

TenneT Holding B.V.

Half-year Report 2024





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Interim report

In our role as a Transmission System Operator (TSO) we design, build, maintain and operate over 25,000 kilometres of high-voltage electricity grid in the Netherlands and large parts of Germany and facilitate the European energy market through our 17 interconnectors to neighbouring countries. Bringing electricity to 43 million users, we are one of the largest investors in national and cross-border onshore and offshore electricity grids, with a turnover of EUR 4.1 billion and investments of EUR 4.6 billion in the first half of 2024 and total assets of EUR 49.5 billion as at 30 June 2024.

Introduction

In line with the European climate targets, TenneT strives to create a reliable carbon-neutral energy system by 2045. Just two decades away from this destination, it is clear that the route towards a prosperous decarbonised economy is not linear, nor clearly signposted. However, it is a journey TenneT is prepared for and, although there is a need for realism, we have concrete plans to achieve our vision for the energy system in 2045. Our Target Grid 2045 roadmap guides the path to the required grid expansion in Germany and the Netherlands. A clear focus on delivery and execution is key to ensuring our grid is ready in time to meet national and European climate goals.

Reliable, affordable and sustainable

Looking at 2024 and beyond, we are committed to provide an electricity system that balances reliability, affordability and sustainability. This requires leadership, a collaborative mindset and a consistent and long-term energy policy that enables the whole energy sector to transform and make the needed investments. Affordability, as part of the energy trilemma, is at the centre of the growing social and political debate around the energy transition. With Target Grid, we are taking a forward-looking, smart and pragmatic approach to grid expansion. This includes making smarter use of our existing assets, harnessing

the benefits of standardisation and economies of scale, as well as delivering more through partnerships and innovation. Ultimately, affordability remains key to maintaining social and political support for the energy transition.

Negotiations with KfW on full sale of TenneT Germany were terminated, TenneT investigates public and private capital markets

On 20 June, discussions concerning a full sale of TenneT Germany between TenneT Holding and Kreditanstalt für Wiederaufbau (KfW), acting on behalf of the Federal Government of Germany, were terminated. TenneT Holding is now exploring alternative funding solutions for its German activities, on the public and private capital markets. This development leads to a change in TenneT Holding's previously pursued direction on financing solutions, to fully divest TenneT Germany to KfW. The end of negotiations triggered a reconsideration of the disclosure and presentation policy of TenneT Germany as held for sale. For more information please refer to note 1 of the interim condensed consolidated financial statements.

In the meantime, TenneT and the Dutch state have agreed upon a EUR 25 billion shareholder loan facility to support the planned investments in the Netherlands and Germany for 2024 and

2025. We continue to move full speed ahead, building Target Grid and implementing our planned investments in both, the Netherlands and Germany. We facilitate the electrification of industry and other businesses, homes, hospitals and public transport. This expansion requires space, clear planning processes and commitment.

TenneT continues to move full speed ahead, building Target Grid and implementing our planned investments in both the Netherlands and Germany.

Strategic focus on increasing output, delivering for customers

As we are operating in the midst of delivering the grid to support a climate neutral economy, we are directly experiencing the reality of increasing grid congestion, the growing concerns about affordability and increasing political pushback. We see a rising urgency to get things done, but also a turbulent political environment and the need to deal with conflicting demands and interests. That is why, in the first half of 2024, we have sharpened our strategy with a clear focus: build the grid faster, utilise the grid better and deliver together for our customers. This strategy helps us to increase our output and deliver much-needed grid capacity for our customers with a keen and realistic eye on the affordability of the energy system.

Tackling grid congestion and boosting flexible grid solutions in the Netherlands

The electrification of society is rapidly accelerating, leading to a significant increase in requests from customers wishing to be connected to the grid. As these connections take time to realise, the increased demand is causing long waiting times, especially in our regional 110-150 kilovolts (kV) grids in the Netherlands. Unfortunately, this will remain a critical situation for the time being. Therefore, we are taking several measures to speed up building the grid and make better use of the already existing grid. One of these measures is the National Grid Congestion Action Plan (LAN), where grid operators and the government are working closely together to solve grid congestion through a combination of faster permitting and construction, better utilisation of existing infrastructure and by relying on external parties to make contracted flexibility available to others. For example, in April, the province of Utrecht, on behalf of the Energy Board and together with grid operator Stedin, announced a range of new grid-enhancing measures like grid-conscious charging of electric vehicles, grid-efficient installations in existing buildings and deployment of controllable power generation, all designed to boost network



capacity and use the grid more efficiently. Also, in Zeeland, we have found that additional grid capacity can be made available for customers on the waiting list through technical interventions and the deployment of flexible capacity, such as battery storage systems.

**Build the grid faster,
utilise the grid better and
deliver together for our
customers: no transition
without transmission.**



Key events first-half year 2024

Green light for grid operators' investment plans in Netherlands and Germany

In April, the Dutch grid operators published their investment plans. These give the regulator (ACM), the ministry, governments and market players more insight into their investments and projects for the next 10 years. TenneT expects to carry out around 700 major infrastructure projects. These include grid extensions, replacement investments, offshore wind farm connections and reconstruction projects.

In Germany, the four German grid operators, presented their Grid Development Plan (NEP) 2037/2045 (2023) to the Federal Network Agency (BNetzA). The current NEP contains scenarios for the years 2037 and 2045 and describes for the first time an electricity transmission grid for a climate-neutral energy system.

Construction starts for SuedLink and SuedOstLink in Germany

The long-distance high voltage direct current (HVDC) onshore connections, SuedLink and SuedOstLink, are two of the most important projects in the energy transition in Germany, carrying wind energy from the North Sea to users in the south. In February, a ground-breaking marked the start of construction for the SuedLink converter in Brunsbüttel. It will convert wind energy from alternating current (AC) into direct current (DC) so that it can be carried in bulk capacities of up to 2 gigawatt (GW) over 700 kilometres with low losses. In April, an important milestone was reached with the first planning approval decision for the Bavarian section of SuedOstLink. This HVDC connection enables the transmission of renewable energies from the north and east to the south of Germany and thus makes an important contribution to security of supply and CO₂ reduction in Bavaria.

Start of cable production for 2GW projects BalWin4 and LanWin1

TenneT took an important step in offshore grid expansion with the start of production of cables for two of the new 2 GW offshore connections, BalWin4 and LanWin1. The new 525 kV cables raise the transmission capacity for offshore wind energy to a new voltage level. They make it possible to transmit 2 GW of direct current over long distances with low losses.

Jacket installed for Hollandse Kust (west Beta) windfarm

The jacket for the Hollandse Kust (west Beta) transformer platform was successfully placed in May 2024. This jacket was installed on the seabed off the North Holland coast. The top-side will be installed next year. The connection will serve the wind farm that RWE/OranjeWind will build in the coming years. Once this connection is complete, TenneT will bring the renewable energy generated via a 700 MW grid connection to shore at Velsen. This will provide approximately 3.3 terawatt hours (TWh) of sustainable electricity, which corresponds to the annual consumption of approximately 1 million households.

Hydrogen drilling for high voltage cable

TenneT together with one of its contract partners announced an innovative solution for making construction projects more sustainable, especially in areas facing nitrogen reduction challenges. A new pilot project has used green hydrogen to power drilling during the installation of a new high voltage line between the Woensdrecht power station and Bergen op Zoom.

Launch of 'The National Energy Dashboard'

In March, together with Gasunie, TenneT launched the National Energy Dashboard. The dashboard provides insights and data on energy generation, energy use and CO₂ emissions in the Netherlands and is free for everyone to use. The launch of the

National Energy Dashboard is an important step towards a more sustainable energy future, as data plays a key role in making smarter use of energy. In Germany, a similar dashboard has been developed; the CO₂ Monitor.

Safety and people

Safety and people remain at the forefront of TenneT's priorities. Nevertheless, TenneT's Total Recordable Injury Rate (TRIR) is above target level. The company continues to work diligently to perform better and to achieve its our zero harm ambition.

Although the labour market remains challenging, we are on track to meet this year's growth target with a net growth of nearly 600 FTE in the first half-year of 2024.

Dual tranche green hybrid bond

In March, TenneT successfully issued a dual tranche green hybrid bond of EUR 550 million with a coupon of 4.625% and a non-call period of 5.25 years and EUR 550 million with a coupon of 4.875% and a non-call period of eight years, respectively. In line with TenneT's Green Financing Framework, proceeds will be used to invest in eligible green power transmission projects in the Netherlands and Germany. These are focused on projects connecting large-scale offshore wind farms to the onshore electricity grid and investments in the onshore transmission grid with the main objective to increase the transmission of renewable energy.

**EEG funding for the EEG payout of TenneT secured**

The public agreement concluded with the German government on EEG (German Renewable Energies Act or Erneuerbare Energien-Gesetz) financing stipulates that the costs of EEG payments are to be financed in full by the federal government respectively the BMWK (Federal Ministry for Economic Affairs and Climate Action or Bundesministerium für Wirtschaft und Klimaschutz), with the TSOs acting on behalf of the German Federal government. Sufficient liquidity in the EEG account is provided for this purpose by the German government. As energy prices and futures have substantially decreased since Q4 2023, an additional EEG funding need compared to the formerly estimated EUR 10.6 billion across all German TSOs arose. In order to find a sustainable solution and avoiding the (further pre-)financing of the EEG contributions, TenneT as well as the other German TSO held constructive talks with the German government which notified the household committee on 24 June that an additional EUR 8.8 billion will be provided later in 2024 to close the EEG funding gap. As a result, TenneT does not expect any significant shortfall in EEG funding in the current year anymore.

Reappointment Maarten Abbenhuis

The Supervisory Board and Executive Board are pleased to announce the reappointment by the Shareholder of Maarten Abbenhuis as statutory director of TenneT Holding B.V. for a second four-year term, from 1 January 2025 – 31 December 2028.

Key underlying figures¹

Based on underlying financial information (EUR million)	First half of 2024	First half of 2023
Underlying revenue	4,050	4,794
Underlying EBIT	1,002	930
Investments	4,591	3,475

Based on underlying financial information (EUR million)	30 June 2024	31 December 2023
Underlying assets	49,489	44,746
Net debt	24,557	20,899
Underlying equity	12,070	10,186

Underlying revenue and EBIT

Underlying revenue in the first half-year of 2024 decreased by EUR 744 million to EUR 4,050 million (H1 2023: EUR 4,794 million) year-on-year.

Included in our underlying revenue is a reimbursement of costs made for ancillary services. In the first half-year of 2024, the overall costs for ancillary services such as redispatch, grid losses, reserve power plants and control power decreased, resulting in lower underlying revenue. Furthermore, revenue decreased due to lower regulatory rates for return on equity in Germany. This decrease is partly offset by an increase of revenue due to increasing ongoing investments, resulting in a growing regulatory asset base and higher onshore and offshore revenue.

The decrease of ancillary services costs is mainly caused by decreased energy prices, in combination with lower grid losses. Lower volumes further contributed to the fall in ancillary services costs, compared to the first half-year of 2023.

In the first half-year of 2024 underlying EBIT increased by EUR 72 million to EUR 1,002 million. The increase of EBIT

is mainly caused by an increase in revenue, thanks to the larger asset base resulting from TenneT's growing investments. The increase is offset by lower regulatory rates for return on equity in Germany and decreased results of our non-regulated joint venture due to lower auction receipts. Furthermore, EBIT decreased due to increased depreciation expenses. For the TSO Netherlands segment EBIT amounted to EUR 326 million (H1 2023: EUR 274 million) and for the TSO Germany segment to EUR 662 million (H1 2023: EUR 562 million) during this period. For our non-regulated businesses EBIT amounted to EUR 14 million (H1 2023: EUR 94 million) during the first half-year of 2024.

Investments

During the first half-year of 2024 TenneT continued its strong efforts to drive the energy transition, investing EUR 4,591 million in the grid (first half-year 2023: EUR 3,475 million). The increase compared to the first half-year of 2023 is mainly related to increased investments in our 2GW offshore Program and several onshore projects where milestones on progress have been met. We have planned to invest at least EUR 10 billion per year and are on track to meet this target.

IFRS results

Underlying financial information is based on International Financial Reporting Standards as adopted by the European Union (IFRS) plus the principle of recognising regulatory assets and liabilities for all of our regulated activities. This implies that amounts resulting from past events, and which are allowed to be received or are required to be returned through future tariffs are recorded as an asset or liability, respectively. TenneT's Executive Board holds the view that the presentation of underlying financial information provides additional relevant insight into TenneT's actual business, financial performance and, as such, the prevailing economic reality. By comparison, the consolidated financial statements are prepared based on IFRS. Based on

existing opinion on IFRS it is not allowed to recognise amounts to be received or required to be returned through future tariffs.

IFRS revenue

During the first half-year of 2024, our IFRS revenue decreased by EUR 646 million to EUR 4,629 million. IFRS revenue mainly decreased in Germany due to lower regulatory rates for return on equity and lower reimbursement of expected costs for ancillary services. This revenue decreased as they are based on the in 2023 expected lower costs in 2024 for ancillary services. Furthermore, revenue decreased in Germany compared to 2023, due to an adjustment amounting to EUR 426 million as a result of reassessed underlying estimation assumptions for grid related accruals. The decreased IFRS revenue is partly offset by higher onshore and offshore revenue in Germany, and the Netherlands due to a higher regulatory asset base as a result of our growing investments. In addition, IFRS revenue increased in the Netherlands due to higher grid fee tariffs that included the reimbursement of the higher ancillary services costs of earlier years. Contrary to underlying accounting, the IFRS result reflected in these years only our higher costs, but did not account for the future reimbursements of these costs.

IFRS EBIT

IFRS EBIT increased by EUR 316 million to EUR 1,558 million mainly due to decreased actual costs for ancillary services, partly offset by the decreased revenue, decreased result of our non-regulated joint venture BritNed and increased depreciation and amortisation, compared to H1 2023.

¹ Reference is made to note 2 for the reconciliation between underlying financial information and IFRS financial measures.



Risk management update

As per 30 June 2024 we concluded that our overall risk position has not changed significantly, compared to the risks presented in the Integrated Annual Report 2023 (pages 102 -110).

With the geopolitical tensions on the European continent and outside, the risk remains that a situation could become quickly more volatile. TenneT closely monitors the developments, in particular related to the energy markets and the potential impact on our key suppliers. At this moment there is no indication that would warrant towards an increased risk assessment and a balance has been found how to operate in these market conditions.

Challenges

Customer Connection & Capacity

The number of applications by customers to be connected to our grid has increased significantly over the years. This has resulted in a portfolio growth from 45 requests five years ago, to over 700 requests as of today for the Netherlands and 200 requests for Germany. This significant increase in demand has increased the risk that not all customers (industry, small to large businesses or households) could be connected in a timely manner. A 'Customer Connections & Capacity' team has been established to connect our customers faster. This team has a clear focus and mandate to change priorities and smartly allocate resources, while using standardisation as much as possible.

New Dutch cabinet in office

As of 2 July 2024 a new Dutch cabinet is installed. Together with a broad civil society coalition ('Maatschappelijke Alliantie'), we call on national politics to ensure energy and climate policy will contribute to meeting the climate goals and resulting in stable and predictable policies for citizens, employees and companies. In the so-called Outline Agreement of the new Dutch

government, five points of critical importance to TenneT and society are identified:

- Making timely choices on the locations of new nuclear power plants,
- Making timely decisions about the locations of new offshore wind farms following the existing roadmap,
- Continuation of the current tariff system, based on the user-pays principle, which has proven its worth and - as far as TenneT is concerned - should continue to be the basis for financing electricity infrastructure in the future.
- Guidance from central government on the queue for grid connections (congestion), and
- TenneT recommends referring in the Coalition Programme to an implementation plan to be drawn up by the Ministry of Climate Policy and Green Growth to ensure security of supply beyond 2030, was proposed in the latest Monitor Security of Supply.

Statement of responsibility

We confirm that, to the best of our knowledge and belief, the interim condensed consolidated financial statements, which were prepared in accordance with IAS 34, Interim Financial Reporting as adopted by the European Union, give a true and fair view of TenneT's financial position including assets, liabilities and equity, financial performance, cash flows and the entities included in the consolidation as a whole for the six-month period ended 30 June 2024. We also confirm that the interim report includes a fair review of the development and performance of the business and the position of TenneT, as well as a description of the most significant risks and uncertainties we face in the foreseeable future.

Arnhem, 19 July 2024

Executive Board TenneT Holding B.V.

M.J.J. van Beek, Chief Executive Officer
 A.C.H. Freitag, Chief Financial Officer
 T.C. Meyerjürgens, Chief Operating Officer
 M.C. Abbenhuis, Chief Operating Officer

Interim condensed consolidated financial statements

Interim condensed consolidated statement of financial position¹

(EUR million)	Notes	30 June 2024	31 December 2023
Assets			
Non-current assets			
Tangible fixed assets	4	37,623	11,764
Right of use assets		1,019	105
Intangible assets		404	254
Investments in associates and joint ventures	5	612	243
Deferred tax assets	6	679	580
Other financial assets		46	24
Total non-current assets		40,383	12,970
Current assets			
Account- and other receivables	7	3,872	452
Other assets		218	15
Cash and cash equivalents	8	2,220	673
Total current assets		6,310	1,140
Assets held for sale	1	21	27,613
Total assets		46,714	41,723

(EUR million)	Notes	30 June 2024	31 December 2023
Equity and liabilities			
Equity			
Equity attributable to ordinary shares	9	7,831	5,516
Hybrid securities	9	2,126	2,125
Equity attributable to owners of the company		9,957	7,641
Non-controlling interests	10	336	400
Total equity		10,293	8,041
Non-current liabilities			
Borrowings	11	25,353	18,871
Provisions	12	1,826	490
Net employee defined benefit liabilities		213	-
Contract liabilities		653	530
Deferred tax liability	6	3	1
Other financial liabilities	13	175	-
Lease liabilities		822	90
Other liabilities		40	10
Total non-current liabilities		29,085	19,992
Current liabilities			
Borrowings	11	875	3,640
Provisions	12	400	54
Contract liabilities		14	12
Income tax payable		130	72
Other financial liabilities	13	342	1,975
Lease liabilities		194	16
Account- and other payables	14	5,366	640
Total current liabilities		7,321	6,409
Liabilities directly associated with the assets held for sale	1	15	7,281
Total equity and liabilities		46,714	41,723

¹ TenneT classified TenneT Germany as held for sale per 31 December 2023. This classification has been ceased as at 30 June 2024. To clarify its impact on the movements, reference is made to the balance sheet of TenneT Germany in note 1.

Interim condensed consolidated statement of income

For the six-month period ended 30 June

(EUR million)	Notes	2024	2023
Revenue	3	4,629	5,275
Grid expenses	3	-2,010	-3,142
Depreciation and amortisation of assets	3	-715	-655
Other gains/(losses) - netted	3	4	-10
Other expenses	3	-375	-331
Total operating expenses		-3,096	-4,138
Share in result of joint ventures and associates		25	105
Operating result	3	1,558	1,242
Finance result	3	-314	-213
Result before income tax		1,244	1,029
Income tax expense		-343	-285
Result for the year		901	744
Result attributable to:			
Equity holders of ordinary shares	9	849	701
Hybrid securities	9	40	28
Owners of the company		889	729
Non-controlling interests	10	12	15
Result for the period		901	744
Basic and diluted earnings per share (EUR)		4,245	3,505

Interim condensed consolidated statement of comprehensive income

For the six-month period ended 30 June

(EUR million)	Notes	2024	2023
Result for the period		901	744
Items not to be reclassified to profit or loss in subsequent periods:			
Re-measurement of defined benefit pensions	9	16	-9
Taxation	9	-5	3
Total other comprehensive income for the period		11	-6
Total comprehensive income for the period (net of tax)		912	738
Comprehensive income attributable to:			
Equity holders of ordinary shares		860	695
Hybrid securities		40	28
Owners of the company		900	723
Non-controlling interests	10	12	15
Total comprehensive income for the period (net of tax)		912	738

Interim condensed consolidated statement of changes in equity

For the six-month period ended 30 June

(EUR million)	Notes	Attributable to equity holders of the company						Equity attributable to owners of the company	Non-controlling interest	Total equity
		Paid-up and called-up capital	Share premium reserve	Retained earnings	Unappropriated result	Equity attributable to ordinary shares	Hybrid securities			
Balance at 31 December 2022		100	3,020	2,980	-967	5,133	2,125	7,258	455	7,713
Total comprehensive income		-	-	-6	701	695	28	723	15	738
Capital repayment	9	-	-	-	-	-	-	-	-99	-99
Dividends paid	9	-	-	-	-207	-207	-	-207	-17	-224
Distribution on hybrid securities	9	-	-	-	-	-	-33	-33	-	-33
Tax on distribution on hybrid securities	9	-	-	8	-	8	-	8	-	8
Appropriation remaining prior year result		-	-	-1,174	1,174	-	-	-	-	-
Balance at 30 June 2023		100	3,020	1,808	701	5,629	2,120	7,749	354	8,103
Balance at 31 December 2023		100	3,020	1,801	595	5,516	2,125	7,641	400	8,041
Total comprehensive income		-	-	11	849	860	40	900	12	912
Capital contribution	9	-	1,602	-	-	1,602	-	1,602	-	1,602
Capital repayment	10	-	-	-	-	-	-1,100	-1,100	-76	-1,176
Dividends paid	9;10	-	-	-	-150	-150	-	-150	-	-150
Issue of hybrid securities	9	-	-	-7	-	-7	1,100	1,093	-	1,093
Distribution on hybrid securities	9	-	-	-	-	-	-39	-39	-	-39
Tax on distribution on hybrid securities	9	-	-	10	-	10	-	10	-	10
Appropriation remaining prior year result		-	-	445	-445	-	-	-	-	-
Balance at 30 June 2024		100	4,622	2,260	849	7,831	2,126	9,957	336	10,293

Interim condensed consolidated statement of cash flows

For the six-month period ended 30 June

(EUR million)	Notes	2024	2023
Operational activities			
Operating result for the period	3	1,558	1,242
<i>Non-cash adjustments to reconcile result to net cash flows:</i>			
Depreciation, amortisation and impairment of assets		718	655
Share in result of joint ventures and associates		-25	-105
Dividends received from joint ventures and associates		40	60
Movements in other items		16	36
		749	646
Working capital adjustments excluding EEG working capital		526	-13
Income tax paid		-189	-55
Net cash flows from operating activities excluding EEG working capital		2,644	1,820
EEG working capital adjustments	7; 14	64	-1,132
Net cash flows from operating activities		2,708	688
Investing activities			
Purchase of tangible and intangible fixed assets		-4,616	-3,364
Proceeds from sale of tangible and intangible fixed assets		4	3
Interest received		22	20
Capital contribution to joint ventures and associates		-	-
Net cash flows used in investing activities		-4,590	-3,341

(EUR million)	Notes	2024	2023
Financing activities			
Proceeds from borrowings		7,525	370
Repayment of borrowings		-3,815	-525
Repayment of hybrid securities	9	-1,100	-
Proceeds from hybrid securities	9	1,093	-
Interest paid		-278	-200
Payment of lease liabilities		-114	-82
Dividends paid to ordinary shareholder of the company	9	-150	-207
Repayment of financial liability	13	-	-18
Distribution on hybrid securities	9	-39	-33
Contribution by ordinary shareholder of the company	13	-	1,602
Dividends paid and capital repayments to non-controlling interests	10	-76	-116
Net cash flows from financing activities		3,046	791
Net change in cash and cash equivalents		1,164	-1,862
Cash and cash equivalents at 30 June		2,220	4,685
Cash and cash equivalents at 1 January		1,056	6,547
		1,164	-1,862



Notes to the interim condensed consolidated financial statements

1. Basis for reporting

General

TenneT Holding B.V. and its subsidiaries are a leading electricity transmission system operator with activities in the Netherlands and large parts of Germany. In the Netherlands, TenneT's activities are conducted by TenneT TSO B.V. and its subsidiaries. In Germany, TenneT's work is performed by TenneT GmbH & Co. KG, its subsidiaries and joint ventures.

The Dutch State owns the entire issued share capital of TenneT Holding B.V. Furthermore, TenneT Holding B.V. has issued hybrid securities which are subordinated and accounted for as part of equity attributable to equity holders of the company. The registered office of TenneT Holding B.V. is located at Utrechtseweg 310, Arnhem, the Netherlands, with its statutory seat in Arnhem and a registration with the Dutch Commercial Register under number 09083317.

The interim condensed consolidated financial statements of TenneT Holding B.V. and its subsidiaries (hereafter referred to as 'TenneT', 'the company' or 'the Group') for the six-month period ended 30 June 2024 were prepared by the Executive Board and authorised for issuance in accordance with an Executive Board resolution on 19 July 2024. These interim condensed consolidated financial statements, including the notes, were reviewed by Deloitte Accountants B.V. and have not been audited.

Basis for preparation

The interim condensed consolidated financial statements for the six-month period ended 30 June 2024 have been prepared in accordance with IAS 34 Interim Financial Reporting as adopted by the European Union. These do not contain all information and disclosures required in the annual financial statements and should be read in conjunction with the Group's financial statements as at 31 December 2023, published on 11 March 2024.

The accounting policies adopted in the preparation of the interim condensed consolidated financial statements are consistent with those followed in the preparation of the Group's annual consolidated financial statements for the year ended 31 December 2023.

The interim condensed consolidated financial statements are presented in euros and all values are rounded to the nearest million, except when indicated otherwise. TenneT's operations are not materially affected by seasonal influences.

Changes in accounting estimates

Grid related accruals recognised in prior periods and its underlying estimation assumptions, are reassessed on a regular basis. During the first half-year of 2024, this reassessment resulted in updated figures caused by better available information, and as a result the accrual could be estimated more reliable. The impact of the prospectively recognised adjustment amounts to EUR 426 million, resulting in decreased revenue and accounts receivables and other receivables.

Annually, the Group reassesses its estimate for the useful lives of tangible fixed assets. Based on that review, the Group concluded that the useful lives of several onshore assets should be extended prospectively as per 1 January 2024. The decreased depreciation is about EUR 40-50 million on an annual basis, impacting both the Dutch operations (EUR 20-25 million) as well as the German operations (EUR 20-25 million).

The Group has reassessed its assumptions of the decommissioning provision and corresponding asset retirement cost per 30 June 2024. Based on that review, the Group concluded that based on new information, amongst others, the applied risk percentage should be updated. The risk percentage is changed as new information was obtained to determine a percentage in a range. The updated assumptions resulted in an increased decommissioning provision and corresponding asset retirement cost per 30 June 2024 amounting to EUR 76 million. The impact on revenue for the sixth-month period ended 30 June 2024 is an increase of EUR 51 million.

Changes in EU-endorsed published IFRS standards and interpretations effective in 2024

Material new and amended standards adopted by the Group

- Amendments to IAS 1 Presentation of Financial Statements
- Amendments to IFRS 16 Leases
- Amendments to IAS 7 Statement of Cash Flows and IFRS 7 Financial Instruments: Disclosure

TenneT has not early adopted any standard, interpretation or amendment that has been issued but is not yet effective.

IFRS standards issued but not yet effective and adopted by the Group

- Amendments to IAS 21 The effect of changes in foreign exchange rates
- Amendments to IFRS 9 Financial Instruments and IFRS 7 Financial Instruments: Disclosure
- IFRS 18 Presentation and Disclosure in Financial Instruments
- IFRS 19 Subsidiaries without Public Accountability: Disclosures

It is anticipated that any issued changes to IFRS standards that are not yet effective and adopted by TenneT will not have a material impact.

Assets held for sale

TenneT Germany

In February 2023, TenneT started to explore the potential sale of German activities to the German state. Over the past year, discussions took place between TenneT and KfW, acting on behalf of the German state, with close involvement of the German state and the Dutch state as TenneT's sole shareholder. As announced on 20 June 2024, the negotiations with KfW have been terminated due to budget challenges of the Federal Government of Germany.

Due to these circumstances, TenneT considers that it is no longer highly probable that a transaction will be concluded by year-end 2024. In the interim condensed consolidated financial statements the IFRS 5 'Non current assets held for sale and discontinued operations' standard is not applied, which implies that the German activities are presented as continued operations for the time being. No longer classifying the German activities as held for sale has an impact on the June 2024 figures. The major classes of assets and liabilities of TenneT Germany, classified as held for sale at 31 December 2023, are included below to clarify what portion of the movements compared to the December 2023 figures are the result of the changed classification. In addition, the depreciation that would have been recognised had the German activities not been classified as held for sale, amounting to EUR 516 million, are recorded in the current period. There is no effect on the result of last year.

<i>(EUR million)</i>	Notes	31 December 2023
Assets		
Tangible fixed assets	4	21,880
Right of use assets		872
Intangible assets		119
Investments in joint ventures	5	384
Investments in associates	5	1
Deferred tax assets	6	272
Other financial assets		18
Inventories		138
Account- and other receivables	7	3,489
Income tax receivable		38
Cash and cash equivalents	8	383
Assets held for sale		27,594
Liabilities		
Deferred tax liabilities	6	2
Provisions (including net employee defined benefit obligation)		1,510
Lease liabilities		862
Contract liabilities		85
Other liabilities		27
Other financial liabilities		169
Income tax payable		81
Account- and other payables	9	4,532
Liabilities held for sale		7,268
Net assets directly associated with disposal group		20,326

NOVEC B.V.

NOVEC B.V. is a 100% subsidiary of TenneT Holding B.V. The activities of NOVEC are part of the segment non-regulated activities. Following a strategic review, considering TenneT's focus on the energy transition, it was concluded that TenneT Holding B.V. no longer needs to remain shareholder of NOVEC. On 5 June 2024, KPN and ABP announced that they signed an agreement to create a new company. The company will hold the passive mobile infrastructure assets of KPN, as well as those of NOVEC and OTC, with TenneT selling its stake in NOVEC as part of this transaction. The transaction is subject to approval by the works council and the Dutch competition regulator. The expected date of completion is year-end 2024.

Total assets held for sale relating to NOVEC B.V. amounts to EUR 21 million (31 December 2023: EUR 19 million) and the liabilities held for sale amounts to EUR 15 million (31 December 2023: EUR 13 million).

2. Segment information

This section sets out the financial performance for the year in accordance with the way in which TenneT manage its business (operating segments). TenneT measures and assesses its performance based on underlying financial information, which is explained further below.

TenneT generates substantially all of its revenue from its regulated operating segments in the Netherlands and Germany. Therefore, close collaboration with TenneT's respective regulators to obtain regulations and agreements that provide reasonable compensation for the risks it faces, is key to TenneT. TenneT's involvement in certain limited non-regulated activities is closely related and ancillary to its core tasks.

Segment analysis

TenneT's operating segments consist of:

- TSO Netherlands
- TSO Germany
- Non-regulated activities (partly part of held for sale).

For management information purposes, the performance of TenneT's regulated activities in the Netherlands and in Germany is considered separately into two geographical segments. This segmentation, based on separately applicable regulatory frameworks, is the key determinant for financial management of the business and for decision-making on budgets, allocation of resources and financing.

Financing activities (including finance income and expenses) are managed on a Group basis and amounts related thereto are not allocated to the segments. Transfer prices between the Netherlands and Germany are set at arm's length in a manner similar to transactions with third parties. These intercompany transactions are eliminated in consolidation.

TenneT's Executive Board is the chief operating decision-making body of the company (as defined by IFRS 8 'Operating segments'). Periodically, it monitors the performance of the respective operating segments for the purpose of performance management and decision making about resource allocation. The segment performance is based on underlying financial information, where EBIT and investments are key metrics. At group level FFO/net debt and return on invested capital are key metrics. The definition of EBIT equals operating result. Performance of non-regulated activities is evaluated based on EBIT and return on capital of these activities.

Underlying financial information is based on the principle of recognising regulatory assets and liabilities for all of TenneT's regulated activities. This implies that amounts resulting from past events and which are allowed to be received or are required to be returned through future tariffs are recorded as an asset or liability, respectively. TenneT's Executive Board believes that the presentation of underlying financial information provides additional relevant insight in the actual business, financial performance, and as such economic reality. The underlying segment information is as follows:

<i>(EUR million)</i>	30 June 2024			31 December 2023		30 June 2023
	Underlying Assets	Underlying Liabilities	Investments	Underlying Assets	Underlying Liabilities	Investments
TSO Netherlands	16,779	10,120	1,614	15,586	9,020	1,650
TSO Germany	31,906	26,611	2,975	-	-	1,825
Non-regulated companies	1,162	678	2	629	1,837	-
Total continued segments underlying	49,847	37,409	4,591	16,215	10,857	3,475
TSO Germany (held for sale)	-	-	-	28,830	23,786	-
NOVEC B.V. (held for sale)	117	18	-	110	16	-
Total segments underlying	49,964	37,427	4,591	45,155	34,659	3,475
Eliminations and adjustments	-475	-8	-	-409	-99	-
Consolidated underlying information	49,489	37,419	4,591	44,746	34,560	3,475

IFRS investments are equal to underlying investments.

(EUR million)	30 June 2024		31 December 2023	
	IFRS Assets	IFRS Liabilities	IFRS Assets	IFRS Liabilities
TSO Netherlands	14,990	9,490	13,563	8,479
TSO Germany	30,920	26,243	-	-
Non-regulated companies	1,162	678	629	1,837
Total continued segments IFRS	47,072	36,411	14,192	10,316
TSO Germany (held for sale)	-	-	27,831	23,450
NOVEC B.V. (held for sale)	117	18	110	16
Total segments IFRS	47,189	36,429	42,133	33,782
Eliminations and adjustments	-475	-8	-410	-100
Consolidated IFRS information	46,714	36,421	41,723	33,682

Based on underlying information (EUR million)	2024	2023
Net debt		
+ Long-term borrowings	25,353	18,871
+ Short-term borrowings	875	3,640
- Cash and cash equivalents at free disposal (note 8)	-831	-300
- To be settled in tariffs	-3,132	-3,565
Lease liabilities	1,016	974
Net employee defined benefit liabilities	213	217
50% Hybrid loan	1,063	1,062
Net debt	24,557	20,899

Regulatory deferral accounts: reconciliation to IFRS figures

The difference between underlying financial information - as presented in the segment information and board report - and IFRS reported figures is related to the recognition of regulated assets and liabilities, auction receipts and the measurement of tangible fixed assets. In the IFRS financial statements, revenue from contracts with customers is recognised when control of the goods or services is transferred to the customer at an amount that reflects the consideration to which the Group expects to be entitled in exchange for those goods or services. In the underlying financial information revenue is recognised according to permissible tariff decision adopted by the regulator.

By doing so, volume and post calculation differences are directly matched to the related costs and revenue through regulatory deferral accounts and therefore provide additional relevant insight to manage TenneT's business.

These differences also result in different deferred tax balances in underlying financial information compared to IFRS reported figures. No other differences between underlying financial information and IFRS exist. The reconciliation of the underlying information to the reported IFRS figures is as follows:

(EUR million)	First half of 2024					
	TSO NL	TSO Germany	Non-regulated	Total segments	Eliminations	Total
Connection and transmission services	882	1,904	-	2,786	-	2,786
Maintaining the energy balance	56	152	-	208	-	208
Operation of energy exchanges	1	-	-	1	-	1
Offshore (balancing)	284	706	-	990	-	990
Other	21	23	21	65	-	65
Inter-segment	14	15	2	31	-31	-
Total underlying revenue	1,258	2,800	23	4,081	-31	4,050
Grid expenses	-525	-1,456	-	-1,981	4	-1,977
Other operating expenses	-407	-691	-25	-1,123	27	-1,096
Share in result of joint ventures and associates	-	9	16	25	-	25
Underlying operating result	326	662	14	1,002	-	1,002
Revenue adjustment to IFRS	489	90	-	579	-	579
Cost adjustment to IFRS	3	-26	-	-23	-	-23
IFRS operating result	818	726	14	1,558	-	1,558
Finance result						-314
Result before income tax						1,244
Income tax expense						-343
Result for the period						901

(EUR million)	First half of 2023					
	TSO NL	TSO Germany	Non-regulated	Total segments	Eliminations	Total
Connection and transmission services	1,102	2,450	-	3,552	-	3,552
Maintaining the energy balance	80	204	-	284	-	284
Operation of energy exchanges	1	-	-	1	-	1
Offshore (balancing)	203	678	-	881	-	881
Other	22	31	23	76	-	76
Inter-segment	15	8	2	25	-25	-
Total underlying revenue	1,423	3,371	25	4,819	-25	4,794
Grid expenses	-784	-2,180	-	-2,964	1	-2,963
Other operating expenses	-366	-638	-26	-1,030	24	-1,006
Share in result of joint ventures and associates	1	9	95	105	-	105
Underlying operating result	274	562	94	930	-	930
Revenue adjustment to IFRS	-295	776	-	481	-	481
Cost adjustment to IFRS	4	-173	-	-169	-	-169
IFRS operating result	-17	1,165	94	1,242	-	1,242
Finance result						-213
Result before income tax						1,029
Income tax expense						-285
Result for the period						744

To be settled in tariffs

Revenue surpluses and deficits resulting from variances related to actual costs or transmission volumes (ex post) and estimates used to set tariffs (ex-ante) are incorporated in the tariffs of subsequent years in both Germany and the Netherlands. In underlying financial information, these surpluses and deficits are recorded as assets and liabilities, respectively, under 'to be settled in tariffs'. The expenses related to these items have to be settled in future tariffs in the coming years.

Auction receipts & investment contributions

Auction receipts result from auctioning the available electricity transmission capacity on cross-border interconnections. These receipts are not at TenneT's free disposal. In accordance with Regulation (EU) 2019/943, auction receipts shall be used to fulfil the following priority objectives:

1. guaranteeing the actual availability of the allocated capacity including firmness compensation; or
2. maintaining or increasing cross-zonal capacities through optimisation of the usage of existing inter-connectors by means of coordinated remedial actions, where applicable, or covering costs resulting from network investments that are relevant to reduce inter-connector congestion.

In Germany, auction receipts are recognised as interest-free capital on investments and are released over 20 years. The reversal amounts are applied in the revenue cap of the TenneT TSO GmbH ('TTG') with t-2 offset. Thus, the reversal amount offsets the depreciation of the investments. When these priority objectives have been adequately fulfilled, auction receipts may be used as income to be taken into account by the regulatory authorities when approving the methodology for calculating network tariffs or fixing network tariffs, or both.

Maintaining the energy balance

As system manager of the high-voltage grid in the Netherlands, TenneT receives funds for performing certain statutory duties, such as the maintenance of the energy balance. The proceeds from these activities (i.e., imbalance settlements) may only be used after approval by the ACM. Imbalance settlements collected during the year are to be offset in transmission tariffs in the subsequent year. Consequently, these amounts are recorded as a liability and released in the subsequent year in the underlying financial information.

As the balancing group coordinator, TTG is responsible for balancing the balancing groups in terms of energy. TenneT balances surplus or shortfall balancing groups by means of control energy and bill the balancing group managers for the resulting costs. For this billing of balance imbalances, the so-called 'Uniform balancing energy price across control zones' (reBAP) is used. As a result, TTG receives higher payments from the balancing group managers than TTG pays to the power plant operators. The resulting additional revenue from the balancing energy billing system is to be deducted from the grid charges. Analogously, revenue shortages will increase future grid fees.

Depreciation and amortisation of assets

Differences in depreciation and amortisation of assets occur due to the difference in accounting treatment of the regulatory deferral accounts and the related cash flows in order to determine the economic useful life and recoverable amount of the assets resulting from acquisitions and used for impairment analysis. Between Underlying and IFRS there is no difference in depreciation method, but the amount of depreciation differs due to an impairment under IFRS of the NorNed cable in 2015 of EUR 232 million which is not recognised under Underlying.

3. Results for the period

Revenue from connection and transmission services is regulated in Germany and the Netherlands. It includes revenue from services provided to regional grid operators and industrial customers. During the first half-year of 2024, our revenue decreased by EUR 646 million to EUR 4,629 million. Revenue mainly decreased in Germany due to lower regulatory rates for return on equity and lower reimbursement of expected costs for ancillary services. This revenue decreased as they are based on the in 2023 expected lower costs in 2024 for ancillary services. Furthermore, revenue decreased in Germany compared to 2023, due to an adjustment amounting to EUR 426 million as a result of reassessed underlying estimation assumptions for grid related accruals. The decreased revenue is partly offset by higher onshore and offshore revenue in Germany, and the Netherlands due to a higher regulatory asset base as a result of our growing investments. In addition, revenue increased in the Netherlands due to higher grid fee tariffs that included the reimbursement of the higher ancillary services costs of earlier years. Contrary to underlying accounting, the IFRS result reflected in these years only our higher costs, but did not account for the future reimbursements of these costs.

(EUR million)	2024	2023
System services	1,027	1,797
Connection and transmission services	565	700
Maintaining the energy balance	208	285
Other	-11	12
Total ancillary services	1,789	2,794
Maintaining and operating transmission grids	221	348
Total IFRS grid expenses	2,010	3,142

Depreciation and amortisation of assets increased compared to the first half-year from EUR 655 million (2023) to EUR 715 million (2024) due to an increase of TenneT's asset base.

Finance expenses increased, thanks to the larger borrowings per 30 June 2024 compared to 31 December 2023, causing an increased finance result.

EBIT increased by EUR 316 million to EUR 1,558 million mainly due to decreased actual costs for ancillary services, partly offset by the decreased revenue, decreased result of our non-regulated joint venture BritNed and increased depreciation and amortisation, compared to H1 2023.

New regulation period in Germany

The 4th regulatory period (RP) in Germany begins on 1 January 2024 and will last until 31 December 2028. The revenue cap (EOG) onshore is determined on the assessed cost base of the Photo-year 2021, which were agreed by the BNetzA last year. BNetzA has determined an efficiency score of 100% for TenneT.

4. Tangible fixed assets and related commitments

Tangible fixed assets increased by EUR 25,859 million to EUR 37,623 million (31 December 2023: EUR 11,764 million). Below a movement schedule is included that discloses the significant movements in the tangible fixed assets.

(EUR million)	2024	2023
At 1 January	11,764	26,823
Transfer from held for sale	21,880	-11
Additions	4,541	3,422
Depreciation	-590	-552
Change in estimates	39	41
Other	-11	-8
At 30 June	37,623	29,715

As at 30 June 2024, TenneT had entered into external commitments regarding the purchase of tangible fixed assets totalling EUR 40,980 million (31 December 2023: EUR 11,333 million). The increase, amounting to EUR 29,647 million, is mainly because the held for sale classification for TenneT Germany has been ceased.

5. Investment in associates and joint ventures

The investment in associates and joint ventures mainly decreased due to received dividends from joint ventures which were higher than the realised result for the period.

6. Deferred tax

The corporate tax treatment is aligned with the underlying treatment, resulting in temporary differences in relation to auction receipts, amounts to be settled in future tariffs and investment contributions. Those temporary differences decreased in 2024, resulting in a related decrease in the net deferred tax position.

7. Account- and other receivables

Account- and other receivables comprise receivables related to the EEG (German Renewable Energies Act or ErneuerbareEnergien-Gesetz), amounts to be invoiced, trade receivables, VAT and other receivables. The account- and other receivables are mainly increased due to the inclusion of TenneT Germany and increase of accounts receivables. The amounts to be invoiced and VAT receivable decreased due to lower revenue.

8. Cash, cash equivalents and bank overdrafts

(EUR million)	30 June 2024			31 December 2023		
	At free disposal	Not at free disposal	Total	At free disposal	Not at free disposal	Total
Collateral securities	-	342	342	-	373	373
EEG funds	-	255	255	-	-	-
EEG deposits < 3 months	-	700	700	-	-	-
Deposits	150	-	150	-	-	-
Cash at bank	682	91	773	298	2	300
Cash and cash equivalents	832	1,388	2,220	298	375	673
Cash at banks and short-term deposits part of assets held for sale	-	-	-	2	381	383
Total cash and cash equivalents used in cash flow statement	832	1,388	2,220	300	756	1,056

9. Equity

During the first six months of 2024, TenneT distributed a EUR 150 million common dividend to its ordinary shareholder (EUR 750 per share). TenneT also paid a cash distribution of EUR 39 million to the holders of its hybrid securities. The hybrid security issued in April 2017 of EUR 1 billion and the hybrid security issued in August 2018 of EUR 100 million were redeemed in May 2024. TenneT has issued a dual tranche hybrid security of each EUR 550 million in March 2024. The first tranche bears an optional, cumulative coupon of 4.625%, payable at TenneT's discretion annually on 21 June of each year. The second tranche bears an optional, cumulative coupon of 4.875%. TenneT accounted for an actuarial gain of EUR 11 million (net of tax) on German pension obligations directly through equity, mainly due to the increase of the discount rate from 3.45% (31 December 2023) to 3.7% (30 June 2024).

Furthermore, the contribution received from the Shareholder for an amount of EUR 1.6 billion last year has been reclassified from current financial liability to equity as the shares in TenneT Germany will not be transferred to KfW. The latter was a condition for distribution of the EUR 1.6 billion to the Shareholder and that condition will not be met as the negotiations were terminated (refer also to note 1).

10. Non-controlling interests

Non-controlling interests and the proportion of economic interests held by non-controlling interest holders in the Group's subsidiaries are as follows:

	Country	30 June 2024	31 December 2023
TenneT Offshore 2. Beteiligungsgesellschaft mbH ("TO2")	Germany	69%	69%
TenneT Offshore 8. Beteiligungsgesellschaft mbH ("TO8")	Germany	63%	63%

Non-controlling interests are recorded based on economic interests. The Group holds more than 50% of the voting rights in all of the above-mentioned subsidiaries. Non-controlling interests as part of total equity can be broken down as follows:

Accumulated balances in equity (EUR million)	TO2	TO8	Total
At 31 December 2022	242	213	455
Result attributable to non-controlling interests	10	5	15
Capital repayment	-54	-45	-99
Dividends paid	-16	-1	-17
At 30 June 2023	182	172	354
At 31 December 2023	214	186	400
Result attributable to non-controlling interests	4	8	12
Capital repayment	-49	-27	-76
At 30 June 2024	169	167	336

11. Borrowings

Borrowings include bonds, loans, short-term cash loans and commercial papers (2023). The fair values of bonds (level 1) are based on price quotations (unadjusted) and the fair values of the other borrowings (level 2) are based on discounted cash flows.

(EUR million)	Carrying amount		Fair value		Hierarchy
	30 June 2024	31 December 2023	30 June 2024	31 December 2023	
Financial liabilities					
Borrowings:					
-Borrowings - bonds	16,594	16,585	14,989	16,025	Level 1
-Borrowings - other	9,634	5,923	8,795	5,643	Level 2
	26,228	22,508	23,784	21,668	

There were no transfers between the fair value hierarchy levels during the first half-year of 2024. Fair value of other financial instruments as at 30 June 2024 was close to their carrying amounts due to the short-term maturities of these instruments and are therefore not disclosed.

TenneT and the Dutch state have agreed upon a shareholder loan facility of EUR 25 billion, to support the planned investments in the Netherlands and Germany for 2024 and 2025. Per 30 June 2024 TenneT has drawn EUR 7 billion of this facility. Furthermore, EUR 500 million was requested in June 2024 and will be drawn in July 2024.

TenneT used EUR 625 million of the bank financing issued in 2024 to finance its EEG activities.

Long-term senior unsecured credit ratings for TenneT Holding B.V. remained unchanged during the first half-year of 2024 and were reaffirmed by both Standard & Poor's (A- / stable outlook) and Moody's Investor Service (A3 / stable outlook) on respectively 7 March 2024 and 5 July 2024.

12. Provisions

The majority of the provisions relate to environmental management and decommissioning. Furthermore, other provisions are recognised that relate mainly to project claims, amongst others, potential compensation claims with regard to offshore grid connection systems. Where compensation claims will be reimbursed through regulation, a receivable has been recognised. As additional disclosure on potential compensation claims can be expected to seriously prejudice the position of TenneT, no further information has been disclosed. Uncertainty about the assumptions

and estimates could result in outcomes that require a material adjustment to the carrying amount of these provisions in future periods.

13. Other financial liabilities

In June 2023, TenneT received a contribution from the Shareholder of EUR 1.6 billion under the condition that TenneT would distribute the same amount to the Shareholder when the shares in TenneT Germany are transferred to KfW. Given the conditions precedent, the contribution is reclassified to equity as the negotiations were terminated (refer also to note 1).

14. Account- and other payables

Account- and other payables consist of EEG accounts payable, payables in respect of ancillary services, payables connected to tangible fixed assets purchases, interest and other payables.

15. Events after the reporting period

No significant events occurred after the reporting date.

Independent auditor's review report

To: The Executive and Supervisory Boards of TenneT Holding B.V. (“**TenneT**”)

Our conclusion

We have reviewed the accompanying interim condensed consolidated financial statements for the period from 1 January 2024 to 30 June 2024 of TenneT based in Arnhem (the “**Interim Financial Information**”).

Based on our review, nothing has come to our attention that causes us to believe that the accompanying Interim Financial Information for the 6-month period ended 30 June 2024 of TenneT is not prepared, in all material respects, in accordance with IAS 34, ‘Interim Financial Reporting’ as adopted by the European Union.

The Interim Financial Information comprises:

- Interim condensed consolidated statement of financial position as at 30 June 2024.
- Following interim condensed consolidated statements for the six-months period ended 30 June 2024:
 - the statements of income, comprehensive income, changes in equity and cash flows.
- Notes, comprising a summary of the significant accounting policies and other explanatory information.

Basis for our conclusion

We conducted our review in accordance with Dutch law, including the Dutch Standard 2410, ‘Het beoordelen van tussentijdse financiële informatie door de accountant van de entiteit’ (Review of Interim Financial Information performed by the independent auditor of the entity). A review of Interim Financial Information in accordance with the Dutch Standard 2410 is a limited assurance engagement. Our responsibilities under this standard are further described in the ‘Our responsibilities for the review of the Interim Financial Information’ section of our report.

We are independent of TenneT in accordance with the Verordening inzake de onafhankelijkheid van accountants bij assurance-opdrachten (ViO, Code of Ethics for Professional Accountants, a regulation with respect to independence) and other relevant independence regulations in the Netherlands. Furthermore, we have complied with the Verordening gedrags- en beroepsregels accountants (VGBA, Dutch Code of Ethics for Professional Accountants).

We believe the assurance evidence we have obtained is sufficient and appropriate to provide a basis for our conclusion.

Responsibilities of the Executive and Supervisory Boards for Interim Financial Information

The Executive Board is responsible for the preparation of the Interim Financial Information in accordance with IAS 34, ‘Interim Financial Reporting’ as adopted by the European Union. Furthermore, the Executive Board is responsible for such internal control as it determines is necessary to enable the preparation of the Interim Financial Information that are free from material misstatement, whether due to fraud or error.

The Supervisory Board is responsible for overseeing TenneT’s financial reporting process.

Our responsibilities for the review of the Interim Financial Information

Our responsibility is to plan and perform the review in a manner that allows us to obtain sufficient and appropriate assurance evidence for our conclusion.

The level of assurance obtained in a review engagement is substantially less than the level of assurance obtained in an audit conducted in accordance with the Dutch Standards on Auditing. Accordingly, we do not express an audit opinion.

We have exercised professional judgement and have maintained professional scepticism throughout the review, in accordance with Dutch Standard 2410.

Our review included among others:

- Updating our understanding of TenneT and its environment, including its internal control, and the applicable financial reporting framework, in order to identify areas in the Interim Financial Information where material misstatements are likely to arise due to fraud or error, designing and performing procedures to address those areas, and obtaining assurance evidence that is sufficient and appropriate to provide a basis for our conclusion.
- Obtaining an understanding of internal control, as it relates to the preparation of the Interim Financial Information. Including the understanding of TenneT’s accounting systems and accounting records and considering whether these generate data that is adequate for the purpose of performing the analytical procedures.
- Making inquiries of management and others within TenneT.



- Applying analytical procedures with respect to information included in the Interim Financial Information.
- Obtaining assurance evidence that the Interim Financial Information agrees with or reconciles to TenneT's underlying accounting records.
- Evaluating the assurance evidence obtained.
- Considering whether there have been any changes in accounting principles or in the methods of applying them and whether any new transactions have necessitated the application of a new accounting principle.
- Considering whether the Executive Board has identified all events that may require adjustment to or disclosure in the Interim Financial Information.
- Considering whether the Interim Financial Information has been prepared in accordance with the applicable financial reporting framework and represents the underlying transactions free from material misstatement.

Rotterdam, 25 July 2024

Deloitte Accountants B.V.

Signed on the original J.A. de Bruin

TenneT is a leading European grid operator. We are committed to providing a secure and reliable supply of electricity 24 hours a day, 365 days a year, while helping to drive the energy transition in our pursuit of a brighter energy future – more sustainable, reliable and affordable than ever before. In our role as the first cross-border Transmission System Operator (TSO) we design, build, maintain and operate over 25,000 kilometres of high-voltage electricity grid in the Netherlands and large parts of Germany, and facilitate the European energy market through our 17 interconnectors to neighbouring countries. We are one of the largest investors in national and international onshore and offshore electricity grids, with a turnover of EUR 9.2 billion and a total asset value of EUR 45 billion. Every day our 8,300 people take ownership, show courage and make and maintain connections to ensure that the supply and demand of electricity is balanced for over 43 million people.

Lighting the way ahead together.

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