(196.686,30)	82.807,14
Other receivables	(149.832,29)	(443.350,07)	(237.436,01)	(89.544,16)
Trade payables	(589.151,92)	372.487,65	(454.248,04)	440.912,03
Other payables	254.791,59	1.908,00	268.408,59	-
<b>Less:</b>				
Taxes paid	-	-	-	-
Interest paid	(30.750,54)	(29.031,34)	(8.190,54)	(4.485,34)
<b>Net cash inflows/ (outflows) from operating activities</b>	<b>(114.389,91)</b>	<b>128.758,22</b>	<b>(223.833,42)</b>	<b>518.765,56</b>

	Group		Company	
	01/01-31/12/2023	01/01-31/12/2022	01/01-31/12/2023	01/01-31/12/2022
<b>Investing activities</b>				
Purchase of current and non-current assets	(536.529,74)	(550.942,15)	(536.529,74)	(550.942,15)
Grants (receipt of grants)	284.080,56	-	284.080,56	-
Interest received	26.681,52	12,91	27.632,22	76,46
<b>Net cash inflows/ (outflows) from investing activities</b>	<b>(225.767,66)</b>	<b>(550.929,24)</b>	<b>(224.816,96)</b>	<b>(550.865,69)</b>
<b>Financing activities</b>				
Increase/ (Decrease) of share capital	6.010.000,00	-	6.010.000,00	-
Lease payments	(12.499,98)	(24.999,96)	(12.499,98)	(24.999,96)
Interest paid	(3.656,30)	(2.186,42)	(3.656,30)	(2.186,42)
<b>Net cash inflows/ (outflows) from financing activities</b>	<b>5.993.843,72</b>	<b>(27.186,38)</b>	<b>5.993.843,72</b>	<b>(27.186,38)</b>
Net increase/ (decrease) of cash and cash equivalents	5.653.686,15	(449.357,40)	5.545.193,34	(59.286,51)
Cash and cash equivalents, opening balance	238.309,66	687.667,06	202.029,55	261.316,06
<b>Cash and cash equivalents, closing balance</b>	<b>5.891.995,81</b>	<b>238.309,66</b>	<b>5.747.222,89</b>	<b>202.029,55</b>

# Notes to the Consolidated Financial Statements

## Main Accounting Principles

The basic accounting principles adopted during the preparation of the accompanying financial statements are as follows:

### IMPLEMENTATION OF MAIN ACCOUNTING POLICIES

#### Basis of Preparation

The accompanying financial statements for the year 2023 have been prepared in accordance with the International Financial Reporting Standards (IFRS) as issued by the International Accounting Standards Board (IASB) and their relevant Interpretations, as issued by the IFRS Interpretations Committee of the IASB. The financial statements have been prepared under the historical cost principle and the maintaining the going concern which presupposes that the Company and its subsidiary will be able to continue their operations as active economic entities in the foreseeable future taking into account the following conditions and the actions planned and implemented by the Management. The operating and presentation currency of the Company is the Euro (€).

For the first time, the Group establishes the requirements of the International Financial Reporting, Interpretations and International Accounting Standards (together with "IFRS") for the purpose of preparing financial statements of the fiscal year ending on 31st December 2021, due to the fact that, until 31 December 2020, financial statements were prepared in accordance with the Greek Accounting Standards.

These financial statements have been prepared under the regulations of the International Financial Reporting Standards (IFRS) and the Interpretations of the International Financial Reporting Standards Interpretations Committee, as adopted by the European Union, as well as the IFRSs issued by the International Accounting Standards Board (IASB).

All consolidated financial statements are prepared as of the date of acquisition of the majority stake in ESPERIA CC Srl. The comparative period of the Group and the Company concerns transactions from 01/01/2022 until 31/12/2022.

The preparation of financial statements in accordance with IFRSs, requires the use of critical accounting evaluations. The management's judgment in the implementation of the accounting principles that have been adopted is also required. Areas that require a higher degree of judgment or are extremely complex, or areas where assumptions and estimates are relevant to the Financial Statements, are listed below in "Management's Significant Accounting Estimates and Judgements" on Note 2.4.

#### A. Consolidation

The attached consolidated financial statements of the Group include the financial statements of the parent company SEleNe CC SA as well as the subsidiary of the Company.

Note 3 provides a complete list of consolidated subsidiaries along with the relevant participation rates.

#### Investments in Subsidiaries (Company financial statements)

Subsidiaries are considered all companies in which SEleNe CC SA has the ability to exercise control, directly or indirectly, through other subsidiaries. The Company acquires and exercises control mainly through the possession of the majority of voting rights of the subsidiaries. Subsidiaries are also considered the companies in which the Company, being the most important and / or the only large shareholder, has the ability to appoint the majority of the members of their board of directors. The existence of any potential voting rights that are exercised at the time of preparation of the Financial Statements is considered in order to establish whether the Company exercises control over the subsidiaries.

Subsidiaries are fully consolidated (total consolidation) using the acquisition method from the date that control is acquired over them and cease to be consolidated from the date that such control does not exist. The acquisition of a subsidiary by the Group is accounted for using the acquisition method. At the acquisition date, the acquiring enterprise recognizes the goodwill arising on the acquisition transaction as the excess amount between:

the sum of

the consideration transferred at fair values,

the amount of any non-controlling interests in the acquiree (measured either at their fair value or at the pro rata percentage of the non-controlling interests in the acquiree's net identifiable assets)

in a business combination completed in stages, the fair value at the date of acquisition of the equity interests held by the acquirer previously in the acquired, minus

the net value at the date of acquisition of the acquired identifiable assets and liabilities assumed

Goodwill is recomputed annually for possible impairment and the difference between its accounting and recoverable value is recognized as impairment loss, burdening the profit or loss of the period.

The costs associated with acquiring the investments in subsidiaries (e.g. fees of consultants, lawyers, accountants, other professional and advisory fees) are recognised as costs and are borne by the profits or losses of the period in which they are incurred.

In the event that the acquiring company proceeds with an acquisition of an equity interest where at the acquisition date, the net value of the assets acquired and the liabilities assumed exceeds the consideration transferred, then it is an opportunity market (bargain purchase). After the necessary reassessments are carried out, the excess amount of the above difference is recognized as a profit (gain), in the profit or loss of the period.

Intercompany transactions, balances, and unrealized profits from transactions between the Group's companies are eliminated. Unrealized losses shall also be eliminated unless the transaction provides evidence of impairment of the transferred asset.

Where required, the accounting policies of the subsidiaries have been modified to ensure consistency with the accounting policies adopted by the Group. In note 3, a full list of the consolidated subsidiaries is given along with the relevant percentages of the Group.

The date of preparation of the financial statements of the subsidiary companies coincides with that of the parent company.

Finally, the parent company's investments in its consolidated subsidiaries are measured at cost less any accumulated impairment losses. Impairment testing is performed in accordance with the requirements of IAS 36.

### **Changes of Ownership Interests in Subsidiaries**

When changes are made to the ownership interests in a subsidiary, it is examined whether or not those changes result in a loss of control over the subsidiary.

When changes in ownership rights do not result in a loss of control, then they are considered as equity transactions (i.e. transactions with owners in their capacity as owners). In such cases, the carrying amounts of the controlling and non-controlling interests shall be adjusted to reflect changes in their relevant interests in the subsidiary. Any difference between the amount by which non-controlling interests are adjusted and the fair value of the consideration paid or received shall be recognised directly in equity and allocated to the owners of the parent.

Otherwise, i.e., when changes in ownership interests lead to a loss of control, then the parent accounts for the necessary sales records and recognizes the result of the sale (de-recognition of the assets, reserve and liabilities of the subsidiary on the date of loss of control,

de-recognition of the carrying amount of the non-controlling interests, determination of the result of the sale). With the loss of control of a subsidiary, any investment held in the former subsidiary is recognised in accordance with the requirements of IFRS 9.

### **Non-Controlling Interests**

Non-controlling interests are that part of the equity of a subsidiary that is not attributable, directly, or indirectly, to the parent undertaking. Losses relating to the non-controlling interests (minority interest) of a subsidiary may exceed the non-controlling interests' rights to the subsidiary's equity. Profit or loss and each component of other comprehensive income is attributed to both the owners of the parent and the non-controlling interests, even if this results in the non-controlling interests having a deficit.

### **B. Financial Instruments**

A financial instrument is any contract that creates a financial asset in one entity and a financial liability or equity instrument in another entity.

#### **Initial Recognition and Derecognition**

A financial asset or financial liability shall be recognised throughout Consolidated Statement of Financial Position on condition that the Group becomes one of the parties to the financial instrument.

A financial asset is recognised by the Consolidated Statement of Financial Position when the contractual rights regarding the cash flows of the asset itself expire, or when the Group transfers the financial asset, therefore all risks and benefits of ownership are consequently transferred. A financial liability (or part of it) is recognised by the Consolidated Statement of Financial Position only when the liability specified in the Agreement is completed, cancelled, or expires.

#### **Classification and Measurement of Financial Assets**

Except for the trade receivables that do not include a significant funding component and are measured according to the IFRS 15, based on their transaction price, all financial assets are initially measured at fair value by adding the relative cost of the transaction except in the case of financial assets measured at fair value through profit or loss.

Financial assets, other than those considered to be defined and effective risk deterrent instruments, are classified into the following categories:

financial assets at amortised cost

financial assets at fair value through profit or loss, and

financial assets at fair value through other comprehensive income.

The classification is determined on the basis of the Group's business plan

regarding the management of financial assets, and the characteristics of their contractual cash flows.

All income and expenses related to the financial assets recognised in the Consolidated Statement of Profit and loss are included in the items 'Other financial results', 'Financial expenses' and 'Financial income', except for the impairment of trade receivables included within the operating results.

### Subsequent measurement of financial assets

A financial asset is subsequently measured at fair value through profit or loss, amortised cost or fair value through other comprehensive income. The classification is based on two criteria:

the business model of management of a financial asset, i.e. whether the objective is to hold for the purpose of collecting contractual cash flows or collecting contractual cash flows, as well as the sale of financial assets, and

if the contractual cash flows of the financial asset consist exclusively of a repayment of capital and interest on the outstanding balance.

The amortised cost measurement category includes non-derivative financial assets such as loans and receivables with fixed or predetermined payments that are not traded in an active market. After the initial recognition has taken place, they shall be measured at amortised cost using the effective interest method. In cases where the impact of discounting is insignificant, discounting is omitted.

For financial assets measured at fair value through other comprehensive income, changes in fair value are recognised in the other comprehensive income of the Statement of Comprehensive Income and reclassified in the Statement of Profit or loss at the time of derecognition of the financial instruments.

For financial assets measured at fair value through profit or loss, they are measured at fair value and changes in fair value are recognised in the gains or losses of the Consolidated Statement of Profit and Loss. The fair value of the items is determined by reference to transactions in an active market or by using technical valuation methods, where there is no active market.

### Derivative Financial Instruments and Hedge Accounting

Derivative financial assets such as currency forwards and interest rate swaps are used to manage the financial risk arising from the company's business activities and in particular to hedge risks associated with interest rate and exchange rate fluctuations.

A hedging relationship for the purposes of applying hedge accounting exists where:

there is an economic relationship between the hedged item and the hedging instrument

the effect of credit risk does not dominate price changes resulting from this economic relationship, and

the hedging ratio of the hedging relationship is the same as that resulting from the amount of the hedged item that the entity actually hedges and the amount of the hedging instrument that the entity actually uses for that hedging relationship. However, this design should not reflect an imbalance between the weightings of the hedged item and the hedging instrument, which could create hedging inefficiencies (regardless of whether it would be recognised or not), which would lead to an accounting result incompatible with hedge accounting purposes.

Derivatives that are hedging instruments shall be valued at each end date of the reporting period. The accounting treatment of changes in fair value depends on the type of hedge. For the purposes of hedging accounting, a hedge of financial risk is classified either as a fair value hedge when the risk of a change in the fair value of the registered asset or a liability is hedged, or as a cash flow hedge when the fluctuation in cash flows that may originate from a particular risk directly related to the asset or liability is hedged.

In fair value hedging transactions that meet the hedging accounting criteria, the gains or losses arising from the valuation of the hedging instrument at fair value shall be recorded in the Statement of Profit and Loss. The hedge gain or loss resulting from the hedged item adjusts the carrying amount of the hedged item and is recognised in profit or loss.

In cash hedging transactions, the gains or losses relating to the effective part of the hedge resulting from changes in the fair value of the derivative financial instrument are recorded in the other comprehensive income in a cash flow hedge goodwill, while the inefficient part of the hedge is recorded directly in the Statement of Profit and loss.

Any gain or loss previously recognised in other comprehensive income is reclassified by equity in the Income Statement and presented as an adjustment within other comprehensive income in the period when a hedged item affects the profit or loss for the financial year. However, where a non-financial asset or liability is recognised as a result of the hedging transaction, the gain or loss previously recognised in other comprehensive income shall be included in the original measurement of the hedged item.

When a projected transaction is no longer expected to occur, any associated profit or loss recognised in other comprehensive income is transferred directly to the profits or losses. If the hedging relationship ceases to be effective, hedge accounting shall be discontinued, and the related gains or losses shall be retained in the cash flow hedge goodwill until the intended transaction is carried out.

## Fair Value Measurement Methods of Financial Assets

The fair values of financial assets and liabilities traded on active markets shall be determined by current demand prices without deducting selling costs. For non-negotiable items, fair values shall be determined using generally accepted valuation techniques such as analysis of recent transactions, comparable items traded, derivative valuation models and discounting of cash flows.

The Group uses widely accepted valuation methods to estimate the fair value of ordinary products, such as royalties and interest rate and foreign exchange swaps. The data used is based on relevant market measurements (interest rates, stock prices,

etc.) at the reference date of the Statement of Financial Position. Valuation techniques are also used for the valuation of non-negotiable equity instruments as well as derivatives with underlying non-negotiable equity instruments. In this case the techniques used are more complex and in addition to market data, incorporate assumptions and estimates for the future cash flows of the security. The estimated future cash flows are based on management's best estimates and the discount rate is the market rate for an instrument with the same characteristics and risks.

In some cases, the values resulting from widely accepted methods of valuing equity instruments are adjusted to reflect factors that market participants take into account when assessing the value of a security, such as business risk and marketability risk.

The method used to determine the fair value of financial instruments, valued using valuation models, is described below. These models include the Group's estimates of the assumptions that an investor would use in valuing fair value and are selected based on the specific characteristics of each investment.

In accordance with the requirements of IFRS 9, the Group shall, at the end of each reporting period of the financial statements, carry out the required calculations in relation to the determination of the fair value of its financial instruments. Investments related to listed shares on domestic and foreign exchanges are valued on the basis of the stock exchange prices of these shares. Investments relating to unlisted shares are valued on the basis of generally accepted valuation models which sometimes include data based on market data and sometimes based on unobservable data.

### Offsetting

Financial assets and liabilities are offset, and the net amount is displayed in the Statement of Financial Position only when the Group has the legal right and intends to proceed with the simultaneous settlement of the claim and liability in the net amount.

Expenses and income are only offset if this is permitted by the standards or when they relate to gains or losses arising from a group of similar

transactions, such as trading book transactions.

## C. Tangible Assets

Tangible fixed assets (land, buildings, machinery, and equipment, means of transport and furniture and other equipment) are valued at historical costs less accumulated depreciation and any impairment provisions. Repairs and maintenances are recorded in the costs of the use during which they are carried out. Significant additions and improvements are capitalised on the cost of the respective fixed assets if they meet the recognition criteria. The costs and cumulated depreciation of a fixed asset shall be written off when sold or withdrawn or when no further economic benefits are expected from its continued use. Profits or losses arising from the write-off of a fixed asset shall be included in the profit or loss for the financial year in which that fixed asset is written off.

Depreciation shall be calculated on the basis of the fixed method with coefficients reflecting the useful lifespans of the assets concerned. The beneficial lives used are the following:

	Years
Furniture and other equipment	Up to 10
Computer equipment, main and peripheral equipment and software	Up to 5

## D. Impairment of Assets

In the context of the impairment audits carried out at the end of each annual reporting period, the Group:

Recognizes and evaluates the prevailing situation in the Greek economy, as well as the performance of a sample of companies in the sector of each company.

Collects, analyzes and monitors the performance accounting information, with reference to the evolution of the companies' financial figures at the end of each annual reporting period. The analysis of those data provides information on whether or not the business objectives have been achieved and demonstrates the trend towards companies' results and financial performance at the end of the annual reporting period.

Examines the business conditions and the available information and estimates regarding the subsequent developments of the economic figures and trends.

If there are indications of impairment in the interim reporting periods, the Group shall re-examine the assumptions of its business plans, using as a basis the business plan drawn up at the end of the previous annual reporting period and relating to subsequent financial periods over a five-year horizon.

#### Non-financial assets

The carrying amounts of other long-term assets are audited for impairment purposes when events or changes in circumstances suggest that the carrying amount may not be recoverable. When the carrying amount of an asset exceeds its recoverable amount, its corresponding impairment loss is recorded in the income statement. Recoverable value is defined as the greater value between fair value and use value. Fair value less selling costs is the amount that can be obtained from the sale of an asset in the context of a reciprocal transaction to which the parties are fully aware of and voluntarily join, after deduction of any additional direct costs of disposing of the asset. The use value is the net present value of the estimated future cash flows expected to materialize from the continuous use of an asset and from the annuity expected to result from its disposal at the end of its estimated useful life. For the purposes of determining impairment, assets are grouped at the lowest level for which cash flows can be determined separately.

#### Financial assets

The Group and the Company recognise impairment provisions for expected credit losses for all financial assets, except those measured at fair value through profit or loss.

The objective of the impairment requirements of IFRS 9 is to recognise the expected credit losses for the entire life of a financial instrument whose credit risk has increased since initial recognition, regardless of whether the assessment is made at a collective or individual level, using all the information that can be collected, based on both historical and present data, but also data on reasonable future estimates. In order to apply the above approach, a distinction shall be made between:

financial assets whose credit risk has not deteriorated significantly since initial recognition, or which have a low credit risk at the reference date (Step 1);

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financial assets whose credit risk has deteriorated significantly since initial recognition and which do not have low credit risk (Stage 2), and

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financial items for which there is objective evidence of impairment at the reference date (Step 3). For the financial assets included in Stage 1, expected credit losses are recognised for the period of the next twelve months, while for those included in Stage 2 or Stage 3, expected credit losses are recognised for the entire life of the financial asset. The expected credit losses are based on the difference between the contractual cash flows and the cash flows

that the Group or the Company expects to receive. The spread shall be discounted using an estimate of the initial effective interest rate of the financial asset.

The Group applies the simplified approach of the Standard for assets from contracts, trade receivables and lease claims, calculating the expected credit losses for the lifetime of the above items. In that case, the expected credit losses constitute the expected shortfalls in the contractual cash flows, considering the potential for default at any point during the lifetime of the financial instrument. When calculating the expected credit losses, the Group uses a provisioning table having grouped the above financial instruments based on the nature and coming of age of the balances and considering available historical data in relation to debtors, adjusted for future factors in relation to debtors and the financial background.

#### E. Business combinations, goodwill, and changes in percentages of non-controlling holdings

The acquisition of a subsidiary by the Group is accounted for on the basis of the acquisition method. At the acquisition date, the acquiring undertaking recognizes the resulting from the acquisition transaction as the excess amount between:

the sum of:

a. the consideration transferred at fair values,

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b. the amount of any non-controlling interests in the acquiree (measured either at their fair value or at the pro rata percentage of the non-controlling interests in the acquiree's net identifiable assets) and

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c. in a business combination completed in stages, the fair value at the date of acquisition of the equity interests held by the acquirer previously in the acquired, minus

the net value at the date of acquisition of the acquired identifiable assets and liabilities assumed; In the case of the acquisition of a subsidiary, the goodwill is presented as a distinct asset, while in the case of the acquisition of a related business, the goodwill is incorporated in the value of the Group's investment in the relative.

At the acquisition date (or at the date of completion of the relevant apportionment of the redemption consideration), the goodwill acquired shall be allocated to the cash-generating units, or to groups of cash-generating units expected to benefit from that combination. After initial recognition, goodwill is valued at cost less the accumulated losses due to a decrease in its value. Goodwill is not amortized but is subject to impairment testing on an annual basis or more frequently if events or changes in circumstances suggest that its value may have been impaired. The impairment is determined by estimating the recoverable amount of the cash-generating units associated with goodwill. If part of

a cash-generating unit to which goodwill has been allocated is sold, then the goodwill attributable to the portion sold is included in the carrying amount of that part in order to determine the profit or loss. The value of goodwill attributable to the portion sold is determined on the basis of the relative values of the portion sold and the remaining portion of the cash-generating unit.

In order to determine whether there is an issue of impairment of goodwill, the Group carried out the relevant impairment checks on the cash-generating units to which goodwill has been allocated, at Group level, and on the basis of the audits carried out, no impairment loss was found.

## F. Leases – Right of Use

### The Group as a lessee

For each new contract concluded on or after 22 May 2020, the date of incorporation of the parent company, the Group evaluates whether the contract is, or includes a lease. A lease is or includes a lease if that contract grants the right to control the use of a recognised asset for a period of time and for a certain consideration. In this context, the Group assesses whether:

the contract grants the right to control the use of a recognised asset, which is specified either explicitly in the contract or indirectly if it is explicitly specified at the time when that asset becomes available for use by the Group

the Group has the right to obtain substantially all the economic benefits from the use of the recognized, and

the Group has the right to direct the use of the recognized asset.

Leases are recognised in the Consolidated Statement of Financial Position as a right to use an asset and a lease obligation on the date the leased fixed asset becomes available for use. The rights to use the assets as of 22 May 2020 shall be recognised in an amount equal to the liability from leases, adjusted by the amount of the prepaid or accrued rents.

The rights to use assets are initially measured at the cost reduced by the accumulated depreciation and any impairments of their value. The cost at initial recognition shall include the amount of the initial measurement of the rental obligation, initial costs directly linked to the lease, restoration costs and lease payments made on or before the start date, reduced by the amount of discounts or other incentives. After initial recognition, the rights to use assets shall be amortised using the fixed method over the shorter period between the useful life of the asset and the duration of its lease and shall be subject to impairment control if there are indications to that effect.

Lease obligations are initially recognised in an amount equal to the present value of the rents during the total term of the lease and include

conventional fixed rents, variable rents that depend on an index and amounts related to residual value payments that are expected to be paid. They also include the purchase right to exercise price, as well as amounts of penalties for the termination of a contract in the event that it is almost certain that the lessor will exercise this right. For the calculation of the present value of the rents, the imputed interest rate of the lease is used or, in case this is not specified in the contract, the incremental borrowing rate (incremental borrowing rate). This interest rate represents the cost that the lessee would have to pay to borrow the capital necessary to acquire an asset with similar characteristics and conditions to the leased item in a similar economic environment. As of January 1, 2021, the weighted average discount rate applied for the Group and the Company was 3%.

After initial recognition, the amount of the lease obligations is increased by their financial cost and decreases with the payment of rents. In the event that there is a change in the amount of rents due to a change in an index, in the estimation of the residual value or in the evaluation of an option to purchase, extend or terminate the contract, then the amount of the liability is reassessed.

### Sale and leaseback

For sale and leaseback transactions that constitute a financial lease, any positive difference in favour of the proceeds of the sale of this asset, in relation to its carrying amount, is not directly recognized as income by the Company and appears in the Financial Statements as income for subsequent years, which is amortized in accordance with the duration of the lease.

If the fair value of the asset at the time of a sale and repurchase transaction is less than its carrying amount, then the loss arising from the difference between the carrying amount and the fair value is not immediately recognised unless there is an impairment of the value of the asset, in which case the carrying amount shall be reduced to the recoverable amount in accordance with IAS 36.

### The Group as lessor

The Group's leases as a lessor are classified as operational or as financial. A lease is classified as financial if it transfers substantially all the risks and benefits associated with ownership of the underlying asset. In contrast, a lease is classified as operational if it does not transfer substantially all the risks and benefits associated with the ownership of the asset.

Rental income from operating leases is recognized under the terms of the lease by the fixed method. Initially, direct costs incurred by the Group in the negotiation and agreement of an operating lease are added to the carrying amount of the leased asset and are recognized throughout the duration of the lease as rental income.

Assets under financial lease are derecognized and the Group recognizes a claim of an amount equal to the net investment in the lease. The

lease requirement shall be discounted using the effective interest rate method and the carrying amount shall be adjusted accordingly. The rents receivable are increased on the basis of the interest on the claim and decrease with the collection of rents.

### **G. Accounts Receivable and Credit Policy**

Short-term receivables accounts are shown at face value, after provisions for any uncollectible balances, while long-term debt accounts (balances outside normal credit terms) are valued at amortised cost using the effective interest rate method. Transactions are generally carried out with customers on normal terms. The Group has established criteria for the provision of credit to customers, which are generally based on the size of the client's activities, while estimating relevant financial information. At each balance sheet date, all arrears or bad debts shall be assessed to determine whether or not provision for doubtful debts is necessary. The balance of this provision for bad debts shall be adjusted appropriately at each balance sheet date to reflect the suspected risks involved. Any write-off of remaining customers is charged to the existing provision for bad debts. It is the Group's policy not to delete any claim until all possible legal actions for its collection have been exhausted.

### **H. Cash and Cash Equivalents**

Cash and cash equivalents include cash at the cash, sight deposits, time deposits, overdraft bank accounts, as well as other highly liquid investments that are directly convertible into specific amounts of cash that are subject to a non-significant risk of change in their value. For the preparation of cash flow statements, cash balances consist of cash and deposits in banks as well as cash as specified above.

### **I. Share capital**

Ordinary shares are classified as capital. Expenses incurred for the issue of shares appear after deduction of the relevant income tax, in a reduction of the proceeds of the issue. The costs associated with the issue of shares for the acquisition of enterprises are included in the acquisition cost of the business acquired.

### **J. Distribution of dividends**

According to the provisions of Greek commercial legislation, companies are obliged to distribute each year a first dividend corresponding to at least 35% of the profits after tax and after the formation of the statutory regular goodwill. The distribution of dividends to the shareholders of the Company is recognized as an obligation in the financial statements on the date on which the distribution is approved by the General Meeting of shareholders.

### **K. Earnings per share**

Core earnings per share are calculated by dividing the net profit attributed to the shareholders of the Group and the Company by the weighted

average number of ordinary shares in circulation during each year. The weighted average number of ordinary shares in circulation during the accounting period and for all accounting periods presented shall be adjusted for events that have changed the number of ordinary shares in circulation without a corresponding change in resources.

### **L. Commercial Obligations**

Commercial obligations are those for goods or services acquired in the ordinary course of the business by suppliers. Commercial liabilities are classified as short-term liabilities if the payment is expected to be made within a year or less (or in the normal course of the business's operating cycle, if it is larger). If the above criterion does not apply, they are presented as long-term liabilities.

Commercial liabilities are initially recognised at their fair value and later valued at amortised cost using the effective interest method.

### **M. State Insurance Programs**

The company's staff is mainly covered by the main State Insurance Agency concerning the private sector (EFKA) which provides pension and medical benefits. Each employee is obliged to contribute part of his monthly salary to the cashier, while part of the total contribution is covered by the Company. Upon retirement, the pension fund is responsible for the payment of pension benefits to employees. Consequently, the Company and at the same time the Group have no legal or constructive obligation to pay future benefits under this program.

### **N. Income Tax (Current and Deferred)**

**Current income tax:** The current tax is calculated on the basis of the Financial Statements of each of the companies included in the consolidated financial statements, in accordance with the tax laws in force in Greece. The expenditure for current income tax includes the income tax that arises on the basis of the profits of each company as reformed in its tax returns and provisions for additional taxes and surcharges for unaudited tax years and is calculated according to the statutory or essentially statutory tax rates.

**Deferred income tax:** Deferred taxes are taxes or tax reliefs related to financial burdens or benefits arising in the financial year but already imputed or to be imputed by the tax authorities in different uses. Deferred income tax shall be calculated using the liability method on all temporary differences at the date of the statement of financial position between the tax base and the carrying amount of the assets and liabilities. Deferred tax liabilities are recognised for all taxable temporary differences unless the liability for deferred income taxes results from the amortization of goodwill or the initial recognition of an asset or liability item in a transaction that is not a business combination and at the time of the transaction does not affect either accounting profit or taxable profit or loss.

Deferred tax assets shall be recognised for all deductible temporary disputes and carried over unused tax assets and tax losses, to the extent that it is likely that a taxable profit will be available to be used against deductible temporary disputes and carried over unused tax assets and unused tax losses. Deferred tax assets are estimated at each date of the statement of financial position and are reduced to the extent that it is unlikely that there will be enough taxable profits against which part or all of the deferred income tax claims can be used.

Deferred tax assets and liabilities are calculated on the basis of the tax rates expected to be in effect in the year in which the claim or liability will be settled and are based on the tax rates (and tax laws) that are in force or have been established on the date of the statement of financial position. In case of inability to clearly determine the timing of the reversal of the temporary differences, the tax rate in force on the day following the date of the Statement of Financial Position shall be applied.

With regard to deductible temporary differences related to investments in subsidiaries, relatives and interests in jointly controlled companies, a deferred income tax claim is recognised to the extent that it is likely that the temporary differences will be reversed in the foreseeable future and that there will be available taxable profit to be used against temporary differences.

Most changes to deferred tax assets or liabilities are recognised as a part of the tax expenses in the Profit and Loss Account. Only income tax relating to items that have been recognised directly in own funds is recorded directly in own funds and not in the statement of profit or loss.

#### O. Recognition of Income – Expenses

Revenues are recognised when it is probable that future economic benefits will flow into the entity and those benefits may be measured reliably. The revenue is measured at the fair value of the consideration received and is net of value added tax, refunds, any kind of deductions and after sales within the company are limited. The amount of revenue shall be considered to be reliable when all contingent liabilities related to the sale have been resolved. The recognition of income and expenditure is as follows:

**Sale of services:** Revenues from the sale of services, after deduction of deductions and the corresponding value added tax 'VAT', are recognised when the significant risks and benefits arising from the performance of the service are transferred to the purchaser.

**Interest income:** It concerns all revenues from the investment of cash.

**Costs:** Expenses are recognised in profit or loss on an accrual basis. Payments made for operating leases are transferred to the profit or loss as expenses, at the time of use of the lease. Interest expenses are recognised in the Profit and Loss Statement on an accrued basis.

#### P. Provisions, contingent liabilities, and contingent assets

Provisions are recognised when the Group has present legal or presumed liabilities as a result of past events, it is possible that they will be settled through resource outflows and the estimation of the exact amount of the liability can be carried out reliably. The provisions are reviewed at the date of preparation of the Financial Statements and adjusted to reflect the present value of the expenditure expected to be required to settle the liability. Reorganization provisions are only recognized if there is a detailed schedule of reorganization, and the Administration has communicated its key points to the parties affected by the reorganization.

Where the effect of the time value of money is significant, the amount of the provision shall be the present value of the expenses expected to be required in order to settle the liability.

If it is no longer likely that an outflow of resources will be required in order to settle an obligation for which a provision has already been made, then it is reversed.

In cases where the outflow of financial resources as a result of these commitments is considered unlikely, or the amount of the provision cannot be estimated reliably, no liability is recognised in the financial statements.

Contingent liabilities shall not be recognised in the financial statements but shall be disclosed, unless the likelihood of outflows of resources incorporating economic benefits is minimal. Potential inflows from economic benefits for the Group that do not yet meet the criteria of an asset are considered as contingent claims and are disclosed if the inflow of economic benefits is likely.

The Group has adopted all the new standards and interpretations, the application of which became mandatory for the years beginning on January 1, 2023. Paragraph (a) presents the standards that apply to the Group and have been adopted since January 1, 2023, as well as the standards which are mandatory from January 1, 2023, but are not applicable to the operations of the Group. Paragraph (b) presents the standards, amendments to standards and interpretations to existing standards which have either not yet entered into force or have not been adopted by the EU.

#### A. New Standards, Interpretations, Revisions and Amendments to existing Standards that are effective and have been adopted by the European Union

The following new Standards, Interpretations, and amendments of IFRSs have been issued by the International Accounting Standards Board (IASB), are adopted by the European Union, and their application is mandatory from or after 01/01/2023.

#### Amendments in Accounting Principles

### **IFRS 17 “Insurance Contracts” (effective for annual periods starting on or after 01/01/2023)**

In May 2017, the IASB issued a new Standard, IFRS 17, which replaces an interim Standard, IFRS 4. The aim of the project was to provide a single principle-based standard to account for all types of insurance contracts, including reinsurance contracts that an insurer holds. A single principle-based standard would enhance comparability of financial reporting among entities, jurisdictions, and capital markets. IFRS 17 sets out the requirements that an entity should apply in reporting information about insurance contracts it issues and reinsurance contracts it holds. Furthermore, in June 2020, the IASB issued amendments, which do not affect the fundamental principles introduced when IFRS 17 has first been issued. The amendments are designed to reduce costs by simplifying some requirements in the Standard, make financial performance easier to explain, as well as ease transition by deferring the effective date of the Standard to 2023 and by providing additional relief to reduce the effort required when applying the Standard for the first time. The amendments do not affect the consolidated Financial Statements. The above have been adopted by the European Union with effective date of 01/01/2023.

### **Amendments to IAS 1 “Presentation of Financial Statements” (effective for annual periods starting on or after 01/01/2023)**

In February 2021, the IASB issued narrow-scope amendments that pertain to accounting policy disclosures. The objective of these amendments is to improve accounting policy disclosures so that they provide more useful information to investors and other primary users of the financial statements. More specifically, companies are required to disclose their material accounting policy information rather than their significant accounting policies. The amendments do not affect the consolidated Financial Statements. The above have been adopted by the European Union with effective date of 01/01/2023.

### **Amendments to IAS 8 “Accounting Policies, Changes in Accounting Estimates and Errors: Definition of Accounting Estimates” (effective for annual periods starting on or after 01/01/2023)**

In February 2021, the IASB issued narrow-scope amendments that they clarify how companies should distinguish changes in accounting policies from changes in accounting estimates. That distinction is important because changes in accounting estimates are applied prospectively only to future transactions and other future events, but changes in accounting policies are generally also applied retrospectively to past transactions and other past events. The amendments do not affect the consolidated Financial Statements. The above have been adopted by the European Union with effective date of 01/01/2023.

### **Amendments to IAS 12 “Income Taxes: Deferred Tax related to Assets and Liabilities arising from a Single Transaction” (effective for annual periods starting on or after 01/01/2023)**

In May 2021, the IASB issued targeted amendments to IAS 12 to specify how companies should account for deferred tax on transactions such as leases and decommissioning obligations – transactions for which companies recognise both an asset and a liability. In specified circumstances, companies are exempt from recognising deferred tax when they recognise assets or liabilities for the first time. The amendments clarify that the exemption does not apply and that companies are required to recognise deferred tax on such transactions. The amendments do not affect the consolidated Financial Statements. The above have been adopted by the European Union with effective date of 01/01/2023.

### **Amendments to IFRS 17 “Insurance contracts: Initial Application of IFRS 17 and IFRS 9 – Comparative Information” (effective for annual periods starting on or after 01/01/2023)**

In December 2021, the IASB issued a narrow-scope amendment to the transition requirements in IFRS 17 to address an important issue related to temporary accounting mismatches between insurance contract liabilities and financial assets in the comparative information presented when applying IFRS 17 “Insurance Contracts” and IFRS 9 “Financial Instruments” for the first time. The amendment aims to improve the usefulness of comparative information for the users of the financial statements. The above have been adopted by the European Union with an effective date of 01/01/2023. The Company applied the guidelines of the new IFRS 17 and IFRS 9 standards, where their impact is described in notes 2.11 and 2.9 respectively. The amendments have no impact on the consolidated Financial Statements. The above have been adopted by the European Union with an effective date of 01/01/2023.

### **Amendments to IAS 12 “Income taxes”: International Tax Reform – Pillar Two Model Rules (effective immediately and for annual periods starting on or after 01/01/2023)**

In May 2023, the International Accounting Standards Board (IASB) issued amendments to IAS 12 “Income Taxes”: International Tax Reform—Pillar Two Model Rules. The amendments introduced a) a temporary exception to the requirements to recognise and disclose information about deferred tax assets and liabilities related to Pillar Two income taxes and b) targeted disclosure requirements for affected entities. Companies may apply the temporary exception immediately, but disclosure requirements are required for annual periods commencing on or after 1 January 2023. The amendments do not affect the consolidated Financial Statements. The above have been adopted by the European Union with effective date of 01/01/2023.

### **B. New Standards, Interpretations, Revisions and Amendments to existing Standards that have not been applied yet or have not been adopted by the European Union.**

The following new Standards, Interpretations, and amendments of IFRSs have been issued by the International Accounting Standards Board (IASB), but their application has not started yet, or they have not been adopted by the European Union.

**Amendments to IAS 7 “Statement of Cash Flows” and IFRS 7 “Financial Instruments: Disclosures”: Supplier Finance Arrangements (effective for annual periods starting on or after 01/01/2024)**

In May 2023, the International Accounting Standards Board (IASB) issued Supplier Finance Arrangements, which amended IAS 7 Statement of Cash Flows and IFRS 7 Financial Instruments: Disclosures. The IASB issued Supplier Finance Arrangements to require an entity to provide additional disclosures about its supplier finance arrangements. The amendments require additional disclosures that complement the existing disclosures in these two standards. They require entities to provide users of financial statements with information that enable them a) to assess how supplier finance arrangements affect an entity’s liabilities and cash flows and to understand the effect of supplier finance arrangements on an entity’s exposure to liquidity risk and how the entity might be affected if the arrangements were no longer available to it. The amendments to IAS 7 and IFRS 7 are effective for accounting periods on or after 1 January 2024. The Group will examine the impact of the above on its Financial Statements, though it is not expected to have any. The above have not been adopted by the European Union.

**Amendments to IAS 21 “The Effects of Changes in Foreign Exchange Rates: Lack of Exchangeability (effective for annual periods starting on or after 01/01/2025)**

In August 2023, the International Accounting Standards Board (IASB) issued amendments to IAS 21 The Effects of Changes in Foreign Exchange Rates that require entities to provide more useful information in their financial statements when a currency cannot be exchanged into another currency. The amendments introduce a definition of currency exchangeability and the process by which an entity should assess this exchangeability. In addition, the amendments provide guidance on how an entity should estimate a spot exchange rate in cases where a currency is not exchangeable and require additional disclosures in cases where an entity has estimated a spot exchange rate due to a lack of exchangeability. The amendments to IAS 21 are effective for accounting periods on or after 1 January 2025. The Group will examine the impact of the above on its Financial Statements, though it is not expected to have any. The above have not been adopted by the European Union.

**Amendments to IFRS 16 “Leases: Lease Liability in a Sale and Leaseback” (effective for annual periods starting on or after 01/01/2024)**

In September 2022, the IASB issued narrow-scope amendments to IFRS 16 “Leases” which add to requirements explaining how a company accounts for a sale and leaseback after the date of the transaction. A sale and leaseback is a transaction for which a company sells an asset and leases that same asset back for a period of time from the new owner. IFRS 16 includes requirements on how to account for a sale and leaseback at the date the transaction takes place. However, IFRS 16 had not specified how to measure the transaction when reporting after that date. The

issued amendments add to the sale and leaseback requirements in IFRS 16, thereby supporting the consistent application of the Accounting Standard. These amendments will not change the accounting for leases other than those arising in a sale and leaseback transaction. The Group will examine the impact of the above on its Financial Statements, though it is not expected to have any. The above have been adopted by the European Union with effective date of 01/01/2024.

**Amendments to IAS 1 “Classification of Liabilities as Current or Non-current” (effective for annual periods starting on or after 01/01/2024)**

In January 2020, the IASB issued amendments to IAS 1 that affect requirements for the presentation of liabilities. Specifically, they clarify one of the criteria for classifying a liability as non-current, the requirement for an entity to have the right to defer settlement of the liability for at least 12 months after the reporting period. The amendments include: (a) specifying that an entity’s right to defer settlement must exist at the end of the reporting period; (b) clarifying that classification is unaffected by management’s intentions or expectations about whether the entity will exercise its right to defer settlement; (c) clarifying how lending conditions affect classification; and (d) clarifying requirements for classifying liabilities an entity will or may settle by issuing its own equity instruments. Furthermore, in July 2020, the IASB issued an amendment to defer by one year the effective date of the initially issued amendment to IAS 1, in response to the Covid-19 pandemic. However, in October 2022, the IASB issued an additional amendment that aim to improve the information companies provide about long-term debt with covenants. IAS 1 requires a company to classify debt as non-current only if the company can avoid settling the debt in the 12 months after the reporting date. However, a company’s ability to do so is often subject to complying with covenants. The amendments to IAS 1 specify that covenants to be complied with after the reporting date do not affect the classification of debt as current or non-current at the reporting date. Instead, the amendments require a company to disclose information about these covenants in the notes to the financial statements. The amendments are effective for annual reporting periods beginning on or after 1 January 2024, with early adoption permitted. The Group will examine the impact of the above on its Financial Statements, though it is not expected to have any. The above have been adopted by the European Union with effective date of 01/01/2024.

The preparation of financial statements in accordance with IFRSs requires that the Management make judgments, estimates and assumptions that affect the balances of the assets and liabilities accounts, the disclosure of contingent liabilities as well as the income and expenses presented in the years under review. Actual results may differ from these judgments. These estimates, assumptions and judgements are periodically reviewed in order to reflect current data and reflect current risks and are based on the previous experience of the Group's Management in relation to the level/ volume of relevant transactions or events. The main estimates and value judgments relating to data the evolution of which could affect the items in the financial statements over the next 12 months are as follows:

**Provision for income tax:** The provision for income tax under IAS 12 is calculated with an estimate of the taxes to be paid to the tax authorities and includes the current income tax for each fiscal year and provision for the additional taxes that may arise in tax audits. Significant considerations are required to determine income tax provisions. There are many transactions and calculations for which the exact determination of the tax is uncertain in the normal course of business operations. The Group acknowledges liabilities for expected tax control issues based on estimates of the amount of additional taxes that may be due. In the event that the final taxes resulting from the tax audits are different from the amounts originally recorded, these differences will affect the income tax and the provisions for deferred taxes in the year in which the determination of the tax differences took place.

**Useful life of depreciable items:** The Group's Management examines the beneficial lives of depreciable items in every use. As of December 31, 2023, the Group's management estimates that the beneficial lives represent the expected usefulness of the assets.

**Impairment of tangible assets:** Tangible assets are tested for impairment purposes when events or changes in circumstances suggest that the carrying amount may not be recoverable. For the calculation of the use value, Management shall estimate the future cash flows from the asset or cash flow unit and select the appropriate discount factor to calculate the present value of the future cash flows.

## STRUCTURE OF GROUP

In the consolidated financial statements of the annual period that ended on December 31, 2023, the following company is included, which is integrated with the method of total consolidation:

### Subsidiary of SEleNe CC SA

	HOLDING PERCENTAGE	COUNTRY	UNAUDITED PERIODS
ESPERIA CC Srl	99%	ITALY	2020-2023

On 20/11/2020 SEleNe CC SA together with Terna SpA proceeded to the establishment of ESPERIA CC Srl. From this transaction the total percentage of the Group in the above company amounted to 99% making it a subsidiary.

**NOTE 4. TANGIBLE ASSETS**

The carrying amount of the tangible assets shown in the statement of financial position for the periods presented on December 31, 2023, and 2022 for the Group and the Company was as follows:

Carrying out amount	Furniture and other equipment	Total
<b>01/01/2023</b>	<b>243.241,07</b>	<b>243.241,07</b>
Additions	29.816,54	29.816,54
<b>31/12/2023</b>	<b>273.057,61</b>	<b>273.057,61</b>
<b>Accumulated Depreciation</b>		
<b>01/01/2023</b>	<b>26.847,43</b>	<b>26.847,43</b>
Depreciation	72.688,84	72.688,84
<b>31/12/2023</b>	<b>99.536,27</b>	<b>99.536,27</b>
<b>Net Book Value</b>		
<b>31/12/2023</b>	<b>173.521,34</b>	<b>173.521,34</b>
<b>Carrying out amount</b>		
<b>01/01/2022</b>	<b>34.698,92</b>	<b>34.698,92</b>
Additions	208.542,15	208.542,15
<b>31/12/2022</b>	<b>243.241,07</b>	<b>243.241,07</b>
<b>Accumulated Depreciation</b>		
<b>01/01/2022</b>	<b>7.875,25</b>	<b>7.875,25</b>
Depreciation	18.972,18	18.972,18
<b>31/12/2022</b>	<b>26.847,43</b>	<b>26.847,43</b>
<b>Net Book Value</b>		
<b>31/12/2022</b>	<b>216.393,64</b>	<b>216.393,64</b>

The carrying amount of the intangible assets shown in the statement of financial position for the periods presented on December 31, 2023, and 2022 for the Group and the Company was as follows:

Carrying out amount	Intangible (Software)	Total (Software)
<b>01/01/2023</b>	<b>342.400,00</b>	<b>342.400,00</b>
Additions	506.713,20	506.713,20
<b>31/12/2023</b>	<b>849.113,20</b>	<b>849.113,20</b>
<b>Accumulated Depreciation</b>		
<b>01/01/2023</b>	<b>9.986,63</b>	<b>9.986,63</b>
Depreciation	130.265,08	130.265,08
<b>31/12/2023</b>	<b>140.251,71</b>	<b>140.251,71</b>
<b>Net Book Value</b>		
<b>31/12/2023</b>	<b>708.861,49</b>	<b>708.861,49</b>
<b>Carrying out amount</b>		
<b>01/01/2022</b>	-	-
Additions	342.400,00	342.400,00
<b>31/12/2022</b>	<b>342.400,00</b>	<b>342.400,00</b>
<b>Accumulated Depreciation</b>		
<b>01/01/2022</b>	-	-
Depreciation	9.986,63	9.986,63
<b>31/12/2022</b>	<b>9.986,63</b>	<b>9.986,63</b>
<b>Net Book Value</b>		
<b>31/12/2022</b>	<b>332.413,37</b>	<b>332.413,37</b>

The total amount of intangible assets relates to software, worth € 506.713,20. There are no restrictions on the ownership or transfer or other charges on the fixed assets of the Group. Also, no item of equipment has been pledged as collateral against liabilities.

## NOTE 5. INVESTMENTS IN SUBSIDIARIES

The Company has the following participation in a subsidiary, which is valued at acquisition cost less any accumulated impairment losses.

Company	% Participation	31/12/2023		
		Accounting Balance	Operation	Country of incorporation
ESPERIA	99,00%	9.900,00	Services	Italy
		<b>9.900,00</b>		

Changes in the book value of the Company's investments in subsidiaries are as follows:

	31/12/2023	31/12/2022
At the beginning of the year	9.900,00	9.900,00
Additions	-	-
<b>Total</b>	<b>9.900,00</b>	<b>9.900,00</b>

The subsidiary is not listed on a Stock Exchange and therefore there are no relevant stock values. As at 31/12/2023 there are no objective indications that lead to the conclusion that the above participation has been impaired.

## NOTE 6. OTHER NON-CURRENT ASSETS

Other non-current assets are presented in the table below:

	Group		Company	
	31/12/2023	31/12/2022	31/12/2023	31/12/2022
OTHER GUARANTEES	2.743,00	2.743,00	2.743,00	2.743,00
<b>Total</b>	<b>2.743,00</b>	<b>2.743,00</b>	<b>2.743,00</b>	<b>2.743,00</b>

These receivables relate to guarantees given to third parties, which will not be refunded the next year.

## NOTE 7. TRADE RECEIVABLES

Trade receivables analysis is presented in the table below:

	Group		Company	
	31/12/2023	31/12/2022	31/12/2023	31/12/2022
Customers (open balance)	276.167,29	119.084,19	276.167,29	79.480,99
<b>Total</b>	<b>276.167,29</b>	<b>119.084,19</b>	<b>276.167,29</b>	<b>79.480,99</b>

There are no impairment provisions for the Group and the Company's customers. The maximum credit risk of trade receivables at the reporting date is their carrying amount. There is no concentration of credit risk in relation to receivables from customers. There are no pledges on commercial claims.

## NOTE 8. OTHER RECEIVABLES

Other receivables analysis is presented in the table below:

	Group		Company	
	31/12/2023	31/12/2022	31/12/2023	31/12/2022
Receivables from tax	527.048,27	617.116,03	104.453,08	106.917,12
Prepaid Expenses	31.222,74	-	31.222,74	-
Other	208.677,31	-	208.677,31	-
<b>Total</b>	<b>766.948,32</b>	<b>617.116,03</b>	<b>344.353,13</b>	<b>106.917,12</b>

Receivables from tax refunds amounting to €527,048.27 for the Group and €104,453.08 for the Company mainly concern VAT refund claims, while the remaining amounts primarily relate to advanced payments to fixed asset suppliers.

## NOTE 9. CASH AND CASH EQUIVALENTS

Cash and Cash Equivalents include the following account as presented in the table below:

	Group		Company	
	31/12/2023	31/12/2022	31/12/2023	31/12/2022
Cash in hand	2.772,73	3.061,70	7580,99	1.620,32
Cash at bank (demand deposits)	1.889.234,08	235.247,96	1.746.474,90	200.409,23
Fixed-term Deposits	3.999.989,00	-	3.999.989,00	-
<b>Total</b>	<b>5.891.995,81</b>	<b>238.309,66</b>	<b>5.747.222,89</b>	<b>202.029,55</b>

Demand deposits in banks bear interest at variable rates based on the monthly bank deposit rates, while fixed-time deposits bear interest at a fixed rate agreed with the banking institution for a specific time horizon. Interest income from demand and fixed-time deposits in banks is accounted for using the accrual method and amounted to €27,632.22 for the year ended December 31, 2023, and is included in the financial income in the attached Statement of Comprehensive Income.

## NOTE 10. EQUITY

**Share Capital:** The Share Capital of the Company on December 31, 2023, amounts to Euro 6.210.000,00 consisting of 6.210.000 shares with a nominal value of Euro 1,00 each. In the fiscal year 2023, by decision of the Extraordinary General Meeting on 21/02/2023, the Company proceeded with a reduction of its share capital by €2,00 due to the cancellation of 2 own shares with a nominal value of €1,00 each and simultaneously increased the share capital by €6.010.002,00, divided into 6.010.002 nominal shares with a nominal value of €1,00 each.

**Legal Reserve:** According to the Greek commercial legislation, each year at least one twentieth (1/20) of the net profit is deducted for the formation of the legal reserve. The deduction for the formation of a reserve ceases to be mandatory as soon as it reaches at least one third (1/3) of the capital. The legal reserve shall be used exclusively before each dividend distribution to offset any debit balance in the profit and loss account.

During 2023, the Company formed a legal reserve from the profit for the financial year 2022, amounting to € 1.057,40. Thus, the amount of the legal

reserve as at 31 December 2023 amounts to € 1.789,03 for the Company (2022: € 731,63).

**Retained Earnings:** Retained Earnings analysis is presented in the table below:

	Group	
	31/12/2023	31/12/2022
Opening result (profit)	118.953,33	42.625,26
Reallocations	-	(0,40)
Reserves Formation	(1.057,40)	(6.330,26)
Results (profit) of the closed financial year	213.613,90	82.658,73
<b>Retained Earnings</b>	<b>331.509,83</b>	<b>118.953,33</b>

	Company	
	31/12/2023	31/12/2022
Opening result (profit)	35.049,02	14.524,91
Reserves Formation	(1.057,40)	(623,96)
Results (profit) of the closed financial year	158.876,45	21.148,07
<b>Retained Earnings</b>	<b>192.868,07</b>	<b>35.049,02</b>

**NOTE 11. DEFERRED TAX (ASSETS/LIABILITIES)**

Deferred taxes are calculated on temporary differences using the liability method, using the applicable tax rate. Deferred tax assets and liabilities are offset when there is an enforceable legal right and when the deferred income taxes concern the same tax authority.

The calculation of the Group's and the Company's deferred taxes is reviewed each financial year so that the balance shown in the Statement of Financial Position reflects the current applicable tax rate. The rate at which the deferred tax is calculated is

the rate that is expected to apply when the temporary tax differences reverse. The Company's deferred tax has been calculated taking into account the tax rate that will be applicable at the date of recovery of the related values. The calculation of the company's deferred taxes is reviewed each financial year to ensure that the balance shown in the Statement of Financial Position reflects the applicable tax rates.

According to Law 4799/2021 – Government Gazette 78/A/18-5-2021 the tax rate for the year 2023 was 22%.

The movement of deferred tax assets/liabilities for the years 2023-2022 is analysed as follows:

**DEFERRED TAX OF THE GROUP & THE COMPANY**

**31/12/2023**

**31/12/2022**

	<b>D.T ASSET</b>	<b>D.T LIABILITY</b>	<b>D.T ASSET</b>	<b>D.T LIABILITY</b>
<b>Non-current Assets</b>				
Tangible Assets	-	-	-	2.652,83
<b>Non-current Liabilities</b>				
Employee benefits	1.421,50	-	875,80	-
Other non-current liabilities	-	-	2.732,91	-
<b>Total</b>	<b>1.421,50</b>	<b>-</b>	<b>3.608,71</b>	<b>2.652,83</b>
Offsetting	1.421,50	-	955,88	-
<b>Total</b>	<b>1.421,50</b>	<b>-</b>	<b>955,88</b>	<b>-</b>

The impact of deferred income taxes on the results of the Group and the Company are as follows:

**GROUP & COMPANY**

**01/01-31/12/2023**

**Opening Balance**      **Charged to Income Statement**      **Effect on Other Comprehensive Income**      **Closing Balance**

**Non-current Assets**

Tangible Assets      **(2.652,83)**      **2.652,83**      -      -

**Non-current Liabilities**

Employee benefits      875,80      511,50      34,20      1.421,50

Other non-current liabilities      2.732,91      (2.732,91)      -      -

**Deferred Tax**      **955,88**      **431,42**      **34,20**      **1.421,50**

**01/01-31/12/2022**

**Opening Balance**      **Charged to Income Statement**      **Effect on other Comprehensive Income**      **Closing Balance**

**Non-current Assets**

Tangible Assets      (7.958,50)      5.305,67      -      (2.652,83)

**Non-current Liabilities**

Employee benefits      -      590,55      285,25      875,80

Other non-current liabilities      8.077,42      (5.344,51)      -      2.732,91

**Deferred Tax**      **118,92**      **551,71**      **285,25**      **955,88**

Deferred income taxes arise from temporary differences between the carrying amounts and tax bases of assets and liabilities and are calculated using the income tax rate expected to apply in the years in which the deferred taxes will be recovered or settled

## NOTE 12. LEASES & RIGHTS OF USE

The Group's and the Company's leases include leases of properties.

**Leases of property:** The Group leases property for its operational needs. The average lease term is 2,5 years and the rent is fixed. Starting from the fiscal year 2023, it was decided that the lease contract will have a one-year duration.

**Right to use assets:** Right-of-use assets are analysed as follows:

Group & Company	Premises	
	31/12/2023	31/12/2022
<b>COST</b>		
Balance as at 1st January	12.058,34	36.175,00
Additions	-	-
Balance as at 31st December	12.058,34	36.175,00
<b>Accumulated Depreciation</b>		
Balance as at 1st January		
Depreciation	12.058,34	24.116,66
Balance as at 31st December	12.058,34	24.116,66
<b>Net Book Value</b>		
As at 31st December	-	12.058,34

The Group has no income from subleasing of rights to use equipment.

Lease obligations

The Statement of Financial Position includes the following amounts related to lease liabilities:

Group & Company		
	31/12/2023	31/12/2022
Lease obligations	-	12.422,31
Less: Current Liabilities	-	(12.422,31)
<b>Long-Term Liabilities (Finance Leases)</b>	-	-

Below is a schedule of future repayments for the Group and the Company as at 31 December 2023:

Finance lease's liabilities-minimum rentals:	Group & Company	
	31/12/2023	31/12/2022
< 1 year	-	12.422,31
2 - 5 years	-	-
> 5 years	-	-
<b>Total Finance lease's liabilities-minimum rentals</b>	-	12.422,31
Less: Amounts constituting financial charges	-	-
<b>Current value of future lease's liabilities</b>	-	12.422,31
<b>Classified as:</b>		
Short-term portion of finance lease liabilities	-	12.422,31
Long-term portion of finance lease liabilities	-	-
<b>Total</b>	-	12.422,31

The changes in lease liabilities are as follows:

	2023	2022
<b>1st January</b>	12.422,31	36.715,53
1st implementation of IFRS 16/ Additions	-	-
Repayments	12.422,31	(24.999,96)
Financial expense from operating leases	-	1.423,83
<b>31st December</b>	-	12.422,31

### NOTE 13. TRADE AND OTHER PAYABLES

Trade and Other Payables analysis is presented in the table below:

	GROUP		COMPANY	
	31/12/2023	31/12/2022	31/12/2023	31/12/2022
Suppliers	570.907,58	1.103.757,82	161.311,83	645.786,79
Other payable taxes	39.349,56	33.670,55	39.349,56	20.053,55
Social security contributions, payable	36.292,27	25.361,36	36.292,27	25.361,36
<b>Total</b>	<b>646.549,41</b>	<b>1.162.789,73</b>	<b>236.953,66</b>	<b>691.201,70</b>

Trade payables are not an interest-bearing account and are usually settled within 90 days. The fair values of trade and other payables are not presented separately as, due to their short-term nature, management believes that the carrying amounts recognised in the statement of financial position are a reasonable approximation of fair values.

### NOTE 14. ACCRUED AND OTHER LIABILITIES

Accrued and other current liabilities for the years 2023-2022 are presented in the table below:

	GROUP		COMPANY	
	31/12/2023	31/12/2022	31/12/2023	31/12/2022
Accrued Expenses	1.524,37	9.791,53	1.524,37	9.791,53
Credit Liabilities (credit notes)	276.675,75	-	276.675,75	-
<b>Total</b>	<b>278.200,12</b>	<b>9.791,53</b>	<b>278.200,12</b>	<b>9.791,53</b>

The above obligations are non-interest bearing and are usually settled within 90 days.

### NOTE 15. DEFERRED INCOME

Deferred income for the years 2023 and 2022 is analyzed as below:

	GROUP		COMPANY	
	1/1-31/12/2023	1/1-31/12/2022	1/1-31/12/2023	1/1-31/12/2022
Deferred Income	284.080,56	-	284.080,56	-
<b>Total</b>	<b>284.080,56</b>	<b>-</b>	<b>284.080,56</b>	<b>-</b>

The amount related to the collection of an advance from two (2) projects in which the company participated (Cocoon and Secur-eu) subsidizing fixed equipment and operating expenses.

### NOTE 16. REVENUE

Revenues for the year 2023 and the comparative year 2022 are presented in the table below:

	GROUP		COMPANY	
	01/01-31/12/2023	01/01-31/12/2022	01/01-31/12/2023	01/01-31/12/2022
Revenues	3.850.000,00	3.036.600,00	3.850.000,00	1.784.108,70
<b>Total</b>	<b>3.850.000,00</b>	<b>3.036.600,00</b>	<b>3.850.000,00</b>	<b>3.036.600,00</b>

### NOTE 17. PAYROLL COST

A.) Payroll Cost in the accompanying financial statements is analysed in the table below:

	GROUP		COMPANY	
	01/01-31/12/2023	01/01-31/12/2022	01/01-31/12/2023	01/01-31/12/2022
Salaries	670.257,45	519.660,57	670.257,45	519.660,57
Employer's social contributions	139.243,73	110.937,04	139.243,73	110.937,04
Other employee benefits	100,00	-	100,00	-
<b>Total</b>	<b>809.601,18</b>	<b>630.597,61</b>	<b>809.601,18</b>	<b>630.597,61</b>

#### B.) Staff retirement compensation

Changes in net liability in the accompanying statements of financial position is as follows:

**Group & Company**                      **31/12/2023**                      **31/12/2022**

<b>Net Liability on 1st January</b>	<b>3.980,92</b>	<b>-</b>
Additional provision recognised in profit or loss	2.141,35	2.670,97
Financial Cost	183,67	13,35
Actuarial (Income)/expense in other comprehensive income	155,44	1.296,60
<b>Net Liability on 31st December</b>	<b>6.461,38</b>	<b>3.980,92</b>

The Company's liabilities arising from its obligation to pay retirement benefits were determined through actuarial studies by an independent qualified actuary. The basic assumptions of the actuarial compensation liability for the staff are as follows:

<b>Financial Assumptions:</b>	<b>2023</b>	<b>2022</b>
Discount rate	3,73%	3,00%
Expected future salary increase	3,70%	3,00%
Inflation	3,00%	3,00%
Mortality (Demographic assumption)	EAE2012P	EAE2012P

**NOTE 18. DEPRECIATION AND AMORTIZATION**

The depreciation analysis is presented in the following table:

	<b>GROUP</b>		<b>COMPANY</b>	
	<b>01/01-31/12/2023</b>	<b>01/01-31/12/2022</b>	<b>01/01-31/12/2023</b>	<b>01/01-31/12/2022</b>
Fixed Assets	72.688,84	18.972,18	72.688,84	18.972,18
Software	130.265,08	9.986,13	130.265,08	9.986,13
Right of use assets	12.058,33	24.116,66	12.058,33	24.116,66
<b>Total</b>	<b>215.012,25</b>	<b>53.075,47</b>	<b>215.012,25</b>	<b>53.075,47</b>

**NOTE 19. THIRD PARTY FEES**

Third party fees analysis is presented in the table below:

	<b>GROUP</b>		<b>COMPANY</b>	
	<b>01/01-31/12/2023</b>	<b>01/01-31/12/2022</b>	<b>01/01-31/12/2023</b>	<b>01/01-31/12/2022</b>
Fees for consulting services	2.024.016,03	1.805.029,38	2.196.144,77	1.970.293,10
Fees for accounting services	15.940,00	10.940,00	15.940,00	10.940,00
Other third-party fees	39.643,08	13.162,60	15.307,38	2.760,00
<b>Total</b>	<b>2.079.599,11</b>	<b>1.829.131,98</b>	<b>2.227.392,15</b>	<b>1.983.993,10</b>

**NOTE 20. THIRD PARTY BENEFITS**

Third party benefits analysis is presented in the following table:

	<b>GROUP</b>		<b>COMPANY</b>	
	<b>01/01-31/12/2023</b>	<b>01/01-31/12/2022</b>	<b>01/01-31/12/2023</b>	<b>01/01-31/12/2022</b>
Rental fees	293.400,06	282.733,45	226.660,14	215.993,53
Utilities (Electricity, Water, Telecommunications)	34.792,48	39.096,37	34.792,48	39.096,37
Cleaning Services	9.842,89	9.021,69	9.842,89	9.021,69
Insurance (Personnel)	10.699,31	10.377,28	10.699,31	10.377,28
Other third-party benefits	16.188,39	16.243,22	16.188,39	16.243,22
<b>Total</b>	<b>364.923,13</b>	<b>357.472,01</b>	<b>298.183,21</b>	<b>290.732,09</b>

## NOTE 21. OTHER EXPENSES

Other expenses analysis is presented in the following tables:

OTHER EXPENSES	GROUP		COMPANY	
	01/01-31/12/2023	01/01-31/12/2022	01/01-31/12/2023	01/01-31/12/2022
Travel and Transport Expenses	41.534,89	28.210,58	41.534,89	28.210,58
Consumables	10.645,15	5.732,51	10.645,15	5.732,51
Promotion and advertising costs	14.737,74	3.203,18	14.737,74	3.203,18
Donation and Subscriptions	452,00	514,00	452,00	514,00
Other Expenses	1.259,10	3.659,54	38,90	2.986,67
<b>Total</b>	<b>68.628,88</b>	<b>41.319,81</b>	<b>67.408,68</b>	<b>40.646,94</b>

## NOTE 22. FINANCIAL EXPENSES/INCOME

Financial Income/Expenses of the Group and the Company for 2023 and 2022 are as follows:

	GROUP		COMPANY	
	01/01-31/12/2023	01/01-31/12/2022	01/01-31/12/2023	01/01-31/12/2022
Interest on deposits	27.632,22	140,01	27.632,22	76,46
<b>Financial Income</b>	<b>27.632,22</b>	<b>140,01</b>	<b>27.632,22</b>	<b>76,46</b>
Interest and bank charges	2.899,27	2.199,77	3.839,97	2.199,77
Interest on leasing	77,67	706,74	77,67	706,74
<b>Financial Expenses</b>	<b>2.966,94</b>	<b>2.906,51</b>	<b>3.917,64</b>	<b>2.906,51</b>
<b>Total</b>	<b>24.665,28</b>	<b>(2.766,50)</b>	<b>23.714,58</b>	<b>(2.830,05)</b>

## NOTE 23. INCOME TAX

According to Law 4799/2021 – Government Gazette 78/A/18-5-2021 the tax rate for the year 2022 was 22%. Income tax was calculated with 22% tax rate for the fiscal years 2023 and 2022.

The total income tax charged to the Income Statement are as follows:

	GROUP		COMPANY	
	01/01-31/12/2023	01/01-31/12/2022	01/01-31/12/2023	01/01-31/12/2022
Current Tax	(74.591,12)	(33.706,05)	(52.015,12)	(8.770,05)
Tax on previous year	(403,71)	(742,99)	(419,71)	(1.132,99)
Deferred Tax	431,42	551,71	431,42	551,71
<b>Total provision for income taxes recognised in the income statement</b>	<b>(74.563,41)</b>	<b>(33.897,33)</b>	<b>(52.003,41)</b>	<b>(9.351,33)</b>

The reconciliation of the provision for the amount of income taxes determined by the application of the Greek tax rate to income before taxes is summarized as follows:

	GROUP		COMPANY	
	01/01-31/12/2023	01/01-31/12/2022	01/01-31/12/2023	01/01-31/12/2022
<b>Profit before tax</b>	<b>290.335,02</b>	<b>117.391,00</b>	<b>210.879,86</b>	<b>30.499,40</b>
Income taxes calculated at the applicable tax rate	(68.953,57)	(31.645,87)	(46.393,57)	(6.709,87)
Other taxes not incorporated	11,71	-	11,71	-
Tax effect of non-deductible expenses	(4.571,09)	(1.508,48)	(4.571,09)	(1.508,48)
Other differences	(1.050,46)	(742,99)	(1.050,46)	(1.132,99)
<b>Income taxes recognised in the income statement</b>	<b>(74.563,41)</b>	<b>(33.897,34)</b>	<b>(52.003,41)</b>	<b>(9.351,33)</b>

**NOTE 24. EARNINGS/(LOSS) PER SHARE**

The calculation of earnings/(loss) per share is as follows:

	GROUP		COMPANY	
	31/12/2023	31/12/2022	31/12/2023	31/12/2022
Profit before tax	290.335,02	117.391,00	210.879,86	30.499,40
Income Tax	(74.563,41)	(33.897,33)	(52.003,41)	(9.351,33)
<b>Profit/(Loss) after tax</b>	<b>215.771,61</b>	<b>83.493,67</b>	<b>158.876,45</b>	<b>21.148,07</b>
Total weighted average number of shares outstanding	6.210.000,00	6.210.000,00	6.210.000,00	6.210.000,00
<b>Total comprehensive income/(loss) per share (in €)</b>	<b>0,0347</b>	<b>0,0134</b>	<b>0,0256</b>	<b>0,0034</b>

**NOTE 25. RELATED PARTY DISCLOSURES & TRANSACTIONS**

The Group considers as related parties the members of the Board of Directors of its constituent companies (including their related parties), the shareholdings of the parent company as well as shareholders holding more than 5% of its share capital.

In the ordinary course of business conducted, the following transactions were:

RELATED PARTY	GROUP		COMPANY	
	01/01- 31/12/2023		01/01- 31/12/2023	
	Revenue	Expenses	Revenue	Expenses
IPTO SA	554.524,16	225.900,00	554.524,16	225.900,00
ESO EAD	524.957,72	-	524.957,72	-
TRANSELECTRICA SA*	110.571,75	-	110.571,75	-
TERNA SPA	2.341.766,16	-	2.341.766,16	-
ESPERIA CC	-	-	-	2.062.134,08
<b>Total</b>	<b>3.531.819,79</b>	<b>225.900,00</b>	<b>3.531.819,79</b>	<b>2.288.034,08</b>

**GROUP**
**COMPANY**
**01/01- 31/12/2022**
**01/01- 31/12/2022**

RELATED PARTY	Revenue	Expenses	Revenue	Expenses
IPTO SA	321.678,31	227.900,00	321.678,31	227.900,00
ESO EAD	301.148,91	-	301.148,91	-
TRANSELECTRICA SA*	281.011,32	-	281.011,32	-
TERNA SPA	2.055.231,46	-	2.055.231,46	-
ESPERIA CC	-	-	-	1.899.626,23
<b>Total</b>	<b>2.959.070,00</b>	<b>227.900,00</b>	<b>2.959.070,00</b>	<b>2.127.526,23</b>

\*On 07/02/2023 Transelectrica (The Romanian TSO) withdrew as a shareholder in SEleNe-CC but remains as the TSO of the region receiving services.

The balances as at 31/12/2023 and 31/12/2022 are as follows:

RELATED PARTY	GROUP		COMPANY	
	31/12/2023		31/12/2023	
	Receivables	Liabilities	Receivables	Liabilities
IPTO SA	171.902,08	-	171.902,08	-
ESO EAD	-	-	-	-
TRANSELECTRICA SA *	-	-	-	-
TERNA SPA	104.265,21	-	104.265,21	-
ESPERIA CC	-	-	-	160.087,34
<b>Total</b>	<b>276.167,29</b>	<b>-</b>	<b>276.167,29</b>	<b>160.087,34</b>

RELATED PARTY	GROUP		COMPANY	
	31/12/2022		31/12/2022	
	Receivables	Liabilities	Receivables	Liabilities
IPTO SA	-	358.088,46	-	358.088,46
ESO EAD	32.834,41	-	32.834,41	-
TRANSELECTRICA SA *	-	-	-	-
TERNA SPA	40.800,40	-	40.800,40	-
ESPERIA CC	-	-	-	72.911,61
<b>Total</b>	<b>73.634,81</b>	<b>358.088,46</b>	<b>73.634,81</b>	<b>431.000,07</b>

\*On 07/02/2023 Transelectrica (The Romanian TSO) withdrew as a shareholder in SEleNe-CC but remains as the TSO of the region receiving services.

#### NOTE 26. MANAGEMENT REMUNERATION

For the financial year 2023, the benefits to the members of the Board of Directors and the Group's executives as defined by IAS 24 amounted to € 37,800.00 and are reflected in staff remuneration. As at 31/12/2023 there are no liabilities to Board members or executives.

#### NOTE 27. FINANCIAL RISK MANAGEMENT

The Group is exposed to financial risks such as liquidity risk. The Group's risk management program aims to limit the negative impact on the Group's financial results resulting from the inability to forecast financial markets and the variability in cost and sales variables.

The process followed for the risk management policy is as follows:

Assessment of risks related to the Group's activities and operations,

Designing the methodology and selecting appropriate financial products to mitigate risks; and

Execution/implementation, in accordance with the process approved by management, of the risk management process.

The Company's financial instruments consist mainly of deposits with banks, trade debtors and creditors.

#### A. Credit Risk

The Group's exposure to credit risk is limited to financial assets which at the date of the Statement of Financial Position are analysed as follows:

	GROUP		COMPANY	
	31/12/2023	31/12/2022	31/12/2023	31/12/2022
Financial Assets categories				
Cash and cash equivalents	5.891.995,81	238.309,66	5.747.222,89	202.029,55
Trade and Other receivables	1.045.858,61	738.943,22	623.263,42	189.141,11
<b>Total</b>	<b>6.937.854,42</b>	<b>977.252,88</b>	<b>6.370.486,31</b>	<b>391.170,66</b>

Credit risk arises from cash and deposits with banks, as well as credit exposures to customers, including significant receivables and executed transactions.

#### B. Liquidity Risk

The Group manages its liquidity needs by carefully monitoring the payments made on a daily basis. Liquidity needs are monitored in different time zones, on a daily and weekly basis and on a 30-day rolling period. The Group maintains cash and deposits to meet liquidity needs for periods of up to 30 days. Prudent management of liquidity risk requires adequate cash collateral and availability of funding through adequate credit facilities, which is being worked on. The maturity of financial liabilities as of December 31, 2023, and December 31, 2022, for the Group and the Company is broken down as follows:

Payables amounts as at 31.12.2023	GROUP			COMPANY		
	Within 1 year	1 to 2 years	> 2 years	Within 1 year	1 to 2 years	> 2 years
Trade payables	645.549,41	-	-	236.953,66	-	-
Other current liabilities	278.200,12	-	-	278.200,12	-	-
<b>Total</b>	<b>924.749,53</b>	<b>-</b>	<b>-</b>	<b>515.153,78</b>	<b>-</b>	<b>-</b>

Payables amounts as at 31.12.2022	GROUP			COMPANY		
	Within 1 year	1 to 2 years	> 2 years	Within 1 year	1 to 2 years	> 2 years
Trade payables	1.162.789,73	-	-	691.201,70	-	-
Other current liabilities	9.791,53	-	-	9.791,53	-	-
<b>Total</b>	<b>1.172.581,26</b>	<b>-</b>	<b>-</b>	<b>700.993,23</b>	<b>-</b>	<b>-</b>

The above contractual maturity dates reflect gross cash flows, which may differ from the carrying amounts of the liabilities at the date of the statement of financial position.

### C. Capital Risk management

The Group's purpose in managing capital is to ensure the ability to operate on a going concern basis, to provide returns to shareholders and benefits to other stakeholders and to maintain a capital structure that reduces the cost of capital.

Capital is reviewed on the basis of a leverage factor. The ratio is calculated as net debt divided by total capital. Net debt is calculated as total borrowings (including 'short-term and long-term lease liabilities') minus cash and cash equivalents. Total capital is calculated as the equity shown in the statement of financial position plus net debt.

Amounts in €	GROUP		COMPANY	
	31/12/2023	31/12/2022	31/12/2023	31/12/2022
Total Borrowings	-	-	-	-
Less: Cash equivalents	(5.891.995,81)	(238.309,66)	(5.747.222,89)	(202.029,55)
<b>Net Debt</b>	<b>(5.891.995,81)</b>	<b>(238.309,66)</b>	<b>(5.747.222,89)</b>	<b>(202.029,55)</b>
Total equity attributable to owners of the company	6.547.883,90	324.390,02	6.403.524,31	234.769,30
<b>Total capital</b>	<b>655.889,09</b>	<b>86.080,36</b>	<b>656.301,62</b>	<b>32.739,75</b>
<b>Leverage ratio</b>	<b>(898,32%)</b>	<b>(276,85%)</b>	<b>(875,70%)</b>	<b>(615,08%)</b>

## NOTE 28. FINANCIAL INSTRUMENTS (TOOLS)

Financial assets and financial liabilities at the date of the financial statements can also be categorised as follows:

Current Assets	GROUP		COMPANY	
	31/12/2023	31/12/2022	31/12/2023	31/12/2022
Trade and other receivables	1.043.115,61	736.200,22	620.520,42	186.398,11
Cash and cash equivalents	5.891.995,81	238.309,66	5.747.222,89	202.029,55
<b>Total</b>	<b>6.935.111,42</b>	<b>974.509,88</b>	<b>6.367.743,31</b>	<b>388.427,66</b>
Current Assets	31/12/2023	31/12/2022	31/12/2023	31/12/2022
Trade and other receivables	646.549,41	1.162.789,73	236.953,66	691.201,70
Cash and cash equivalents	278.200,12	22.213,84	278.200,12	22.213,84
<b>Total</b>	<b>924.749,53</b>	<b>1.185.003,57</b>	<b>515.153,78</b>	<b>713.415,54</b>

## NOTE 29. CONTINGENT LIABILITIES

### A. Unaudited tax years

The Company has not been audited by the tax authorities for fiscal years 2020-2023. In a future tax audit of the relevant unaudited fiscal years, it is possible that additional taxes and penalties may be imposed. The Company believes that no additional taxes and penalties are expected to arise in future tax audits and has not made any provision for such taxes and penalties.

### B. Judicial affairs

As of 31/12/2023, there are no litigation or arbitration proceedings by judicial or arbitral bodies that have a significant impact on the financial position or operation of the Group and the Company.

### C. Commitment of operating leases

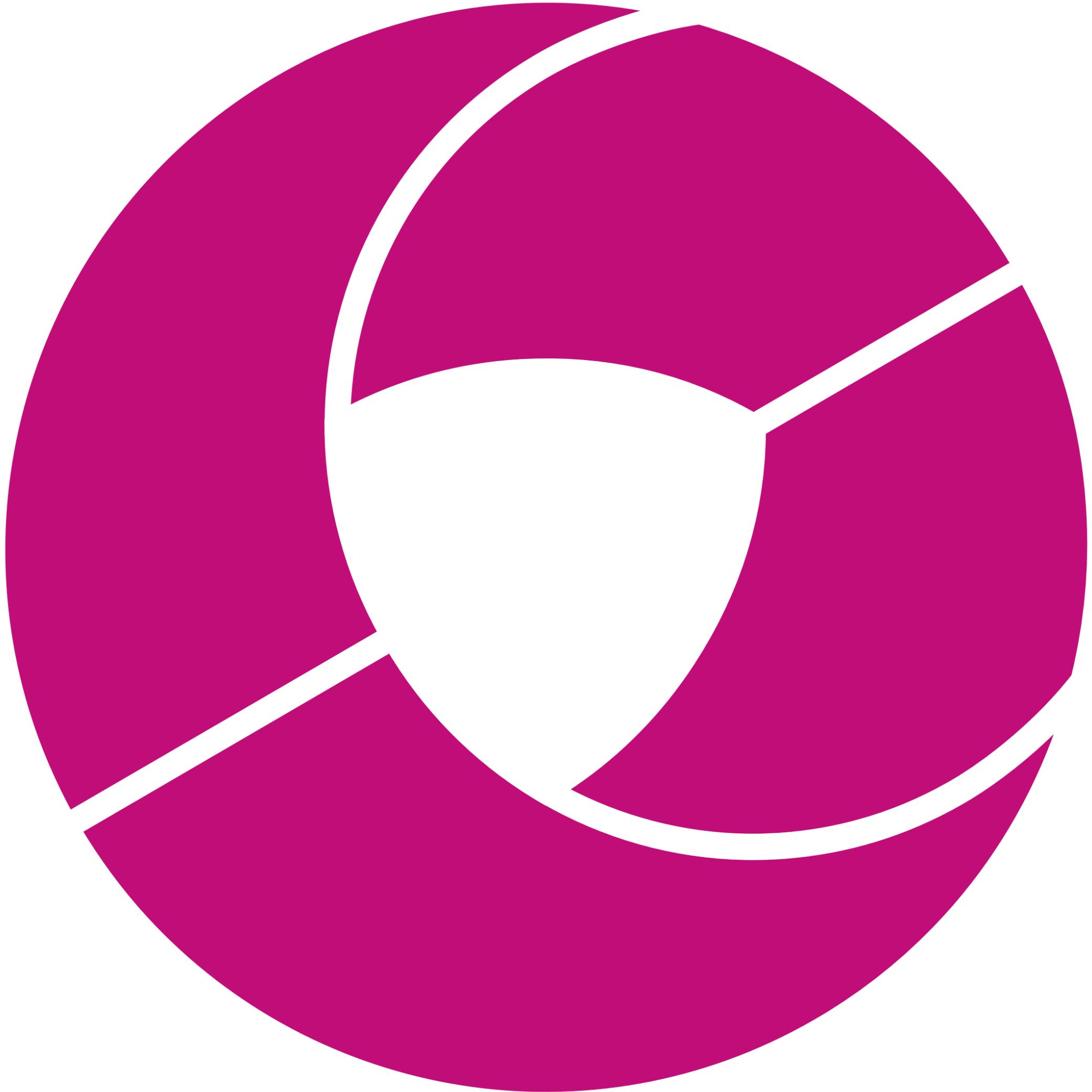
As of 31 December 2021, due to the implementation of IFRS 16, the Group now presents lease liabilities in separate lines in the Statement of Financial Position. Those leases that do not fall under the implementation

of the above standard are charged to the "Third party benefits" account in the Income Statement and mainly relate to leases of low-value items or leases of up to one year.

There was no contingent sublease income during fiscal year 2023. None of the Company's operating lease agreements contain an option to purchase or any other commitment.

#### **NOTE 30. SUBSEQUENT EVENTS**

There have been no events subsequent to the date of the Statement of Financial Position that affect the understanding of these financial statements that should either be disclosed or that would require disclosure or differentiate the line items in the financial statements.





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