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Press Release

The Board of Directors of ERG S.p.A. approves the consolidated results for the first nine months of 2024 and the third quarter of 2024

Third quarter of 2024:

Adjusted consolidated EBITDA¹: EUR 109 million, EUR 105 million in the third quarter of 2023
Adjusted Group net profit (loss): EUR 25 million, EUR 34 million in the third quarter of 2023²

First nine months of 2024:

Adjusted consolidated EBITDA: EUR 390 million, EUR 375 million in the first nine months of 2023
Adjusted net profit (loss) from continuing operations attributable to owners of the parent: EUR 130 million, EUR 149 million in the first nine months of 2023

- **Organic growth abroad:** in France, construction was completed and energisation started on the Bourgogne and Limousin I wind farms for a total of more than 41 MW of new installed capacity in the country. In Germany, 22 MW of wind power was awarded at the August auction and authorisation was obtained for a further 40 MW.
- **Repowering progress:** the technological renovation of the Group's wind power assets continued with the completion of the construction of the Salemi-Castelvetrano wind farm, the fourth repowered project in ERG's portfolio, with a total installed capacity of 76 MW (compared to the previous 26 MW) and an estimated annual production of approximately 208 GWh.
- **Buyback programme:** as part of the Group's remuneration policy, the Board of Directors approved a buyback programme in order to maximise value creation for the company and its stakeholders, at a time of weak stock market performance in the renewables sector.
- **ESG performance:** the Group's sustainable strategy is confirmed with MSCI Inc. confirming its "AAA" rating for ERG and positioning in the "Leader" category. GRESB awarded the Group an overall score of 98/100 with second place in Europe in the "On-Shore Wind Power Generation" sector. ERG also received 75/100 in the S&P Global Corporate Sustainability Assessment (CSA) Score, an eight-point improvement over 2023 (67/100).
- **Guidance 2024:** in light of the results of the third quarter and the start of the fourth, which were characterised by exceptionally poor wind conditions, EBITDA is now estimated to be in the range of EUR 520 to 560 million, capital expenditure in the range of EUR 550 to 600 million, and net debt at the end of 2024 in the range of EUR 1,750 to 1,850 million.

¹ It should be noted that, starting from 2024, the adjusted operating results include the accounting impacts of IFRS 16. Comparative results for the first nine months of 2023 and the third quarter of 2023 have therefore been restated consistent with the new approach defined by the Group.

² It should be noted that the adjusted profit attributable to owners of the parent, for the comparative period, refers to the scope of "Continuing operations" and therefore does not include the contribution of the thermoelectric business sold on 17 October 2023.

Genoa, 14 November 2024 – The Board of Directors of ERG S.p.A., in its meeting held today, approved the consolidated results for the first nine months of 2024 and the third quarter of 2024.

Paolo Merli, Chief Executive Officer of ERG, commented:

“Third-quarter results were affected by exceptionally low wind conditions across Europe and falling electricity prices in major markets. The Group’s EBITDA recorded modest growth in this challenging environment, driven by new wind and solar capacity in Europe and the US. In terms of net profit, the results were down due to higher amortisation and depreciation and financial expenses due to the consolidation of the new farms. We continued expanding our renewable portfolio in the first nine months, consolidating over 500 MW of new assets. With farms nearing completion, we expect to reach an installed capacity target of approximately 3.9 GW by year-end. For the full year we now expect EBITDA in the range of EUR 520 to 560 million, capital expenditure between EUR 550 and 600 million, and net financial debt between EUR 1,750 and 1,850 million.”

HIGHLIGHTS

Adjusted ⁽¹⁾ 3rd quarter			Adjusted ⁽¹⁾ 9 months	
2024	2023	(EUR million)	2024	2023
MAIN INCOME STATEMENT FIGURES				
156	151	Revenue	542	521
109	105	Gross operating profit (EBITDA)	390	375
43	51	Operating profit (EBIT)	196	209
25	34	Profit attributable to owners of the parent ⁽²⁾	130	149
18	34	Reported profit attributable to owners of the parent ⁽³⁾	146	112
70%	69%	EBITDA Margin %	72%	72%
MAIN FINANCIAL FIGURES				
4,301	3,702	Net invested capital	4,301	3,702
2,184	2,128	Equity	2,184	2,128
1,888	1,406	Net financial indebtedness (before IFRS 16) ⁽⁴⁾	1,888	1,406
2,117	1,579	Net financial indebtedness (after IFRS 16) ⁽⁴⁾	2,117	1,579
46%	40%	Financial leverage before IFRS 16 ⁽⁵⁾	46%	40%
OPERATING DATA				
3,795	3,117	Total installed capacity at the end of the period	3,795	3,117
			MW	
1,441	1,225	Total electricity output	5,111	4,214
			GWh	
1,594	1,496	Installed capacity at the end of the period – Italy	1,594	1,496
			MW	
495	584	Electricity output – Italy	2,012	1,933
			GWh	
715	600	Installed capacity at the end of the period – France	715	600
			MW	
235	229	Electricity output – France	888	879
			GWh	
327	327	Installed capacity at the end of the period – Germany	327	327
			MW	
100	107	Electricity output – Germany	415	412
			GWh	
311	311	Installed capacity at the end of the period – UK & Nordics	311	311
			MW	
118	109	Electricity output – UK & Nordics	421	326
			GWh	
266	117	Installed capacity at the end of the period – Spain	266	117
			MW	
169	66	Electricity output – Spain	416	156
			GWh	
266	266	Installed capacity - East Europe	266	266
			MW	
144	130	Electricity output – East Europe	516	506
			GWh	
317	-	Installed capacity at the end of the period – United States	317	-
			MW	
180	-	Electricity output - United States	444	-
			GWh	
57	65	Capital expenditure ⁽⁶⁾	500	377
			EUR million	
659	631	Employees at the end of the period ⁽⁷⁾	659	631
			Units	

(1) It should be noted that, starting from 2024, the adjusted operating results include the accounting impacts of IFRS 16. The comparative results for 2023 were therefore restated in line with the new approach defined by the Group. Adjusted economic indicators do not include special items and related applicable taxes.

(2) It should be noted that the adjusted net result of the Group for the comparative period does not include the contribution of the thermoelectric business.

(3) Reported economic indicators are calculated on the basis of the Financial Statements and include special items and related taxes. It should also be noted that the 2023 comparative figure includes the result of the thermoelectric business, sold in October 2023.

(4) Net indebtedness is indicated in the dual measure "before IFRS 16", excluding the liabilities linked to the application of IFRS 16, and "after IFRS 16", including the aforementioned liabilities.

(5) Financial leverage before IFRS 16 is calculated by comparing the net financial indebtedness before IFRS 16 with the net invested capital, not including Right of Use assets.

(6) In property, plant and equipment and intangible assets. The figure for the first nine months of 2024 also includes capital expenditure relating to Merger & Acquisition transactions in the United States of EUR 235 million and in France of EUR 84 million.

(7) The comparative figure for the first nine months of 2023 does not include personnel dedicated to ensuring the operation of the CCGT cogeneration plant, sold in October 2023.

<i>Adjusted</i>				<i>Adjusted</i>	
3rd quarter				9 months	
2024	2023	(EUR million)		2024	2023
111	126	NET UNIT REVENUE ⁽⁸⁾		102	120
132	97	Italy – Wind	EUR/MWh	123	111
404	339	Italy – Solar	EUR/MWh	402	342
77	86	France – Wind	EUR/MWh	80	91
75	96	France – Solar	EUR/MWh	80	96
92	137	Germany – Wind	EUR/MWh	91	148
46	68	UK & Nordics – Wind	EUR/MWh	61	84
48	135	Spain – Solar	EUR/MWh	43	132
94	72	East Europe – Wind	EUR/MWh	88	93
55	n.a.	United States - Wind (including PTCs)	EUR/MWh	53	n.a.
48	n.a.	United States - Solar	EUR/MWh	46	n.a.

(8) Net unit revenue (net of clawbacks) is expressed in EUR/MWh and is calculated by dividing the technology output by the revenue achieved on energy markets, inclusive of the impact of hedges, of any incentives due and the relative variable costs associated to generation/sale including, for example, imbalance costs and market access fees.

COMMENTS ON THE PERFORMANCE FOR THE PERIOD

Third quarter

In the third quarter of 2024, **adjusted revenue** amounted to EUR 156 million, a slight increase compared to the third quarter of 2023 (EUR 151 million), as a result of higher production due to new capacity coming on stream. This effect was, however, partly offset by lower production on a like-for-like basis as a result of the low wind levels during the period, both compared to last year and to historical averages in a context of falling energy prices.

The market scenario only partially affected the results as the Group adopts a hedging policy that provides for sales through fixed rates, Power Purchase Agreements (PPAs) under pre-established price conditions and financial agreements.

Production amounted to 1.4 TWh, an increase of 0.2 TWh compared to the third quarter of 2023 (+18%), thanks to acquisitions made during 2024 and the contribution of new farms developed internally and put into operation largely offset by the low windiness recorded.

Adjusted EBITDA, net of special items, amounted to EUR 109 million, up compared with the EUR 105 million recorded in the third quarter of 2023.

ITALY

- **Wind (EUR +1 million)**: EBITDA of EUR 38 million, up slightly from the third quarter of 2023 (EUR 37 million) due to the contribution of the results from the new repowering and greenfield wind farms that came on stream and higher unit sales revenue compared to the same period last year, due to the higher value of the GRIN incentive. Despite the contribution from the new capacity of approximately 58 GWh, total output was down by 16% (412 GWh compared to 492 GWh in the third quarter of 2023) due to the low wind levels in the period.
- **Solar (EUR +3 million)**: EBITDA of EUR 33 million, up from the third quarter of 2023 (EUR 30 million) due to higher sales prices that benefited in comparison with the same period of the previous year from forward sales at higher prices, carried out in line with Group policy, partly offset by lower production due to both lower irradiation and shutdowns for plant revamping activities. Output amounted to 83 GWh in the third quarter of 2024 compared to 92 GWh in the third quarter of 2023.

ABROAD

- **Wind (EUR -1 million)**: EBITDA of EUR 32 million, down slightly from the third quarter of 2023 (EUR 33 million), despite the scope effect deriving from the new acquisitions in the United States (224 MW) and France (24 MW), offset by lower volumes on a like-for-like basis due to the lower volumes recorded in the main geographies, as well as lower energy sales prices. The price effect was particularly significant in Germany where products are sold under one-way CfD contracts which had benefited from particularly high-priced hedges in 2023. Production in the third quarter of 2024 amounted to 684 GWh, including production from new plants of 154 GWh, compared to 543 GWh in the same period of 2023.
- **Solar (EUR +0.4 million)**: EBITDA of EUR 11 million, only slightly up on the third quarter of 2023 (EUR 10 million) despite the significant increase in installed capacity due to the acquisitions of photovoltaic systems in Spain (149 MW), France (49 MW) and the United States (92 MW) in the second half of 2023 and during 2024. The contribution of new plants was in fact substantially offset by significantly lower sales prices in comparison with the third quarter of 2023, particularly in Spain, which had also benefited from particularly high hedging prices in the third quarter of 2023. Indeed, output amounted to 262 GWh in the third quarter of 2024 compared to 98 GWh in the same period of 2023, mainly due to the scope effect related to the new photovoltaic systems.

Overall, the scope effect related to new operating capacity amounted to EUR 19 million thanks to the acquisitions made in 2023 and early 2024 in the United States, France and Spain and the full contribution of the new repowering and greenfield plants in Italy, developed internally and entered into operation in early 2024.

It should be noted that the overall gross operating profit is impacted by the electricity price hedging policies implemented in line with the Group's risk policies.

Adjusted EBIT amounted to EUR 43 million (EUR 51 million in the third quarter of 2023). Depreciation and amortisation amounted to EUR 66 million, up from the third quarter of 2023 (EUR 54 million) and mainly reflecting the full contribution of new assets acquired during the period (EUR 7 million) and developed internally (EUR 4 million).

The **Adjusted profit attributable to owners of the parent** was EUR 25 million, down from the third quarter of 2023 (EUR 34 million³), and reflects, in addition to what has already been commented on, higher financial expenses (EUR +6 million) mainly due to the effect linked to the accounting of the Tax Equity Partnership of the US portfolio and lower taxes for EUR 5 million.

The **Reported profit attributable to owners of the parent** totalled EUR 18 million, including the net tax impacts of special items, down compared with the EUR 34 million in the third quarter of 2023⁴.

In the third quarter of 2024, **capital expenditure** amounted to EUR 57 million (EUR 65 million in the third quarter of 2023) and mainly related to **investments in property, plant and equipment and intangible assets** in connection with the completion of the Repowering wind farms in Italy for approximately 177 MW of new wind power capacity, and the construction of Greenfield wind farms in France (59 MW) and the UK (47 MW).

Net financial indebtedness before IFRS 16 amounted to **EUR 1,888 million**, a decrease (EUR -24 million) compared to 30 June 2024 (EUR 1,912 million).

The change mainly reflects the effects of investments in the period (EUR 57 million), the changes in cash flow hedging reserves on derivative instruments (EUR 10 million), and the change in working capital (EUR 5 million), which were more than offset by EBITDA in the quarter (EUR 109 million⁵).

Net financial indebtedness after IFRS 16 includes the liabilities (pursuant to IFRS 16) relating to the discounting of future lease payments equal to EUR 228 million at 30 September 2024 (EUR 213 million at 30 June 2024) as a result of the increase in installed capacity.

First nine months

In the first nine months of 2024, **adjusted revenue** amounted to EUR 542 million, up from the comparative period (EUR 521 million), due to higher production as a result of the new capacity in operation. However, this effect was partly offset by a falling average sales price as well as lower production on a like-for-like basis due to the low wind speeds recorded in the period, both compared to last year and historical averages. The worse market scenario only partially affected the results as the Group adopts a hedging policy that provides for sales through fixed rates, Power Purchase Agreements (PPAs) under pre-established price conditions and financial agreements.

Production amounted to 5.1 TWh, an increase of 0.9 TWh over the first nine months of 2023 (+21%), due to higher capacity in operation, which was partly offset by lower production recorded in the main geographies on existing capacity.

Adjusted EBITDA, net of special items, amounted to EUR 390 million, up compared with the EUR 375 million recorded in the first nine months of 2023.

³ The comparative figure for the third quarter of 2023 refers to the net profit of continuing operations attributable to owners of the parent, therefore not including the contribution of the thermoelectric business, sold on 17 October 2023.

⁴ It should be noted that the Reported profit attributable to owners of the parent for the first nine months of 2023 included the contribution of the thermoelectric business, sold on 17 October 2023.

⁵ Adjusted EBITDA does not include special items and related applicable theoretical taxes.

ITALY

- **Wind (EUR +26 million):** EBITDA of EUR 175 million, up compared to the first nine months of 2023 (EUR 149 million) due to the contribution from the new repowering and greenfield wind farms that entered into operation starting from the second half of 2023, and higher unit sales revenue compared to the same period of the previous year, also due to the higher value of the GRIN incentive. These effects are partly offset by lower wind speeds recorded in the same period of 2023. Production amounted to 1,808 GWh in the first nine months of 2024 compared to 1,716 GWh in the same period of 2023 (+5%), of which 171 GWh came from new capacity in operation.
- **Solar (EUR +9 million):** EBITDA of EUR 77 million, up from the first nine months of 2023 (EUR 69 million) due to higher sales prices that benefited in comparison with the same period of the previous year from forward sales at higher prices, carried out in line with Group policy, partly offset by lower production due to both lower irradiation and shutdowns for plant revamping activities. Production amounted to 204 GWh in the first nine months of 2024 compared to 217 GWh in the same period of 2023.

ABROAD

- **Wind (EUR -19 million):** EBITDA of EUR 132 million, down from the first nine months of 2023 (EUR 151 million), despite the scope effect from new acquisitions in the US (224 MW) and France (24 MW), due to lower prices captured in all geographies. Within the broader context of lower market prices, the price effect was particularly significant in Germany where products are sold under one-way CfDs which had benefited from particularly high-priced hedges in 2023. Output amounted to 2,481 GWh in the first nine months of 2024 compared to 2,042 GWh in the same period of 2023.
- **Solar (EUR -2 million):** EBITDA of EUR 21 million, which benefits from the scope of acquisitions of photovoltaic systems in Spain (149 MW), France (49 MW) and the United States (92 MW). The contribution of the new plants was more than offset by significantly lower sales prices in comparison with the comparative period, mainly in Spain, which had also benefited from particularly high hedging prices in 2023. Output amounted to 618 GWh in the first nine months of 2024 compared to 238 GWh in the same period of 2023, mainly due to the scope effect related to the new photovoltaic systems.

Overall, the scope effect related to new operating capacity amounted to EUR 46 million thanks to the acquisitions made in 2023 and early 2024 in the United States, France and Spain and the full contribution of the new repowering and greenfield plants in Italy, developed internally and entered into operation in the second half of 2023 and early 2024. It should be noted that the overall gross operating profit is impacted by the electricity price hedging policies implemented in line with the Group's risk policies.

Adjusted EBIT amounted to EUR 196 million (EUR 209 million in the first nine months of 2023). Depreciation and amortisation amounted to EUR 193 million, up from the first nine months of 2023 (EUR 166 million) and reflecting the full contribution of new assets acquired during the period (EUR 17 million) and developed internally (EUR 10 million).

The **Adjusted profit attributable to owners of the parent** was EUR 130 million, down from the first nine months of 2023 (EUR 149 million⁶), and reflects, in addition to what has already been commented on, higher financial expenses (EUR +7 million) mainly due to the accounting of the Tax Equity Partnership of the US portfolio.

The **Reported profit attributable to owners of the parent** totalled EUR 146 million, including the net tax impacts of special items, a sharp increase compared to EUR 112 million in the first nine months of 2023⁷.

In the first nine months of 2024, **capital expenditure** amounted to EUR 500 million (EUR 377 million in the first nine months of 2023) and refers mainly to **capital expenditure in property, plant and equipment and intangible assets** related to the acquisition of a portfolio of wind farms and photovoltaic systems in the United States (317 MW) and in France (73 MW), Repowering on Italian farms for approximately 177 MW of new wind capacity, 101 MW of which became operational in April, the construction of Greenfield farms in Italy (47 MW), France (59 MW) of which 41 MW

⁶ The comparative figure for the first half of 2023 refers to the profit of continuing operations attributable to owners of the parent, therefore not including the contribution of the thermoelectric business, sold on 17 October 2023.

⁷ It should be noted that the Reported profit attributable to owners of the parent for the first half of 2023 included the contribution of the thermoelectric business, sold on 17 October 2023.

became operational in the third quarter, UK (47 MW) and the construction of the first storage project in Italy (13 MW).

The **net financial indebtedness before IFRS 16** totalled **EUR 1,888 million**, a significant increase (EUR +443 million) compared to 31 December 2023 (EUR 1,445 million).

The change reflects the effects of capital expenditures and acquisitions in the period (EUR 500 million), the distribution of dividends to shareholders (EUR 150 million), the payment of taxes (EUR 58 million)⁸, the change in working capital (EUR 67 million), and the completion of the share buyback programme (EUR 37 million), partly offset by EBITDA for the period (EUR 390 million⁹).

Net financial indebtedness after IFRS 16 includes the liabilities (pursuant to IFRS 16) relating to the discounting of future lease payments equal to EUR 228 million at 30 September 2024 (EUR 172 million at 31 December 2023). The increase in the period is mainly attributable to the scope effect due to the acquisitions of wind farms and photovoltaic systems in the United States and in France and the new wind farms developed internally.

⁸ The amount includes the payment of the substitute tax (EUR 35 million) on the redemption of capital gains arising from the Siena and Donatello business combinations, which took place in 2022.

⁹ Adjusted EBITDA does not include special items and related applicable theoretical taxes.

BASIS FOR PREPARATION

Quarterly report

This press release on the consolidated results of the ERG Group relating to the first nine months of 2024 and the third quarter of 2024 has been prepared on a voluntary basis in compliance with the provisions of Article 82-ter of the Issuers' Regulation (CONSOB resolution no. 11971 of 14 May 1999 and subsequent amendments).

Unless otherwise indicated, the income statement, balance sheet and cash flow information has been prepared in compliance with the valuation and measurement criteria established by International Financial Reporting Standards (IFRS). The recognition and measurement criteria adopted in preparing the results for the first nine months of 2024 and the third quarter of 2024 are the same as those adopted in preparing the 2023 Annual Financial Report and the Half-Year Condensed Consolidated Financial Statements at 30 June 2024, to which reference is made.

Unless otherwise indicated, the amounts included in this document are expressed in Euro.

Operating segments

Operating performance figures are presented and commented on with reference to the various geographical segments in which ERG operates, in line with the Group's internal performance measurement methods. It should be noted that the results, shown by geographical segment, reflect the energy sales on markets by Group Energy Management, in addition to the application of effective hedges of the generation margin. The above mentioned hedges include, inter alia, the use of instruments by Energy Management to hedge the price risk. In order to give a clearer representation of business by geographic segment and, secondarily, by technology, the wind and solar results include the hedging carried out in respect of renewables.

Alternative Performance Indicators (APIs) and adjusted results

Some of the Alternative Performance Indicators (APIs) used in this document are different from the financial indicators expressly provided for by the IAS/IFRS adopted by the Group. These alternative indicators are used by the Group in order to

facilitate the communication of information on its business performance as well as its net financial indebtedness.

In order to facilitate an understanding of the business segments' performance, the operating results are shown with the exclusion of significant special income components of an exceptional nature (special items): these results are indicated with the term "Adjusted results". The results that include significant income statement components of an exceptional nature (special items) are also defined as "Reported results". A definition of the indicators and the reconciliation of the amounts involved are provided in the "Alternative Performance Indicators" section.

IFRS 16

Starting from 2024, the Group, in line with industry practice, also includes the effects of IFRS 16 on its adjusted operating results. Comparative data have therefore been restated in line with the new approach.

Net financial indebtedness is indicated in the dual measure "before IFRS 16", excluding the liabilities linked to the application of IFRS 16, and "after IFRS 16", including the aforementioned liabilities.

Risks and uncertainties in relation to the business outlook

With reference to the estimates and forecasts contained in this document, and in particular in the section "Business outlook", it should be noted that the actual results could differ from those presented due to a number of factors, including: future price trends, the operating performances of plants, wind and irradiance conditions, the impact of energy industry and environmental regulations, and other changes in business conditions and competitors' actions.

Certification from the Manager in charge of Financial Reporting

The Manager responsible for preparing the Company's financial reports, Michele Pedemonte, declares, pursuant to paragraph 2, Article 154-bis of the Consolidated Finance Act, that the accounting information this document contains matches the documentary records, books and accounting entries.

This press release, issued on 14 November 2024, is available to the public on the Company's website (www.erg.eu) in the "Media/Press Releases" section, at Borsa Italiana S.p.A. and on the authorised storage mechanism eMarket Storage (www.emarketstorage.com).

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PERFORMANCE BY COUNTRY

3rd quarter			(EUR million)	9 months		
2024	2023 ⁽¹⁾	Δ		2024	2023 ⁽¹⁾	Δ
ADJUSTED REVENUE						
91	81	10	Italy	313	272	41
65	70	(5)	Abroad	228	249	(21)
18	20	(2)	France	71	81	(11)
10	15	(5)	Germany	39	62	(22)
8	14	(6)	UK & Nordics	37	33	5
9	9	(0)	Spain	19	21	(2)
15	12	3	East Europe	49	52	(3)
6	-	6	United States	12	-	12
9	9	0	Corporate	28	25	3
(9)	(9)	(0)	Intra-segment revenue	(27)	(25)	(2)
156	151	4	Total adjusted revenue	542	521	21
ADJUSTED GROSS OPERATING PROFIT						
71	66	5	Italy	252	217	35
43	43	(1)	Abroad	152	174	(21)
5	9	(4)	France	35	51	(16)
4	10	(5)	Germany	24	47	(23)
6	10	(4)	UK & Nordics	22	22	1
7	8	(1)	Spain	12	17	(5)
13	7	6	East Europe	38	37	1
8	-	8	United States	20	-	20
(5)	(5)	0	Corporate	(15)	(16)	1
109	105	5	Adjusted gross operating profit	390	375	15
ADJUSTED AMORTISATION, DEPRECIATION AND IMPAIRMENT LOSSES						
(31)	(30)	(2)	Italy	(93)	(91)	(2)
(34)	(23)	(11)	Abroad	(98)	(73)	(25)
(11)	(9)	(2)	France	(34)	(30)	(4)
(6)	(4)	(1)	Germany	(16)	(16)	0
(4)	(4)	(0)	UK & Nordics	(13)	(10)	(3)
(3)	(1)	(2)	Spain	(9)	(3)	(5)
(5)	(5)	(0)	East Europe	(14)	(14)	(0)
(6)	-	(6)	United States	(12)	-	(12)
(1)	(1)	(0)	Corporate	(3)	(3)	(0)
(66)	(54)	(13)	Adjusted amortisation, depreciation and impairment losses	(193)	(166)	(27)

(1) Starting from 2024, the adjusted operating results include the accounting impacts of IFRS 16. Therefore, the comparative results of 2023 have been restated in line with the new approach defined by the Group.

3rd quarter			(EUR million)	9 months		
2024	2023 ⁽¹⁾	Δ		2024	2023 ⁽¹⁾	Δ
ADJUSTED OPERATING PROFIT						
40	37	3	Italy	159	126	33
9	20	(12)	Abroad	55	101	(46)
(6)	(0)	(6)	France	1	20	(19)
(1)	5	(6)	Germany	8	31	(23)
2	6	(4)	UK & Nordics	10	12	(2)
4	7	(3)	Spain	3	14	(11)
8	2	5	East Europe	25	24	1
2	-	2	United States	8	-	8
(6)	(6)	0	Corporate	(18)	(18)	0
43	51	(8)	Adjusted operating profit	196	209	(13)
CAPITAL EXPENDITURE⁽²⁾						
27	43	(16)	Italy	105	137	(32)
29	22	7	Abroad	392	237	155
18	6	11	France	136	18	118
3	0	3	Germany	4	0	3
8	8	0	UK & Nordics	18	30	(12)
0	7	(7)	Spain	0	189	(188)
0	0	(0)	East Europe	0	1	(1)
0	0	0	United States	235	-	235
1	1	1	Corporate	3	2	1
57	65	(9)	Total capital expenditure	500	377	124

(1) Starting from 2024, the adjusted operating results include the accounting impacts of IFRS 16. Therefore, the comparative results of 2023 have been restated in line with the new approach defined by the Group.

(2) They include capital expenditure in property, plant and equipment and intangible assets and M&A investments (EUR 319 million in the first nine months of 2024). It should be noted that the figures do not include the increase in Right of Use assets.

REFERENCE MARKET

PRICE SCENARIO

3rd Quarter			9 months	
2024	2023		2024	2023
Base load price scenario (EUR/MWh)				
Italy				
119	113	Single National Price	102	128
42	0	Feed-In Premium (FIP) (former Green Certificates) – Italy	42	0
37	33	TTF	32	41
68	85	CO ₂	65	86
Abroad				
51	86	France	48	102
76	91	Germany	70	100
115	138	Poland	103	157
101	111	of which Electricity	91	119
13	27	of which Certificates of Origin	12	39
123	100	Bulgaria	93	106
157	130	Romania	123	136
127	101	of which Electricity	94	106
29	29	of which Green Certificate	29	29
108	105	Northern Ireland	100	125
81	91	Great Britain	78	112
79	97	Spain	52	91
35	40	Sweden SE4	49	67
27	n.a.	MISO-MidAm*	22	n.a.
30	n.a.	MISO-Illinois*	28	n.a.

ITALY

The ERG Group operates in Italy through its companies that own wind and solar farms. Aside from the availability of plants, the performance of each wind farm is influenced by the wind speed profile of the site on which the farm is located, by the sales price of electricity, which can vary in relation to the region where the plants are located, by the incentive systems for renewable energy sources and by the regulations of organised energy markets.

ERG is active in the generation of electricity in Italy, with an installed capacity of 1,419 MW in wind and 175 MW in solar.

3rd Quarter			9 months		
2024	2023	Δ	2024	2023	Δ
Operating results					
1,594	1,496	98	1,594	1,496	98
1,419	1,321	98	1,419	1,321	98
175	175	0	175	175	0
495	584	(89)	2,012	1,933	79
412	492	(80)	1,808	1,716	92
83	92	(9)	204	217	(13)
Load factor % ⁽²⁾					
13%	17%	2%	20%	20%	0%
22%	24%	1%	18%	19%	-1%
178	135	43	151	137	14
132	97	35	123	111	12
404	339	66	402	342	60

(1) capacity of plants in operation at the end of the period.

(2) actual output in relation to maximum theoretical output (calculated taking into account the actual date of entry into operation of each individual farm).

In the **third quarter of 2024, electricity generation** in Italy amounted to 495 GWh, of which 412 GWh from wind power and 83 GWh from photovoltaic systems, a decrease compared to the same period of 2023 (584 GWh of which 492 GWh from wind power and 92 GWh from solar power), due to low wind conditions compared to the third quarter of 2023, partly offset by the contribution from repowering and greenfield plants that came into operation between the second half of 2023 and the beginning of 2024.

In the **first nine months of 2024, electricity production** in Italy amounted to 2,012 GWh, of which 1,808 GWh from wind power and 204 GWh from photovoltaic systems, an increase compared to the same period of 2023 (1,933 GWh, of which 1,716 GWh from wind power and 217 GWh from solar power), due to the contribution from repowering and greenfield plants that came into operation between the second half of 2023 and the beginning of 2024, partly offset by lower volumes recorded in the period.

3rd Quarter			9 months		
2024	2023	Δ	2024	2023	Δ
Economic results					
91	81	10	313	272	41
57	49	7	229	197	33
34	32	2	83	75	8
71	66	5	252	217	35
38	37	1	175	149	26
33	30	3	77	69	9
(31)	(30)	(2)	(93)	(91)	(2)
(20)	(18)	(2)	(59)	(56)	(3)
(11)	(11)	(0)	(34)	(35)	1
40	37	3	159	126	33
18	18	(0)	116	93	23
22	18	3	44	33	10
27	43	(16)	105	137	(32)
24	41	(18)	90	133	(43)
3	2	1	7	4	3
0	-	0	8	-	8
78%	81%	-3%	81%	80%	1%
67%	74%	-7%	76%	76%	1%
97%	93%	4%	93%	91%	2%

(1) ratio of adjusted EBITDA to revenue from sales and services.

Revenue in the third quarter of 2024 was up mainly due to the better price on the energy market as well as the higher value of the GRIN incentive (42 EUR/MWh), and the scope effect mentioned above partly offset by the low wind levels and the shutdowns for revamping photovoltaic systems.

In light of the above, for ERG the net unit revenue from wind power in Italy, considering the sale value of energy, including the value of incentives (former green certificates) and hedges as well as other minor components, was equal to 132 EUR/MWh (97 EUR/MWh in the third quarter of 2023).

Net unit revenue from photovoltaic systems amounted to 404 EUR/MWh (339 EUR/MWh in the third quarter of 2023), up due to hedging set at higher prices than in the same period of 2023 and higher feed-in tariff revenue due to “incentive allocation”.

Adjusted EBITDA in Italy in the **third quarter of 2024** amounted to EUR 71 million, up compared to the same period of 2023 (EUR 66 million).

Revenue in the **first nine months of 2024** increased mainly due to the value of the GRIN incentive (42 EUR/MWh), and the above-mentioned scope effect partly offset by the low wind levels and lower sales prices on the energy markets recorded in the first half of the year.

In light of the above, for ERG the net unit revenue from wind power in Italy, considering the sale value of energy, including the value of incentives (former green certificates) and hedges as well as other minor components, was equal to 123 EUR/MWh (111 EUR/MWh in the first nine months of 2023).

Net unit revenue from photovoltaic systems amounted to 402 EUR/MWh (342 EUR/MWh in the first nine months of 2023), up due to hedging set at higher prices than in the same period of 2023 and higher feed-in tariff revenue due to “incentive allocation”.

Adjusted EBITDA in Italy in the **first nine months of 2024** amounted to EUR 252 million, up compared to the same period of 2023 (EUR 217 million).

Capital expenditure

Capital expenditure in the **first nine months of 2024 (EUR 105 million)** mainly refers to the completion of construction activities for the Roccapalumba greenfield plant (47 MW) and to the repowering activities (177 MW) on the Mineo-Militello-Vizzini and Salemi–Castelvetrano plants in addition to the usual maintenance aimed at further increasing the efficiency of the plants. In Solar, the Revamping of the plants has begun, aimed at ensuring greater efficiency of the same. In addition, activities relating to the Storage Project (13 MW) were launched.

ABROAD

ERG is active abroad in the generation of electricity from wind and solar sources.

ERG is one of the ten leading operators in the wind sector in Europe with a significant and growing presence (1,491 MW operational), mainly in France (587 MW, increased at the beginning of 2024 with the acquisition of a 24 MW wind farm and the start of operation of two wind farms of 32 MW and 9 MW), Germany (327 MW), Poland (142 MW), UK & Nordics (311 MW), Romania (70 MW), Bulgaria (54 MW).

In addition, ERG operates in France and Spain in the production of electricity from solar sources with 393 MW of installed capacity, of which 128 MW in France and 266 MW in Spain, an increase compared to the same period of 2023 due to acquisitions respectively of 149 MW in Spain and 49 MW in France.

In April 2024, the Group entered the renewable energy market in the United States through a strategic partnership with Apex Clean Energy, acquiring a wind and solar portfolio (317 MW of which 224 MW wind and 92 MW photovoltaic).

France

3rd quarter				9 months		
2024	2023	Δ		2024	2023	Δ
Operating results						
715	600	114	Installed capacity (MW) ⁽¹⁾	715	600	114
587	522	65	Wind	587	522	65
128	79	49	Solar	128	79	49
235	229	6	Output (GWh)	888	879	8
189	197	(9)	Wind	782	797	(15)
47	32	15	Solar	106	82	24
Load factor % ⁽²⁾						
15%	17%	-3%	Wind	20%	23%	-3%
17%	18%	-2%	Solar	13%	16%	-3%
77	87	(10)	Net unit revenue (EUR/MWh)	80	92	(12)
77	86	(8)	Wind	80	91	(11)
75	96	(21)	Solar	80	96	(16)

(1) capacity of plants in operation at the end of the period.

(2) actual output in relation to maximum theoretical output (calculated taking into account the actual date of entry into operation of each individual farm).

In the **third quarter of 2024, electricity generation** in France amounted to 235 GWh, of which 189 GWh from wind power and 47 GWh from photovoltaic systems, substantially in line with the same period of 2023 (229 GWh, of which 197 GWh from wind power and 32 GWh from photovoltaic systems), mainly due to the scope effect (+37 GWh) resulting from the acquisition of wind farms and photovoltaic systems carried out at the beginning of 2024 and the first contributions from the wind farms that came into operation in the third quarter, largely offset by the lower wind levels recorded compared to a 2023 above historical averages and lower radiation.

In the **first nine months of 2024, electricity generation** in France amounted to 888 GWh, of which 782 GWh from wind power and 106 GWh from photovoltaic systems, substantially in line with the same period of 2023 (879 GWh, of which 797 GWh from wind power and 82 GWh from photovoltaic systems), mainly due to the scope effect (+82 GWh) resulting from the acquisition of wind farms and photovoltaic systems carried out at the beginning of 2024 and the first contributions from the wind farms that came into operation in the third quarter of 2024, offset by the lower wind levels recorded compared to a 2023 above historical averages and lower radiation.

3rd quarter				9 months		
2024	2023	Δ	(EUR million)	2024	2023	Δ
Economic results						
18	20	(2)	Adjusted revenue	71	81	(11)
14	17	(3)	Wind	62	73	(11)
4	3	1	Solar	9	8	1
5	9	(4)	Adjusted gross operating profit	35	51	(16)
3	6	(3)	Wind	31	45	(14)
2	3	(0)	Solar	4	6	(1)
(11)	(9)	(2)	Amortisation, depreciation and impairment losses	(34)	(30)	(4)
(10)	(8)	(2)	Wind	(30)	(27)	(3)
(2)	(1)	(1)	Solar	(4)	(3)	(1)
(6)	(0)	(6)	Adjusted operating profit	1	20	(19)
(6)	(2)	(4)	Wind	1	18	(17)
1	1	(1)	Solar	(0)	2	(2)
18	6	11	Capital expenditure in property, plant and equipment and intangible assets	136	18	118
18	6	11	Wind	99	18	82
(0)	0	(0)	Solar	36	0	36
29%	43%	-14%	EBITDA Margin % (1)	49%	62%	-13%
21%	36%	-15%	Wind	49%	61%	-12%
59%	84%	-25%	Solar	49%	71%	-22%

(1) ratio of adjusted EBITDA to revenue from sales and services.

Revenue recorded in the **third quarter of 2024** amounted to EUR 18 million, down from the same period in 2023 (EUR 20 million) due to lower prices captured and lower volumes recorded, only partly offset by the scope resulting from the new capacity in operation in 2024.

Net unit revenue from wind power in France, equal to 77 EUR/MWh, was down compared to the same period of 2023 (86 EUR/MWh) due to the contraction in market prices, which had only a limited impact as most of the wind farms still benefit from the two-way incentive mechanism.

Net unit revenue from photovoltaic systems totalled 75 EUR/MWh, down from 96 EUR/MWh in the previous year, as the newly acquired plants are currently sold on the market while waiting to enter the feed-in tariff.

The **adjusted EBITDA** in France in the **third quarter of 2024** amounted to EUR 5 million, down compared to the third quarter of 2023 (EUR 9 million), for the same reasons linked to revenue.

Revenue recorded in the **first nine months of 2024** amounted to EUR 71 million, down from the same period in 2023 (EUR 81 million) due to lower prices captured and lower volumes recorded, only partly offset by the scope resulting from the new capacity in operation in 2024.

Net unit revenue from wind power in France, equal to 80 EUR/MWh, was down compared to the same period of 2023 (91 EUR/MWh) due to the contraction in market prices, which had only a limited impact as most of the wind farms still benefit from the two-way incentive mechanism.

Net unit revenue from photovoltaic systems totalled 80 EUR/MWh, down from 96 EUR/MWh in the previous year, as the newly acquired plants are currently sold on the market while waiting to enter the feed-in tariff.

Adjusted EBITDA in France for the first nine months of 2024 amounted to EUR 35 million, a decrease compared to the first nine months of 2023 (EUR 51 million), for the same reasons linked to revenue.

Depreciation and amortisation in the first nine months of 2024 (EUR 34 million) increased compared to the first nine months of 2023 (EUR 30 million) due to the full contribution of the wind farms acquired in January 2024.

Capital expenditure

Capital expenditure in France in the first nine months of 2024 (**EUR 136 million**) mainly refer to the acquisition in January 2024 of 73 MW (EUR 84 million) of wind farms and photovoltaic systems, of which 44 MW already started up and 29 MW entered into operation in the second quarter, the construction of two wind farms that entered into operation in the third quarter (32 MW and 9 MW), as well as the development and construction of new wind farms (27 MW) scheduled to enter into operation in the first half of 2025.

Germany – Wind

3rd quarter			9 months		
2024	2023	Δ	2024	2023	Δ
Operating results					
327	327	-	327	327	-
100	107	(7)	415	412	3
14%	15%	-1%	19%	19%	0%
92	137	(44)	91	148	(57)

(1) capacity of plants in operation at the end of the period.

(2) actual output in relation to maximum theoretical output (calculated taking into account the actual date of entry into operation of each individual farm).

In the **third quarter of 2024, electricity output** in Germany amounted to 100 GWh, down slightly compared to the same period in 2023 (107 GWh) due to the lower wind speeds during the period.

In the **first nine months of 2024, electricity output** in Germany amounted to 415 GWh, up slightly compared to the same period of 2023 (412 GWh) due to the wind speeds during the period.

3rd quarter			9 months		
2024	2023	Δ	2024	2023	Δ
Economic results					
10	15	(5)	39	62	(22)
4	10	(5)	24	47	(23)
(6)	(4)	(1)	(16)	(16)	0
(1)	5	(6)	8	31	(23)
3	0	3	4	0	3
44%	61%	-17%	61%	89%	-28%

(1) ratio of adjusted EBITDA to revenue from sales and services.

Revenue recorded in the **third quarter of 2024** amounted to EUR 10 million, a significant decrease compared to the same period of 2023 (EUR 15 million), mainly due to the lower captured price as productions are sold through one-way CfDs and in 2023 reflected high hedging prices.

Net unit revenue from wind power Germany, equal to 92 EUR/MWh, was therefore down compared to the third quarter of 2023 (137 EUR/MWh).

The **adjusted EBITDA** in Germany in the **third quarter of 2024** amounted to EUR 4 million, down compared to the third quarter of 2023 (EUR 10 million), for the same reasons linked to revenue.

Revenue recorded in the **first nine months of 2024** amounted to EUR 39 million, a significant decrease compared to the same period of 2023 (EUR 62 million), mainly due to the lower captured price as productions are sold through one-way CfDs and in 2023 reflected high hedging prices.

Net unit revenue from wind power in Germany, equal to 91 EUR/MWh, was therefore down compared to the first nine months of 2023 (148 EUR/MWh).

Adjusted EBITDA in Germany for the **first nine months of 2024** amounted to EUR 24 million, an increase compared to the first nine months of 2023 (EUR 47 million), for the same reasons linked to revenue.

UK & Nordics - Wind

3rd quarter			9 months		
2024	2023	Δ	2024	2023	Δ
Operating results					
311	311	-	311	311	-
118	109	9	421	326	94
21%	22%	0%	21%	25%	-4%
46	68	(22)	61	84	(23)

(1) capacity of plants in operation at the end of the period.

(2) actual output in relation to maximum theoretical output (calculated taking into account the actual date of entry into operation of each individual farm).

In the **third quarter of 2024, electricity output** in the UK and Sweden amounted to 118 GWh, up from the same period in 2023 (109 GWh), mainly due to the contribution of assets that were still in the commissioning phase in 2023.

In the **first nine months of 2024, electricity output** in the UK and Sweden amounted to 421 GWh, up from the same period in 2023 (326 GWh), mainly due to the contribution of assets that were in the commissioning or ramp-up phase of generation at the beginning of 2023 and the increased wind speeds during the period.

3rd quarter			9 months		
2024	2023	Δ	2024	2023	Δ
Economic results					
8	14	(6)	37	33	5
6	10	(4)	22	22	1
(4)	(4)	(0)	(13)	(10)	(3)
2	6	(4)	10	12	(2)
8	8	0	18	30	(12)
80%	72%	8%	60%	68%	-7%

(1) ratio of adjusted EBITDA to revenue from sales and services.

Revenue recorded in the **third quarter of 2024** amounted to EUR 8 million, down from the same period in 2023 (EUR 14 million), due to lower prices in the energy markets. Net unit revenue amounted to 46 EUR/MWh, down compared to the same period of 2023 (103 EUR/MWh) due to lower market prices. It should also be noted that the third quarter of 2023 was heavily influenced by revenue from participation in the balancing services market in Scotland.

Adjusted EBITDA in the UK & Nordics segment in the **third quarter of 2024** was EUR 6 million, down from the same period in 2023 (EUR 10 million).

Revenue recorded in the **first nine months of 2024** amounted to EUR 37 million, up compared to the same period of 2023 (EUR 33 million) mainly due to the increased output recorded. Net unit revenue amounted to 61 EUR/MWh, down compared to the same period of 2023 (84 EUR/MWh) due to lower market prices.

Adjusted EBITDA in the UK & Nordics segment in the **first nine months of 2024** was EUR 22 million, in line with the same period in 2023 (EUR 22 million).

Depreciation and amortisation for the period (EUR 13 million) increased compared to the first nine months of 2023 (EUR 10 million) due to the full contribution of the wind farms in the UK & Nordics that became operational during 2023.

Capital expenditure

Capital expenditure in the UK & Nordics segment in the **first nine months of 2024** relates to the construction of a new 47 MW wind farm in Northern Ireland.

Spain – Solar

3rd quarter			9 months		
2024	2023	Δ	2024	2023	Δ
Operating results					
266	117	149	266	117	149
169	66	103	416	156	260
29%	26%	3%	24%	20%	3%
48	135	(87)	43	132	(89)

(1) capacity of plants in operation at the end of the period.

(2) actual output in relation to maximum theoretical output (calculated taking into account the actual date of entry into operation of each individual farm).

In the **third quarter of 2024, electricity output** in Spain amounted to 169 GWh, up compared to the output recorded in the same period of 2023 (66 GWh) largely due to the scope effect (+102 GWh).

In the **first nine months of 2024, electricity output** in Spain amounted to 416 GWh, up compared to the output recorded in the same period of 2023 (156 GWh) mainly due to the contribution from the scope of the assets acquired during 2023 (+257 GWh).

3rd quarter			9 months			
2024	2023	Δ	(EUR million)	2024	2023	Δ
Economic results						
9	9	(0)	Adjusted revenue	19	21	(2)
7	8	(1)	Adjusted gross operating profit	12	17	(5)
(3)	(1)	(2)	Amortisation, depreciation and impairment losses	(9)	(3)	(5)
4	7	(3)	Adjusted operating profit	3	14	(11)
0	7	(7)	Capital expenditure in property, plant and equipment and intangible assets	0	189	(188)
74%	87%	-13%	EBITDA Margin % ⁽¹⁾	64%	82%	-19%

(1) ratio of adjusted EBITDA to revenue from sales and services.

Revenue recorded in the **third quarter of 2024** amounted to EUR 9 million, in line with the previous year (EUR 9 million) due to lower market prices, which were particularly penalised during daylight hours compared to 2023, which had benefited from high hedging prices, offset by the scope resulting from the new capacity coming on stream in 2024. As a result, net unit revenue amounted to 48 EUR/MWh, down compared to the previous year (135 EUR/MWh).

The **adjusted EBITDA** in Spain in the **third quarter of 2024** amounted to EUR 7 million, down compared to the third quarter of 2023 (EUR 8 million).

Revenue recorded in the **first nine months of 2024** amounted to EUR 19 million, down compared with the previous year (EUR 21 million) due to lower market prices, which were particularly penalised during daylight hours compared to 2023, which had benefited from high hedging prices, only partially offset by the scope resulting from the new capacity coming on stream in 2024. As a result, net unit revenue amounted to 43 EUR/MWh, down compared to the previous year (132 EUR/MWh).

The **adjusted EBITDA** in Spain in the **first nine months of 2024** amounted to EUR 12 million, down compared to the first nine months of 2023 (EUR 17 million).

Depreciation and amortisation for the period (EUR 9 million) increased compared to the first nine months of 2023 (EUR 3 million) due to the full contribution of the photovoltaic systems acquired during 2023 (174 MW) and entered into operation during the second half of 2023.

East Europe (Poland, Romania and Bulgaria) – Wind

3rd quarter			9 months		
2024	2023	Δ	2024	2023	Δ
Operating results					
266	266	-	266	266	-
144	130	14	516	506	10
24%	22%	2%	29%	29%	1%
94	72	22	88	93	(5)

(1) capacity of plants in operation at the end of the period.

(2) actual output in relation to maximum theoretical output (calculated taking into account the actual date of entry into operation of each individual farm).

In the **third quarter of 2024, electricity output** in East Europe amounted to 144 GWh, up compared with the same period of 2023 (130 GWh), characterised by higher wind speeds in Romania and Poland, offset by Bulgaria.

In the **first nine months of 2024, electricity output** in East Europe amounted to 516 GWh, up compared with the same period of 2023 (506 GWh), characterised by higher wind speeds in Poland and lower wind speeds in Romania and Bulgaria.

3rd quarter			9 months		
2024	2023	Δ	2024	2023	Δ
Economic results					
15	12	3	49	52	(3)
13	7	6	38	37	1
(5)	(5)	(0)	(14)	(14)	(0)
8	2	5	25	24	1
0	0	(0)	0	1	(1)
86%	59%	26%	79%	71%	7%

(1) ratio of adjusted EBITDA to revenue from sales and services.

Revenue of EUR 15 million recorded **in the third quarter of 2024** was up compared to the same period of 2023 (EUR 12 million), mainly due to increased windiness and the recovery of energy transfer prices.

Average net unit revenue in East Europe amounted to 94 EUR/MWh, up on the third quarter of 2023 (72 EUR/MWh).

Adjusted EBITDA in East Europe for **the third quarter of 2024** amounted to EUR 13 million, an increase compared to the third quarter of 2023 (EUR 7 million).

Revenue of EUR 49 million recorded **in the first nine months of 2024** was down slightly compared to the same period of 2023 (EUR 52 million), mainly due to the reduction in energy transfer prices recorded in the first half of the year.

Average net unit revenue in East Europe amounted to 88 EUR/MWh, down from the first nine months of 2023 (93 EUR/MWh).

It should be noted that from April 2024, the measures introduced by the Romanian government to combat high energy prices (windfall tax) require the Group's plants to sell through PPAs at 400 lei/MWh, which is approximately 80 EUR/MWh.

The **adjusted EBITDA** in East Europe in the **first nine months of 2024** amounted to EUR 38 million, up compared to the first nine months of 2023 (EUR 37 million).

United States – Wind and Solar

As mentioned in the Interim Report, this release reflects the impact of the line-by-line consolidation of the wind and solar portfolio acquired in the United States (totalling 317 MW) as of 1 April 2024.

3rd quarter			9 months			
2024	2023	Δ		2024	2023	Δ
Operating results						
317	-	317	Installed capacity (MW) ⁽¹⁾	317	-	317
224	-	224	<i>Wind</i>	224	-	224
92	-	92	<i>Solar</i>	92	-	92
180	-	180	Output (GWh)	444	-	444
134	-	134	<i>Wind</i>	347	-	347
47	-	47	<i>Solar</i>	96	-	96
Load factor % ⁽²⁾						
27%	-	27%	<i>Wind</i>	27%	-	27%
23%	-	23%	<i>Solar</i>	23%	-	23%
32	-	32	Net unit revenue (EUR/MWh)	28	-	28
26	-	26	<i>Wind</i>	23	-	23
48	-	48	<i>Solar</i>	46	-	46
53	-	53	Net unit revenue including PTC (EUR/MWh)	51	-	51
55	-	55	<i>Wind</i>	53	-	53
48	-	48	<i>Solar</i>	46	-	46

(1) capacity of plants in operation at the end of the period.

(2) actual output in relation to maximum theoretical output (calculated taking into account the actual date of entry into operation of each individual farm).

In the **third quarter of 2024**, **energy output** in the US totalled 180 GWh (of which 134 GWh from wind and 47 GWh from solar).

Net unit revenue from wind power amounted to 26 EUR/MWh (55 EUR/MWh including PTCs), and those from solar power to 48 EUR/MWh, and reflected the prices of PPAs contracted with leading corporate counterparties.

From **1 April 2024 to 30 September 2024**, **energy output** in the US totalled 444 GWh (of which 347 GWh from wind and 96 GWh from solar).

Net unit revenue from wind power amounted to 23 EUR/MWh (53 EUR/MWh including PTCs), and those from solar power to 46 EUR/MWh, and reflected the prices of PPAs contracted with leading corporate counterparties.

3rd quarter			(EUR million)	9 months		
2024	2023	Δ		2024	2023	Δ
Economic results						
6	-	6	Adjusted revenue	12	-	12
3	-	3	Wind	8	-	8
2	-	2	Solar	4	-	4
8	-	8	Adjusted gross operating profit	20	-	20
6	-	6	Wind	16	-	16
2	-	2	Solar	4	-	4
(6)	-	(6)	Amortisation, depreciation and impairment losses	(12)	-	(12)
(5)	-	(5)	Wind	(10)	-	(10)
(1)	-	(1)	Solar	(2)	-	(2)
2	-	2	Adjusted operating profit	8	-	8
1	-	1	Wind	6	-	6
1	-	1	Solar	2	-	2
0	-	0	Capital expenditure in property, plant and equipment and intangible assets	235	-	235
0	-	0	Wind	182	-	182
0	-	0	Solar	53	-	53
142%	-	142%	EBITDA Margin %⁽¹⁾	165%	-	165%
176%	-	176%	Wind	206%	-	206%
91%	-	91%	Solar	93%	-	93%
10	-	10	Adjusted revenue and Other income (PTCs)	23	-	23
7	-	7	Wind	18	-	18
2	-	2	Solar	4	-	4
84%	-	84%	EBITDA margin %⁽²⁾	90%	-	90%
82%	-	82%	Wind	89%	-	89%
91%	-	91%	Solar	93%	-	93%

(1) ratio of adjusted EBITDA to revenue from sales and services.

(2) ratio of adjusted EBITDA to revenue from sales and services and Other income (PTCs).

Revenue from the sale of energy in the **third quarter of 2024** totalled EUR 6 million.

Revenue and other income (PTCs) in the third quarter of 2024 totalled EUR 10 million and includes, in addition to the aforementioned revenue, EUR 4 million relating to the Production Tax Credit income recognised under "Other income" and calculated on the basis of energy production recorded in the period from the wind farm.

Adjusted EBITDA in the United States for the **third quarter of 2024** totalled EUR 8 million and was influenced by the price of PPAs and the aforementioned income.

Energy sales **revenue** recorded from the date of consolidation¹⁰ amounted to EUR 12 million.

Revenue and other income (PTCs) in the first nine months of 2024 totalled EUR 23 million and includes, in addition to the aforementioned revenue, EUR 10 million relating to the Production Tax Credit income recognised under "Other income" and calculated on the basis of energy production recorded in the period from the wind farm.

Adjusted EBITDA in the US in the **first nine months of 2024** was EUR 20 million as of the date of consolidation and was affected by the PPA price and the above-mentioned income.

¹⁰ It should be noted that the wind and solar portfolio acquired in the United States has been consolidated on a line-by-line basis since 1 April 2024.

SIGNIFICANT EVENTS DURING THE QUARTER

Date	Geographical segment	Sector	Significant event
10 July 2024	Italy	Corporate	MSCI Inc. has confirmed its "AAA" rating for ERG and its positioning in the "Leader" category. ERG ranked among the top 14 Utilities internationally, among the 137 companies in the sector for ESG performance, and among over 2,800 companies globally.
24 July 2024	France	Wind	ERG completed the construction and started the energisation of the Saint-Maurice-La Clouere wind farm, for a total capacity of 9 MW.
1 August 2024	Italy	Corporate	The ERG Group has achieved the UNI/PdR 125:2022 Gender Equality Certification for its operations in Italy, marking a significant milestone in its commitment to fostering an inclusive culture that ensures equal opportunities for everyone, regardless of gender.
20 August 2024	France	Wind	ERG has completed the construction and started the energisation of the Bourgogne 1 (Moulins du Bois) greenfield wind farm in the Bourgogne-Franche-Comté region, with an installed capacity of 32.4 MW.
18 September 2024	Italy	Corporate	Fourth 'Social Purpose for Solar Revamping' project launched at Dynamo Camp in Limestre, Pistoia: ERG programme gives second life to solar panels from plant upgrades.

SIGNIFICANT EVENTS AFTER THE REPORTING DATE

Date	Geographical segment	Sector	Significant event
10 October 2024	Italy	Corporate	GRESB, the international rating agency that evaluates companies' ESG performance globally, awarded ERG an overall score of 98/100, ranking it second in Europe in the 'Onshore Wind Power Generation' sector.
28 October 2024	Italy	Corporate	With reference to the news that has appeared in recent days in the press, the ERG Group would like to point out that, following a report received in 2023, in which events of potentially significant severity for the company were envisaged, it conducted and completed an investigation in the following months in accordance with its Whistleblowing Guidelines, approved by the Board of Directors and in line with market best practices.

BUSINESS OUTLOOK

The context in which the Group operates is characterised by volatility and uncertainty. Prices for commodities and electricity appear to be lower in 2024 than in 2023. In addition, there are demands for a medium-term review of the European electricity market, with more room for long-term energy contracts.

It should be noted that ERG, in line with the best practices in the sector and its consolidated risk policy, has in recent years made forward sales, mainly through long-term supply contracts at fixed prices (so-called PPAs) and forward contracts also through derivative financial instruments. These hedges, when carried out with a portfolio approach by the Group's Energy Management through ERG Power Generation S.p.A., are allocated from a management standpoint to the various project companies, which own the Production Units (PUs). The hedge allocation criterion follows a cascade mechanism which, with the idea of mitigating the associated risks, has the following order of priority:

- 1) electricity generated by PUs that do not have an incentive mechanism and are therefore fully exposed to the risk of market price volatility;
- 2) electricity generated by PUs that are subject to "Feed in Premium" tariffs, or mechanisms that provide for an incentive that is added to the market price;
- 3) any residual hedges are finally attributed to the quantities of electricity subject to for-difference incentive mechanisms, such as the former "green certificate" incentive tariffs (GRIN).

However, no hedges are envisaged for generation subject to two-way for-difference incentive mechanisms. The expected outlook for the main operating and performance indicators in 2024 compared to 2023 is as follows.

It should be noted that starting from 2024 the impact on EBITDA of the application of IFRS 16 is no longer separately reported as a special item.

Italy

Wind EBITDA is expected to increase due to the GRIN incentive, which stands at 42 EUR/MWh in 2024 compared to zero in 2023, the full contribution from the two Repowering wind farms that became operational in 2023 and a Repowering wind farm that became operational in April 2024 for a total of 107 MW of new additional capacity (193 MW gross of the decommissioning of old plants), an internally built wind farm that became operational in early 2024 (47 MW) and a further repowering wind farm scheduled to become operational in the latter part of the year for a total of 50 MW (76 MW gross of the decommissioning of old plants). These results are partly offset by lower expected market prices and lower expected volumes compared to the high wind speeds recorded in 2023.

Solar EBITDA is expected to increase compared to 2023 mainly due to higher captured prices from forward hedging in 2023.

Wind & Solar Italy EBITDA for 2024 is expected to increase compared to 2023.

Abroad

Wind EBITDA is expected to decrease compared to 2023, mainly due to lower sales prices compared to those captured in 2023 and lower expected output. This lower result is partly offset by the contribution from the acquisition in the US from April 2024 (224 MW) and the acquisition in France in January 2024 (24 MW), as well as the entry into operation in the second half of the year of two newly built wind farms in France (41 MW).

Solar EBITDA is expected to be substantially in line with 2023 mainly as a result of the contribution from the system acquired in the US from April 2024 (92 MW), from the two systems acquired in Spain and gradually entered into operation in the second half of 2023 (25 MW and 149 MW), and the contribution from the recent acquisition in France (49 MW). These effects are largely offset by lower prices during the daily hours in Spain.

Wind & Solar abroad EBITDA is therefore expected to decrease compared to 2023.

2024 Guidance

Net financial indebtedness at the end of 2024 is expected to be in the range of EUR 1,750 million to EUR 1,850 million (EUR 1,445 million at the end of 2023), including capital expenditure for the period, the distribution of the ordinary dividend of EUR 1 per share, the conclusion of the share buy-back transaction in the first part of the year and the payment of the substitute tax for the redemption of goodwill from the latest acquisitions in Italy (EUR 35 million accounted for in the first half of 2024 and not included in the previous guidance). Considering the expected disbursements during the fourth quarter for the buyback plan approved today by the Board of Directors (totalling EUR 23 million), the expected net financial debt at year-end is therefore in the upper part of the aforementioned range.

BUSINESS DESCRIPTION

The ERG Group is a leading independent operator of clean energy from renewable sources, operating in nine countries at European level and, from 24 April 2024, in the United States.

The leading wind power operator in Italy and among the top ten in Europe in the onshore wind sector, the Group is also active in the generation of energy from solar sources, being among the top five in Italy and with a gradually increasing presence in France and Spain.

A major player in the oil market until 2008, ERG radically changed its business portfolio in anticipation of long-term energy scenarios, successfully transforming towards a sustainable development model. Today the company is a leading European player in the renewable energy sector.

Starting from 2021, the Group embarked on an important Asset Rotation¹¹ process aimed at completing its transformation towards a pure “Wind&Solar” business model, which materialised at the end of 2023 with the divestment of the thermoelectric business, pursuing the strategic objective of the 2022-2026 Business Plan to focus on the core business of electricity generation entirely from renewable sources.

As a result of the completion of these important transactions, the Group, whose industrial strategy integrates the ESG (Environmental, Social and Governance) plan, in line with the United Nations Sustainable Development Goals (SDGs), has become a 100% Renewable operator, a key player in the decarbonisation process underway globally, as well as in the realisation of a fair and inclusive energy transition.

Management of the industrial and commercial processes of the ERG Group is entrusted to the subsidiary ERG Power Generation S.p.A., which carries out:

- centralised Energy Management & Sales activities for all generation technologies in which the ERG Group operates with the mission of securing output through long-term contracts and managing the hedging of merchant positions in line with the Group's risk policies;
- the Operation & Maintenance activities of its wind and solar farms, which involves insourcing the maintenance of the Italian wind farms and some of the plants in France and Germany.

The ERG Group, with generation facilities of 3,795-MW installed renewable capacity (3,134 MW wind, 661 MW solar), operates directly or through its subsidiaries, in the following Geographical Segments:

Italy

In Italy, ERG has a total installed capacity of 1,594 MW in the sector of electricity generation from wind and solar sources.

Specifically, ERG is the leading operator in the wind power sector in Italy with 1,419 MW of installed capacity, and a leading operator in solar power generation with 175 MW of installed capacity.

Abroad

Outside Italy, ERG has a total installed capacity of 2,202 MW.

In wind power, ERG is one of the leading operators in Europe with a significant and growing presence (1,492 MW operational), particularly in France (587 MW), Germany (327 MW), the UK (249 MW), Poland (142 MW), Romania (70 MW), Bulgaria (54 MW) and Sweden (62 MW).

ERG operates in France and Spain in the generation of electricity from solar sources with 393 MW of installed capacity, of which 128 MW in France and 266 MW in Spain. In addition, since April 2024 the Group has been present in the United States with 317 MW of installed capacity, of which 224 MW in wind power and 92 MW in photovoltaic power.

ERG enters the US renewable energy market

On 24 April 2024, the Group completed the closing of a major agreement with Apex Clean Energy Holdings LLC (Apex), a leading independent US clean energy developer, to create a strategic partnership with the mission of managing a portfolio of wind and solar power plants already in operation and potentially develop it.

This transaction represents the Group's first step into the overseas market and envisages the creation of a holding company under US law into which a wind farm and a solar plant, both in operation, for a total of 317 MW of installed capacity and an estimated output of approximately 1 TWh have been conferred, as well as a cooperation agreement relating to approximately 1 GW of new onshore solar and wind projects under development in the United States.

¹¹ It should be noted that on 3 January 2022 ERG completed the sale of the hydroelectric assets, while on 17 October 2023 the sale of the thermoelectric business was completed.

CORPORATE BODIES

BOARD OF DIRECTORS¹²

Chairman

EDOARDO GARRONE (*executive*)

Deputy Chairman

ALESSANDRO GARRONE (*executive*)¹³

GIOVANNI MONDINI (*non-executive*)

Chief Executive Officer

PAOLO LUIGI MERLI

Directors

LUCA BETTONTE (*non-executive*)

ELISABETTA CALDERA (*independent*)¹⁴

MARINA NATALE (*independent*)¹⁴

FEDERICA LOLLI (*independent*)¹⁴

ELISABETTA OLIVERI (*independent*)¹⁴

DANIELA TOSCANI (*independent*)¹⁴

BARBARA POGGIALI (*non-executive*)

RENATO PIZZOLLA (*non-executive*)

BOARD OF STATUTORY AUDITORS¹⁵

Chairwoman

MONICA MANNINO¹⁶

Standing Auditors

GIULIA DE MARTINO

FABRIZIO CAVALLI

MANAGER RESPONSIBLE FOR PREPARING THE COMPANY'S FINANCIAL REPORTS (ITALIAN LAW NO. 262/05)

MICHELE PEDEMONTE¹⁷

INDEPENDENT AUDITORS

KPMG S.P.A.¹⁸

¹² Board of Directors appointed on 23 April 2024.

¹³ Director in charge of the Internal Control and Risk Management System.

¹⁴ With reference to the provisions of Article 148, third paragraph, of the Italian Consolidated Finance Act, and the provisions of the current Corporate Governance Code promoted by Borsa Italiana S.p.A., also taking into account the "quantitative" and "qualitative" criteria defined in the Regulation for the operation of the Board of Directors, the Risk and Sustainability Committee and the Nominations and Remuneration Committee.

¹⁵ Board of Statutory Auditors appointed on 26 April 2022.

¹⁶ Appointed on 26 April 2023, in the office of Standing Auditor and Chairwoman of the Board of Statutory Auditors of ERG S.p.A. and expiring, together with the other members of the Board of Statutory Auditors, on the date of the Shareholders' Meeting called to approve the Financial Statements at 31 December 2024.

¹⁷ Appointed on 26 April 2021 at the same time as appointment to the office of Group CFO.

¹⁸ Appointed on 23 April 2018 for the period 2018 – 2026.

FINANCIAL STATEMENTS AND OTHER INFORMATION

ADJUSTED INCOME STATEMENT

This section shows the adjusted operating results, shown with the exclusion of special items. As of 2024, the adjusted financial results include the accounting impacts of IFRS 16; the comparative results for 2023 have therefore been restated in line with the new approach defined by the Group.

It should also be noted that:

- the companies acquired in France¹⁹, owners of wind farms and photovoltaic systems for a total of 73.2 MW, are consolidated on a line-by-line basis starting from 1 January 2024;
- the companies acquired in the US, owners of wind farms and photovoltaic systems for a total of 317 MW, were consolidated on a line-by-line basis starting from 1 April 2024;

For the definition of indicators, the composition of the financial statements and the reconciliation of the amounts involved, reference is made to that indicated in the Alternative Performance Indicators section below.

INCOME STATEMENT

3rd Quarter			9 months			
2024	2023	Δ	(EUR million)	2024	2023	Δ
156	151	4	Revenue	542	521	21
14	5	9	Other income	32	17	15
170	156	13	Total revenue	574	539	36
(4)	(4)	(0)	Purchases and change in inventories	(10)	(9)	(1)
(42)	(35)	(7)	Services and other operating costs	(132)	(116)	(16)
(14)	(13)	(1)	Personnel expense	(43)	(38)	(4)
109	105	5	EBITDA	390	375	15
(66)	(54)	(13)	Amortisation, depreciation and impairment of non-current assets	(193)	(166)	(27)
43	51	(8)	Operating profit (EBIT)	196	209	(12)
(9)	(3)	(6)	Net financial income (expense)	(18)	(11)	(7)
(0)	0	(0)	Net gains (losses) on equity investments	0	0	0
34	48	(14)	Profit before taxes	178	197	(19)
(8)	(13)	5	Income taxes	(46)	(47)	1
25	35	(10)	Profit (loss) from continuing operations	132	151	(18)
(1)	(1)	0	Non-controlling interests	(2)	(2)	0
25	34	(10)	Profit (loss) from continuing operations attributable to owners of the parent	130	149	(18)
0	2	(2)	Net profit (loss) from discontinued operations	0	(5)	5
25	37	(12)	Profit attributable to owners of the parent	130	143	(13)

1 - Revenue

Revenue from sales consists mainly of:

- sales of electricity produced by wind farms, solar installations. The electricity is sold on wholesale channels, and to customers via bilateral agreements. Specifically, electricity sold wholesale includes sales on the IPEX electricity exchange, both on the "day-ahead market" (MGP) and on the "intraday market" (MI), in addition to sales to the main operators of the sector on the "over the counter" (OTC) platform and Power Purchase Agreements (PPAs), long-term energy sale contracts at pre-established prices, currently active in the wind sector in Italy, France, the United Kingdom, Spain and the United States;
- incentives related to the output of wind farms and solar installations in operation.

¹⁹ The acquisition was finalised in January 2024.

In the third quarter of 2024, revenue amounted to EUR 156 million, a slight increase compared to the third quarter of 2023 (EUR 151 million), as a result of higher production due to new capacity coming on stream. This effect was, however, partly offset by lower production on a like-for-like basis as a result of the low wind levels during the period, both compared to last year and to historical averages.

The market scenario only partially affected the results as the Group adopts a hedging policy that provides for sales through fixed rates, Power Purchase Agreements (PPAs) under pre-established price conditions and financial agreements.

It should be noted that revenue in the third quarter of 2023 included the effects related to the **regulatory measures to contain the increase in energy prices** (clawback measure and windfall tax), which resulted in repayments in the third quarter of 2023 of EUR 2 million (EUR 9 million in the first nine months of 2023), while there was no significant impact in 2024 (EUR 1 million) in view of the market scenario.

In the first nine months of 2024, revenue amounted to EUR 542 million, an increase compared to the comparative period (EUR 521 million), mainly due to the contribution from higher operating capacity, partly offset by lower sales prices, and lower production during the period on existing capacity. The lower market scenario only partially affected the results as the Group adopts a hedging policy that provides for sales through fixed rates, Power Purchase Agreements (PPAs) under pre-established price conditions and financial agreements.

2 - Other income

This mainly includes insurance reimbursements, contractual indemnities received from suppliers, recovery of expenses and partial release of risk provisions. From the second quarter of 2024 onwards, the item also includes 10 million in income from PTC (Production Tax Credits), an incentive instrument typical of the US renewables market, under the Tax Equity Partnership agreements.

3 - Purchases and changes in inventories

The item includes costs for purchases of raw materials and spare parts net of changes in spare parts inventories.

4 - Services and other operating costs

Services include maintenance costs, costs for agreements with local authorities, for consulting services, insurance and for services rendered by third parties.

Other operating costs mainly relate to rent, lease payments, provisions for risks and charges and to taxes other than income taxes.

The adjusted values in the **first nine months of 2024** do not include the ancillary charges relating to non-recurring transactions equal to EUR 6 million.

5 - Amortisation, depreciation and impairment of non-current assets

Depreciation and amortisation in the **third quarter** amounted to EUR 66 million, up from the third quarter of 2023 (EUR 54 million) and mainly reflecting the full contribution of new assets acquired during the period (EUR 7 million) and developed internally (EUR 4 million). The item also includes IFRS 16 amortisation and depreciation of EUR 2 million (EUR 1 million in the third quarter of 2023).

Depreciation and amortisation in the **first nine months of 2024** amounted to EUR 193 million, up from the first nine months of 2023 (EUR 166 million) and reflecting the full contribution of new assets acquired during the period (EUR 17 million) and developed internally (EUR 10 million). The item also includes IFRS 16 amortisation and depreciation of EUR 7 million in the first nine months of 2024 (EUR 5 million in the first nine months of 2023).

6 - Net financial income (expense)

Adjusted net financial expense in the third quarter of 2024 totalled EUR 9 million, up compared to the third quarter of 2023 (EUR 3 million), mainly due to the effect related to the accounting of the Tax Equity Partnership of the US portfolio (EUR 3 million). The item also includes financial expense related to the application of IFRS 16 (EUR 3 million in the third quarter of 2024 compared to EUR 2 million in the third quarter of 2023) and the effects of derivative instruments hedging interest rate fluctuation risk.

The average cost of non-current liabilities in the third quarter of 2024 stood at 2% compared to 1.3% in the third quarter of 2023.

Adjusted net financial expense in the **first nine months of 2024** totalled EUR 18 million, up compared to 2023 (EUR 11 million)²⁰, mainly due to the effect related to the accounting of the Tax Equity Partnership of the US portfolio (EUR 6 million). The item also includes financial expense related to the application of IFRS 16 (EUR 7 million in 2024 compared to EUR 5 million in the third quarter of 2023) and the effects of derivative instruments hedging interest rate fluctuation risk. The average cost of medium/long-term debt in the first nine months of 2024 stood at 1.7%, compared to 1.3% in the first nine months of 2023.

7 - Income taxes

Income taxes in the third quarter amounted to EUR 8 million, down from EUR 13 million in the third quarter of 2023 mainly due to the lower result in the quarter partly offset by the discontinuation of the ACE²¹ (Aid to Economic Growth) tax benefit in Italy from 2024. The adjusted tax rate, obtained from the ratio between income taxes and pre-tax profit, was 25% (27% in third quarter of 2023).

Adjusted income taxes in the first nine months amounted to EUR 46 million, in line with the EUR 47 million in the first nine months of 2023, mainly as a result of the discontinuation of the ACE²² (Aid to Economic Growth) tax benefit in Italy from 2024, partly offset by a lower taxable income due to the already commented results in the first nine months. It should also be noted that the adjusted values do not include the benefit deriving from the redemption of goodwill as part of merger transactions (EUR 28 million).

The adjusted tax rate, obtained from the ratio between income taxes and pre-tax profit, was 26% (24% in first nine months of 2023).

8 - Profit (loss) from discontinued operations

Net profit (loss) from discontinued operations for the third quarter of 2023 and the first nine months of 2023 includes the result of ERG Power S.r.l., owner of the CCGT plant, which was sold on 17 October 2023.

²⁰ It should be noted that in the first nine months of 2023, the reported net financial expense included the financial expense related to the early closure of two project financings.

²¹ Aid to Economic Growth (ACE), repealed by Article 5 of Italian Legislative Decree no. 216 of 30 December 2023.

²² Aid to Economic Growth (ACE), repealed by Article 5 of Italian Legislative Decree no. 216 of 30 December 2023.

STATEMENT OF FINANCIAL POSITION

The reclassified statement of financial position contains the assets and liabilities of the mandatory financial statements, used in the preparation of the annual financial report, highlighting the uses of resources in non-current assets and in working capital and the related funding sources. For the definition of the indicators for the main items used in the Reclassified Statement of Financial Position, reference is made to that indicated in the "Alternative Performance Indicators" section below.

RECLASSIFIED STATEMENT OF FINANCIAL POSITION

30/09/2023	(EUR million)		30/09/2024	30/06/2024	31/12/2023
3,972	Non-current assets	1	4,792	4,812	4,023
61	Net operating working capital	2	67	50	56
(4)	Employee benefits		(3)	(3)	(4)
284	Other assets	3	335	359	241
(612)	Other liabilities	4	(889)	(905)	(560)
3,702	Net invested capital of continuing operations		4,301	4,313	3,757
130	Net invested capital of discontinued operations ⁽¹⁾		-	-	-
3,832	Net invested capital		4,301	4,313	3,757
2,119	Equity attributable to owners of the parent		2,105	2,103	2,133
9	Non-controlling interests	5	80	85	7
1,406	Net financial indebtedness before IFRS 16	6	1,888	1,912	1,445
173	Lease liabilities	6	228	213	172
1,579	Net financial indebtedness after IFRS 16	6	2,117	2,125	1,617
126	Net financial indebtedness of discontinued operations	6	-	-	-
3,832	Equity and financial indebtedness		4,301	4,313	3,757

1) At 30 September 2024, the equity contribution of the thermoelectric business is reclassified to the item Net invested capital of discontinued operations, while the net financial indebtedness of the thermoelectric business is reclassified to the item "Net financial indebtedness of discontinued operations".

1 - Non-current assets

(EUR million)	Intangible assets	Property, plant and equipment	Financial assets	Total
Non-current assets at 31/12/2023	1,403	2,569	51	4,023
Capital expenditure	3	179	0	182
Change in consolidation scope	214	505	0	718
Other changes and divestments	(0)	10	0	10
Amortisation and depreciation	(57)	(147)	0	(204)
Right-of-use assets	-	63	-	63
Non-current assets at 30/09/2024	1,563	3,178	51	4,792

The line **Capital Expenditure** refers to Repowering construction activities on Italian wind farms for approximately 177 MW of new wind power capacity and the construction of Greenfield wind farms in Italy (47 MW), France (59 MW) of which 41 MW became operational in the third quarter, UK (47 MW) and the construction of the first Storage project (13 MW).

The line **Changes in consolidation scope** refers to the impact of the acquisitions that took place during the first nine months of 2024 in the United States (317 MW) and in France (73.2 MW).

2 – Net operating working capital

This includes inventories of spare parts, receivables for the sale of electricity, and trade payables mainly related to the purchase of electricity, maintenance of wind power and photovoltaic systems, and other trade payables.

3 – Other assets

These mainly comprise deferred tax assets, the positive fair value of electricity hedging derivatives due to commodity price movements, receivables from Tax Authorities for tax advances and advance payments made against current provision of services.

4 – Other liabilities

These concern mainly the negative effect of the fair value of derivatives hedging electricity due to the trend in commodity prices, to the deferred tax liabilities calculated on the differences between carrying amounts and the related tax basis (mainly concessions and non-current assets), the estimate of income taxes due for the period, and the provisions for risks and charges.

The item also includes the liability recognised to the Tax Equity Partner corresponding to its right to receive tax benefits over time in the form, primarily, of Production Tax Credits (PTCs) and tax losses.

5 – Non-controlling interests

Non-controlling interests relate to the non-100% equity investment (75%) in the newly established joint venture under US law, into which the wind and solar portfolio acquired in April 2024 was transferred, and to the non-100% equity investment (59%) in two newly acquired solar companies in France²³ and the non-100% equity investment (78.5%) in Andromeda PV S.r.l., acquired in 2019.

6 – Net financial indebtedness

It should be noted that for greater clarity, the net financial indebtedness is indicated in the dual measure “before IFRS 16”, excluding the liabilities linked to the application of IFRS 16, and “after IFRS 16”, indicating the aforementioned liabilities.

Lease liabilities at 30 September 2024 amounted to EUR 228 million (EUR 172 million at 31 December 2023). The increase in the first nine months of 2024 is due to the change in consolidation scope following the acquisitions completed in the United States and France during the first half of 2024 and the entry into operation of the new wind farms developed internally.

SUMMARY OF THE GROUP'S INDEBTEDNESS

30/09/2023	(EUR million)	30/09/2024	30/06/2024	31/12/2023
2,039	Non-current financial indebtedness	2,132	1,642	1,999
(633)	Current financial indebtedness (cash and cash equivalents)	(244)	270	(554)
1,406	Net financial indebtedness before IFRS 16	1,888	1,912	1,445
173	Lease liabilities	228	213	172
1,579	Net financial indebtedness after IFRS 16	2,117	2,125	1,617
126	Total indebtedness of discontinued operations	0	0	0
1,704	Total net financial indebtedness	2,117	2,125	1,617

²³ The acquisition was finalised in January 2024.

The following table illustrates the **non-current financial indebtedness** of the ERG Group:

NON-CURRENT FINANCIAL INDEBTEDNESS

30/09/2023	(EUR million)	30/09/2024	30/06/2024	31/12/2023
329	Non-current loans and borrowings	419	419	329
1,591	Non-current financial liabilities	1,597	1,108	1,606
1,920	Total	2,016	1,527	1,935
180	Total Project Financing	159	169	98
(18)	Current portion of Project Financing	(31)	(32)	(17)
162	Non-current Project Financing	128	137	81
(43)	Non-current financial assets	(11)	(22)	(17)
2,039	Total non-current financial indebtedness before IFRS 16	2,132	1,642	1,999
166	Lease liabilities	222	206	166
2,206	Total non-current financial indebtedness after IFRS 16	2,354	1,848	2,165
2,206	TOTAL	2,354	1,848	2,165

Non-current loans and borrowings at 30 September 2024 totalled EUR 419 million and refer to four Sustainable bilateral linked loans, of which one subscribed in the first quarter of 2024 for a nominal amount of EUR 90 million. The loans shown above are recognised net of medium/long-term ancillary charges recognised using the amortised cost method (EUR 1 million).

Medium/long-term financial payables of EUR 1,597 million mainly refer to the liability arising from the placement of three bonds issued as part of the Euro Medium Term Notes (EMTN) Programme, relating to:

- EUR 500 million nominal²⁴ (6-year fixed-rate term);
- EUR 600 million nominal (7-year fixed-rate term);
- EUR 500 million nominal (10-year fixed-rate term).

These liabilities are recognised net of medium/long-term ancillary charges recognised for accounting purposes using the amortised cost method (EUR 8 million).

The bond issued in 2019 (with a nominal value of EUR 500 million) has been reclassified as short-term debt as it is scheduled to be repaid within the next twelve months (scheduled maturity in April 2025).

The item also includes liabilities relating to deferred components of considerations for the purchase of assets and authorisations (EUR 3 million).

The liabilities for "Project Financing" totalling EUR 159 million²⁵ at 30 September 2024 relate to:

- EUR 64 million in loans relating to the company Andromeda S.r.l., owner of two photovoltaic systems in Central Italy;
- EUR 17 million in loans issued for the construction of a wind farm in Germany;
- EUR 77 million in loans disbursed for the construction of wind farms and photovoltaic systems in France, as part of the recent acquisition in January 2024.

Non-current financial assets of EUR 11 million refer to the long-term portion of assets arising from the fair value measurement of interest rate hedging derivatives.

²⁴ Issued in July 2024

²⁵ These liabilities are recognised net of medium/long-term ancillary charges recognised for accounting purposes using the amortised cost method.

The breakdown of **current net financial indebtedness** is shown below:

CURRENT FINANCIAL INDEBTEDNESS (CASH AND CASH EQUIVALENTS)

30/09/2023	(EUR million)	30/09/2024	30/06/2024	31/12/2023
0	Current bank loans and borrowings	80	111	132
-	Current portion of non-current financial liabilities	498	498	0
37	Other current financial liabilities	37	33	37
37	Current financial liabilities	614	642	169
(474)	Cash and cash equivalents ⁽¹⁾	(283)	(283)	(459)
(202)	Securities and other current financial assets	(587)	(100)	(272)
(676)	Current financial assets	(869)	(383)	(731)
18	Current Project Financing	31	32	17
(12)	Cash and cash equivalents	(20)	(21)	(9)
6	Project Financing	11	10	8
(633)	Total current net financial indebtedness before IFRS 16	(244)	270	(554)
6	Lease liabilities	6	7	6
(627)	Total non-current financial indebtedness after IFRS 16	(238)	277	(548)
126	Total current financial indebtedness of discontinued operations	-	-	-
(501)	TOTAL	(238)	277	(548)

(1) The figure at 30 September 2023 includes the impact of the application of IFRS 5 in relation to the cash and cash equivalents of the thermoelectric business.

Current bank loans and borrowings include positions related to short-term credit lines.

As noted above, the current portion of non-current financial liabilities includes a bond (equal to nominal EUR 500 million) restated under current financial indebtedness as it is expected to be repaid within the next twelve months.

Other current financial liabilities mainly comprise accrued interest expenses on Bonds and Corporate Loans (EUR 12 million), as well as a financial liability, recognised at the time of acquisition, attributable to the US scope (EUR 16 million), and a liability related to deferred components of purchase consideration for assets and authorisations (EUR 6.5 million).

Securities and other current financial receivables mainly include short-term cash investments in the amount of EUR 565 million, the current portion of assets arising from the fair-value measurement of interest-rate hedging derivatives in the amount of EUR 8 million, and deposits as collateral for futures derivatives transactions in the amount of approximately EUR 3 million.

Cash flows

The statement of cash flows is presented based on adjusted values before IFRS 16, in order to facilitate understanding of the cash flow dynamics of the period. The breakdown of changes in net financial indebtedness is as follows:

3rd quarter			9 months	
2024	2023	(EUR million)	2024	2023
109	105	<i>Adjusted gross operating profit</i>	390	375
(5)	(54)	<i>Change in net working capital</i>	(67)	0
104	51	Cash flows from operations	323	376
(57)	(63)	<i>Capital expenditure in property, plant and equipment and intangible assets</i>	(182)	(193)
0	(2)	<i>Asset acquisitions and business combinations</i>	(319)	(184)
1	0	<i>Capital expenditure on non-current financial assets</i>	1	1
(2)	(1)	<i>Other changes and divestments</i>	(11)	(2)
(57)	(66)	Cash flows from investments/divestments	(510)	(377)
(6)	(1)	<i>Financial income (expense)</i>	(13)	(6)
-	-	<i>Financial expense for closing loans</i>	-	(4)
(0)	0	<i>Net gains (losses) on equity investments</i>	0	0
-	88	<i>Collection distribution reserves ERG Power⁽¹⁾</i>	-	88
(6)	87	Cash flows from financing activities	(13)	78
(5)	(5)	Cash flows from tax management	(58)	(14)
(2)	-	<i>Distribution of dividends</i>	(150)	(152)
-	-	<i>Share buy-back programme</i>	(37)	-
(10)	43	<i>Other changes in equity</i>	1	117
(12)	43	Cash flows from Equity	(185)	(36)
-	(85)	Cash Flow Thermo	-	(27)
1,912	1,556	Opening net financial indebtedness of "Continuing operations"	1,445	1,533
(24)	(24)	<i>Net change</i>	443	(1)
1,888	1,532	Total net financial indebtedness before IFRS 16	1,888	1,532
-	(126)	<i>(+ Net financial position Thermo business)</i>	-	(126)
1,888	1,406	Net financial indebtedness before IFRS 16	1,888	1,406
228	173	<i>Lease liabilities</i>	228	173
2,117	1,579	Net financial indebtedness after IFRS 16	2,117	1,579

(1) It is noted that on 17 October 2023, the closing was finalised for the sale of the entire share capital of ERG Power S.r.l.

Cash flows from operations in the first nine months of 2024 were positive at EUR 323 million, down from the corresponding period of 2023 (EUR 376 million) mainly due to the changes in working capital. It should be noted that comparative 2023 benefited from the positive effect due to the financial settlement of some derivative instruments.

The Cash flows from investments in the first nine months of 2024 refer to the impacts related to the acquisition in the United States of wind farms and photovoltaic systems (317 MW) and in France (73 MW), the repowering of Italian wind farms for approximately 177 MW of new wind capacity and the construction of Greenfield farms in Italy (47 MW), France (59 MW) and the UK (47 MW) and the start of the activities of the first Storage project (13 MW).

Cash flows from financing activities refer to the interest accrued during the period.

Cash flows from tax management refer to the payment of direct taxes ²⁶.

Cash flows from Equity refer to dividends distributed to shareholders (EUR 150 million), the impact of the share buy-back programme²⁷ (EUR 37 million), changes in the cash flow hedge reserve related to derivative financial instruments, and the foreign exchange translation reserve.

The change in **Lease Liabilities** is attributable to the change in the scope of consolidation for the acquisitions in the United States and France, which took place in the first half of 2024, and to the commissioning of the new wind farms developed internally.

²⁶ The amount includes the payment of the substitute tax on the redemption of capital gains arising from the Siena and Donatello business combinations, which took place in 2022.

²⁷ The share buy-back programme started in the fourth quarter of 2023 and ended in February 2024.

ALTERNATIVE PERFORMANCE INDICATORS

Definitions

On 3 December 2015, CONSOB issued Communication no. 92543/15, which transposes the Guidelines regarding the use and presentation of Alternative Performance Indicators in the context of regulated financial information, issued on 5 October 2015 by the European Securities and Markets Authority (ESMA). The Guidelines, which updated the CESR Recommendation on Alternative Performance Indicators (CESR/05 – 178b), aim to promote the usefulness and transparency of alternative performance indicators so as to improve their comparability, reliability and comprehensibility.

Some of the Alternative Performance Indicators (APIs) used in this document are different from the financial indicators expressly provided for by the IAS/IFRS adopted by the Group.

These alternative indicators are used by the Group in order to facilitate the communication of information on its business performance as well as its net financial indebtedness.

Finally, in order to facilitate an understanding of the business segments' performance, the operating results are shown with the exclusion of significant special income components of an exceptional nature (special items): these results are indicated with the term "Adjusted results".

Since the composition of these indicators is not regulated by the applicable accounting standards, the method used by the Group to determine these indicators may not be consistent with the method used by other operators and so these might not be fully comparable.

Definitions of the APIs used by the Group and a reconciliation with the items of the Financial Statements templates adopted are as follows:

- **Adjusted revenue** is revenue, as indicated in the financial statements, with the exclusion of significant special income components of an exceptional nature (special items);
- **EBITDA** is an indicator of operating performance calculated by adding "Amortisation, depreciation and impairment of non-current assets" to the Operating profit (EBIT). Gross operating profit (EBITDA) is explicitly indicated as a subtotal in the financial statements;
- **Adjusted EBITDA** is the gross operating margin, as defined above, with the exclusion of significant special income components (special items);
- **Adjusted EBIT** is the net operating profit, explicitly indicated as a subtotal in the financial statements, with the exclusion of significant special income statement components of an exceptional nature (special items);
- **EBITDA margin** is an indicator of the operating performance calculated by comparing the adjusted EBITDA to the (adjusted) Revenue from sales and services of each individual business segment;
- The **adjusted tax rate** is calculated by comparing the adjusted amounts of taxes and profit before taxes;
- **Profit (loss) from continuing operations** does not include the result from discontinued operations relating to the thermoelectric business reclassified under the item "Profit (loss) from discontinued operations";
- **Adjusted Profit (loss) from continuing operations** is the profit (loss) from continuing operations, with the exclusion of

significant income statement components of an exceptional nature (special items), net of the related tax effects.

- **Adjusted profit (loss) attributable to owners of the parent** is the adjusted profit (loss) from continuing operations with the exclusion of the profit attributable to non-controlling interests.
- **Capital expenditure** is the sum of capital expenditure in property, plant and equipment and intangible assets, with the inclusion of Mergers & Acquisitions and not including Right of Use assets.
- **Net operating working capital** is the sum of Inventories, Trade receivables and Trade payables;
- **Net invested capital** is the sum of Non-current assets, Net operating working capital, Liabilities related to Post-employment benefits, Other assets and Other liabilities;
- **Net financial indebtedness** is an indicator of the financial structure and is determined in accordance with ESMA Guidelines 32-382-1138 (Guidelines on Prospectus disclosures) and CONSOB Warning Notice no. 5/2021, also including the portion of non-current assets relative to derivative financial instruments.

For greater clarity, net financial indebtedness is indicated in the dual measure "before IFRS 16", excluding the liabilities linked to the application of IFRS 16, and "after IFRS 16", including the aforementioned liabilities.

The comparative figures at 30 September 2023 refer to the scope of continuing operations, therefore excluding the indebtedness of the thermoelectric business, sold in October 2023.

- **Financial leverage** is calculated by comparing the net financial indebtedness before IFRS 16 to the net invested capital, not including Right of Use assets.
- **Special items** include significant special income components of an exceptional nature. These include:
 - income and expense connected to events whose occurrence is non-recurring, i.e. those transactions or events that do not frequently re-occur over the normal course of business;
 - income and expense related to events that are not typical of normal business activities, such as restructuring and environmental costs and charges associated with extraordinary transactions;
 - capital gains and losses linked to the disposal of assets;
 - significant impairment losses recognised on assets following impairment tests;
 - income and the associated reversals recognised in application of IFRS 9, in relation to the restructuring of loans in place.

IFRS 16

Starting from 2024, the Group, in line with industry practice, also includes the effects of IFRS 16 on its adjusted operating results. The comparative data were restated in line with the new approach.

For greater clarity, the net financial indebtedness is indicated in the dual measure "before IFRS 16", excluding the liabilities linked to the application of IFRS 16, and "after IFRS 16", indicating the aforementioned liabilities.

Reconciliation with adjusted operating results

GROSS OPERATING PROFIT (EBITDA)

3rd quarter				9 months	
2024	2023	(amounts in millions)	Note	2024	2023
109	103	Gross operating profit (EBITDA)		383	372
Special items exclusion:					
0	2	- Reversal of ancillary charges on extraordinary operations	1	6	3
-	-	- Reversal of provision for disposed businesses	2	0	1
109	105	Adjusted gross operating profit		390	375

AMORTISATION, DEPRECIATION AND IMPAIRMENT LOSSES

3rd quarter				9 months	
2024	2023	(amounts in millions)	Note	2024	2023
(76)	(55)	Amortisation, depreciation and impairment losses		(204)	(168)
Special items exclusion:					
9	1	- Reversal of impairment losses recognised on Repowering Wind Italy	3	10	1
(66)	(54)	Adjusted depreciation and amortisation		(193)	(166)

PROFIT (LOSS) ATTRIBUTABLE TO OWNERS OF THE PARENT

3rd quarter				9 months	
2024	2023	(amounts in millions)	Note	2024	2023
18	32	Profit (loss) from continuing operations attributable to owners of the parent		146	146
Special items exclusion:					
0	1	Exclusion of ancillary charges on non-recurring transactions	1	5	2
(29)	0	Exclusion of expenses related to disposed Businesses	2	(28)	(5)
(1)	1	Exclusion of impairment losses recognised on Repowering Wind Italy	3	-	1
0	-	Exclusion of ancillary charges on loan prepayments	4	0	3
36	-	Exclusion of Tax Asset UK and substitute tax Wind & Solar Italy	5	7	-
-	0	Exclusion of impact of gains/losses (IFRS 9)	6	-	1
25	34	Adjusted profit (loss) from continuing operations attributable to owners of the parent		130	149

- Ancillary charges relating to other non-recurring transactions, as well as unsuccessful acquisitions.
- Provisions relating to exceptional items on businesses disposed of by the Group.
- Charges related to Repowering and Revamping projects in Italy
- Financial expense related to the early closure of project financing and Corporate loans as part of Liability Management transactions.
- Reversal of the benefit of the substitute tax deriving from the exemption of the goodwill due to the merger in the Siena and Donatello Business combinations acquired in 2022.
- IFRS 9 does not allow for the deferment of the positive economic effects of the renegotiation of loans

on the residual life of the liability; this resulted in net gains of approximately EUR 1 million being accounted for in the first nine months of 2023. For the purposes of clearer disclosure of the cost of net financial indebtedness, it was considered appropriate to show in the adjusted Income Statement financial expense related to the debt service payment, deferring the recognition of benefits of the renegotiation over the remaining term of the liability and not recognising them all in one immediate entry at the time of the amendment. The adjustment commented herein relates primarily to the reversal of the aforementioned benefit net of the effects linked to the reversal of similar income relating to re-financing operations of previous years.

Regulatory measures to curb energy price rises (clawback measures and windfall tax)

In the course of 2022, measures were introduced in Italy and abroad to contain the effects of price increases in the electricity sector, which have already been described in the Group Financial Statements at 31 December 2022 and whose effects also impacted the Group Financial Statements at 31 December 2023.

Due to the development of the price scenario over the reference period, no significant refunds are to be expected in the first nine months of 2024 from the application of these measures (EUR 1 million).

It should be noted that, in the first nine months of 2023, this negative impact amounted to EUR 9 million on EBITDA.

Below is the reconciliation between the Financial Statements and the Adjusted Financial Statements shown and commented upon in this document:

Income Statement 9 months 2024

(EUR million)	Financial Statements	Reversal of special items	Adjusted Income Statement
Revenue	542	-	542
Other income	32	-	32
Total revenue	574	-	574
Purchases and change in inventories	(10)	-	(10)
Services and other operating costs	(138)	7	(132)
Personnel expense	(43)	-	(43)
Gross operating profit (EBITDA)	383	7	390
Amortisation, depreciation and impairment of non-current assets	(204)	10	(193)
Operating profit (loss) (EBIT)	179	17	196
Net financial income (expense)	(18)	-	(18)
Net gains (losses) on equity investments	(0)	0	0
Profit before taxes	161	17	178
Income taxes	(13)	(33)	(46)
Profit (loss) from continuing operations	148	(16)	132
Non-controlling interests	(2)	-	(2)
Profit (loss) from continuing operations attributable to owners of the parent	146	(16)	130
Net profit (loss) from discontinued operations	-	-	-
Profit attributable to owners of the parent	146	(16)	130

It should be noted that, starting from this year, the adjusted operating results include the accounting impacts of IFRS 16. The comparative results for 2023 are therefore restated in line with the new approach defined by the Group.

The reconciliation of the effects described above is provided below:

Income Statement 9 months 2023

(EUR million)	Adjusted income statement (not including IFRS 16)	IFRS 16	Adjusted income statement (including IFRS 16)
Revenue	521	-	521
Other income	17	-	17
Total revenue	539	-	539
Purchases and change in inventories	(9)	-	(9)
Services and other operating costs	(126)	10	(116)
Personnel expense	(38)	-	(38)
Gross operating profit (EBITDA)	365	10	375
Amortisation, depreciation and impairment of non-current assets	(161)	(5)	(166)
Operating profit (loss) (EBIT)	204	5	209
Net financial income (expense)	(6)	(5)	(11)
Net gains (losses) on equity investments	0	-	0
Profit before taxes	198	(0)	197
Income taxes	(47)	-	(47)
Profit (loss) from continuing operations	151	(0)	151
Non-controlling interests	(2)	-	(2)
Profit (loss) from continuing operations attributable to owners of the parent	149	(0)	149
Profit (loss) from discontinued operations	(5)	-	(5)
Profit attributable to owners of the parent	144	(0)	143

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