3Q 2024 Report

Premier Energy PLC

Premier Energy's 18 MW wind park near Dranceni, Romania

Premier Energy PLC
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Registration number: **HE316455**

Tradeable on the **Bucharest Stock Exchange**, Main Segment, Int'l Category, **PE** symbol

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The interim condensed consolidated financial statements presented on the following pages are prepared in accordance with International Financial Reporting Standards applicable to interim reporting, as applied in the European Union ("IFRS"). The interim condensed consolidated financial statements as of September 30th, 2024, **are unaudited.**

The financial figures presented in the descriptive part of the report that are expressed in thousands and/or millions of **euros (EUR)** are rounded off to the nearest integer. This may result in small reconciliation differences.

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Directors' Report for 9-months period ended September 30th, 2024

3Q & 9M 2024 RESULTS HIGHLIGHTS

- **38% 9M YoY growth** in owned renewable GWh of production driven by acquisition (added 80 MW of wind capacity in late July) and commissioning of new developments (commissioned 5 MW in 3Q)
- **66% 9M YoY growth** in electricity supplied and **34% 9M YoY growth** in natural gas supplied
- **5% 9M YoY growth** in gas distribution customers
- **36% 9M YoY normalized revenue growth**, **74%** YoY in 3Q
- **8% 9M YoY normalized EBITDA growth**, **22%** YoY in 3Q
- **Sound financial position** with approx. **€31 million of net working capital and cash balance** despite multiple recent acquisitions and capital expenditures

Operational KPIs		3Q 2024	3Q 2023	Δ	9M 2024	9M 2023	Δ
Owned Renewable Energy Production	GWh	58	28	111%	127	92	38%
Owned Renewable Energy Capacity (EOP)	MW	182	57	219%			
Managed Renewable Energy Capacity (EOP)	MW	813	692	17%			
Electricity Supply Quantities	GWh	1,959	966	103%	4,950	2,977	66%
Electricity Distribution Customers (EOP)	# ths.	954	946	1%			
Natural Gas Supply Quantities	GWh	2,045	1,358	51%	5,439	4,061	34%
Natural Gas Distribution Customers (EOP)	# ths.	158	150	5%			
Total Energy Customers (EOP)	# ths.	2,324	1,102	111%			

FINANCIAL KPIs		3Q 2024	3Q 2023	Δ	9M 2024	9M 2023	Δ
Revenue	€ în mil.	303.3	188.4	61%	815.8	653.7	25%
Normalized Revenue [(a)]	€ în mil.	306.9	176.0	74%	841.7	617.9	36%
Adjusted EBITDA [(b)]	€ în mil.	14.1	28.0	-50%	44.9	102.9	-56%
Normalized EBITDA [(c)]	€ în mil.	19.1	15.7	22%	72.3	67.1	8%
Net Profit		6.6	12.9	-49%	26.5	62.5	-58%
Illustrative Normalized Net Profit [(d)]	€ în mil.	4.8	4.1	17%	30.5	27.0	13%

Long-Term Debt	€ în mil.	150.0
Short-Term Debt	€ în mil.	97.0
Less: Cash [(e)]	€ în mil.	(122.5)
Net Debt	€ în mil.	124.5
Working Capital Adj. Net Debt / (Cash) [(f)]	€ în mil.	(31.4)

(a) Defined as Revenue adjusted for Tariff Deviations and Energy Supplied but Unbilled variances in Moldova.
(b) Defined as Profit from Operations plus Depreciation & Amortization Expense, less Gain on Bargain Purchase, and adjusting for any Net Foreign Currency losses or Gains.
(c) Defined as Adj. EBITDA adjusted for Tariff Deviations and Energy Supplied but Unbilled variances in Moldova.
(d) Defined as Net Profit adjusted for after-tax Tariff Deviations & Energy Supplied but Unbilled variances in Moldova.
(e) Includes cash and equivalents as well as restricted cash.
(f) Defined as Net Debt plus Non-debt Current Liabilities less Non-Cash Current Assets.

PREMIER ENERGY
GROUP

3Q 2024 **Earnings Call**

15.11.2024

10:00 EST | 09:00 CET | 08:00 UK

Join the 3Q 2024 results calls with Premier Energy Group's top management to discuss the performance in the nine months of 2024 as well as the prospects for the remainder of the year.

José Garza
CEO

Peter Stohr
CFO

Giacomo Billi
Head of Renewables

Jose Luis Gomez Pascual
CM Premier Energy Moldova

Madalina Vasile
CMO

Miruna Ciocea
Head of M&A

Zuzanna Kurek
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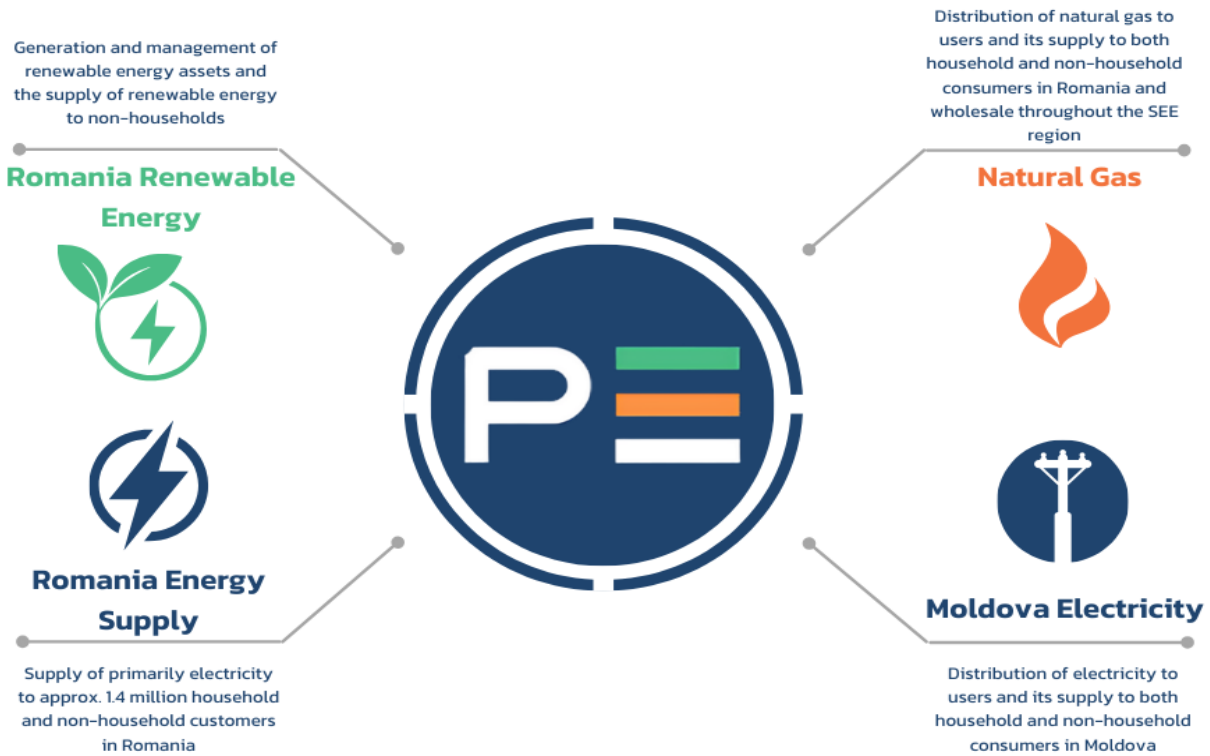
IR Officer

Request your log-in details by emailing the IR Team at:
investor.relations@premierenergygroup.eu

ABOUT PREMIER ENERGY GROUP

CORE BUSINESS SEGMENTS

Premier Energy PLC ("**Premier Energy**" or "**the Group**") is a vertically integrated energy and power infrastructure company in the SEE region. The Group's four core business segments include:



With over 1,200 MW of renewable electricity generation capacity under ownership, management, or development in Romania and Moldova, Premier Energy is actively contributing to the renewable energy sector's expansion. Additionally, as the third-largest natural gas infrastructure distributor and the fifth largest supplier in Romania, the fourth-largest electricity supplier in Romania, and the largest electricity infrastructure distributor and supplier in the Republic of Moldova, Premier Energy plays a pivotal role in ensuring reliable, sustainable, and efficient energy distribution and supply across the region to millions of customers.

Established in 2012 and committed to growth, development, and sustainability, the Group has evolved through strategic mergers and acquisitions, substantial organic growth and expanding expertise. The Group is dedicated to profitably driving the transition towards cleaner, greener energy solutions. Through the comprehensive range of renewable energy services, including power purchase agreements, balancing and project development, Premier Energy actively contributes to creating a more sustainable world for future generations.

Romania Renewable Energy

Premier Energy's expertise in renewable energy extends to project development for greenfield initiatives, as well as operational plant management including forecasting, balancing and dispatching of the electricity generated by owned and managed renewable production plants, facilitating the transition to profitable sustainable energy solutions.

In addition, Alive Capital, the Group's subsidiary, offers comprehensive asset management solutions, from administrative tasks to contract management and reporting, enhancing operational efficiency.

The Group is one of the largest renewable energy suppliers and aggregators, with a robust presence in generation, supply, asset management, and aggregation services. As of 30 September 2024, the Group owned 167 MW of renewable energy production plants in Romania, including 146 MW of wind generation, and has 23 MW of solar plants currently in construction.

Romania Energy Supply

In April 2024, the Group completed the acquisition of CEZ Vânzare, since renamed to Premier Energy Furnizare, consolidating its position in the local market with an additional 1.3 million electricity and natural gas customers in Romania, expanding the Group's total consumer base to approximately 2.3 million electricity and natural gas customers in Romania and Moldova.

Natural Gas Distribution and Supply

Premier Energy engages in natural gas distribution, supply, and network maintenance in Romania, serving both households and non-household customers, also selling gas to industrial customers beyond its concession network and on a wholesale basis throughout the SEE region.

As of September 30th, 2024, Premier Energy distributed gas to over 158 thousand consumption points in Romania and supplied gas to over 144 thousand customers. With 118 gas concessions across Romania, and with a distribution network spanning over 3,800 km, the majority capable of supporting green hydrogen distribution, the concessions strategically cover areas around Bucharest and the southern and western regions of Romania, including remote areas with anticipated demand growth.

Republic of Moldova electricity distribution, supply and generation

The Group is the largest electricity distributor and supplier in Moldova, serving around 70% of the population with nearly 1 million consumption points, and holding over 75% market share in the electric supply market. Premier Energy Distribution S.A. operates a network of approximately 35,780 km, covering 16 districts and the capital, Chisinau, as one of two electricity distributors in the country.

Moreover, in Moldova, the Group leads as the largest renewable services provider, delivering forecasting, balancing, aggregation and supply services to an approximate 20% share of the installed renewables capacity in the country. The Group also owned 15 MW of solar energy plants in Moldova as of 30 September 2024 with an additional 14 MW in construction. This highlights Premier Energy's commitment to driving profitable renewable energy adoption and sustainability, catalyzing the region's energy transition.

ESG AND SUSTAINABILITY

Premier Energy concentrates its efforts on customer needs and environmental responsibility, ensuring a cleaner future. At the forefront of renewable energy solutions, the Group is committed to addressing environmental challenges and aligning with UN Sustainable Development Goals, the Task Force on Climate-related Financial Disclosures, and other policies and EU-level legislations.

The Group is committing to align all its operations with the goals of the Paris Agreement and has developed and published a Decarbonization Plan intending to reach Net Zero GHG emissions by 2045, in line with the Business Ambition for 1.5°C initiative. The Group is strongly focused on a sustainable future by profitably expanding its business mainly through the acquisitions and development of renewable generation assets.

KEY EVENTS IN 3Q 2024 AND AFTER THE CLOSING OF THE PERIOD

ACQUISITIONS

Completion of the acquisition of a Wind Park near Mihai Vitezu | July 2024

On July 30th, Premier Energy successfully completed the acquisition of an 80 MW wind plant near Mihai Viteazu in Constanta County, Romania. The wind plant generates an estimated 170 GWh of electricity on an annual basis. The acquisition contract to acquire Eolica Dobrogea One S.R.L., since renamed to Premier Wind 80 S.R.L., was signed in April 2024.

The acquisition, one of the largest in the Group's history, valued at EUR 96.8 million, including EUR 8.5 million as deferred consideration should the company receive any refund compensation from the Romanian state for any windfall taxes paid until 31 December 2024, with a lockbox date of January 1st, 2024, was facilitated by a syndicated loan of EUR 61 million provided by Vista Bank and Optima Bank.

While the acquisition structure included a lockbox mechanism starting with the 1st of January 2024 (meaning the cash generated since that date would be part of the acquisition), the results of the Mihai Viteazu wind plant were consolidated into the Group's financial results from an IFRS standpoint starting in August 2024

OPERATIONAL DEVELOPMENTS

Starting operations of 13.2 MW cogeneration balancing plant | YTD 2024

The Group's cogeneration plant, acquired as an idle plant in October 2022 with an installed capacity of 13.2 MW for electricity balancing capabilities in Fagaras, Romania, and owned by the True Energy Management S.R.L. subsidiary, completed its full refurbishment in March 2024. It then received the Transelectrica system services balancing certification in May 2024 and commenced commercial electricity balancing operations in early July 2024. On 22 August 2024, the Group increased its shareholding in True Energy Management S.R.L to 75% by acquiring 15% from 3rd party minority investors.

Starting operations of 4.9 MW of solar plants in Moldova | August 2024

In August, the Group successfully developed and operationalized two solar plants in the Republic of Moldova, managing the project internally and efficiently. The combined generation capacity of these plants is 4.9 MW, with a total cost of approximately EUR 380K per MW.

Starting natural gas supply developments in Moldova | August and September 2024

In August, the Group secured its first contract through a local commodity exchange auction to supply natural gas in the Republic of Moldova. Premier Energy commenced natural gas supply operations in Moldova in September with strong growth since then.

Rejection in the first court of Azomures claim | October 2024

On October 17th, 2024, the Group won in first court the dispute with Azomureș, concerning a natural gas supply contract concluded during the COVID-19 pandemic. More details about the dispute can be consulted on page 156 of the Company's IPO listing prospectus.

CAPITAL MARKETS & GOVERNANCE

Optimization of the capital structure | 3Q and October 2024

On June 28th, 2024, Premier Energy PLC strategically amended its EUR 80 million loan facility with J&T Banka, a.s., resulting in a significantly lower interest rate, a material reduction in the annual debt amortization payment, and an extension of the maturity date. The outstanding loan balance decreased to EUR 60 million at the end of June as a result of both the scheduled and voluntary loan repayments that were made in June. The facility was also simplified from a collateral and security perspective.

In line with its strategy to continue to optimize the capital structure and enhance shareholder value, the Group's subsidiary Ecoenergia S.R.L. fully repaid in June the remaining EUR 15 million that was outstanding on a EUR 22 million loan facility provided by Vista Bank (Romania) S.A. and Credit Agricole Bank Romania S.A. Furthermore, the Group's Enex Nalbant Renewable S.R.L. subsidiary fully repaid its remaining EUR 7.2 million bank loan facility on August 7th. Additionally, the Group canceled a EUR 30 million secured working capital revolving loan with the European Bank for Reconstruction and Development (EBRD) which was used to finance the increased value of natural gas contracts and natural gas inventory caused by the gas price surge that was triggered by the war in Ukraine. The loan was provided under the EBRD's Resilience and Livelihoods Framework, one of whose focus areas was energy security in Ukraine and affected countries. Finally, the Group made a EUR 8 million voluntary early prepayment on the syndicated loan provided by Vista Bank and Optima Bank used for the acquisition of Premier Wind 80 on 30 October 2024.

Commencing of the unbundling procedure of Premier Energy S.R.L. in Romania | October 2024

On October 21st, 2024, the Company announced that its subsidiary in Romania, Premier Energy S.R.L., the distribution and natural gas supply business, has initiated an unbundling spin-off procedure. During the unbundling procedure, part of the assets of Premier Energy S.R.L. will be transferred to a new company which will be set-up as a consequence of the spin-off. Following the completion of this process, the legal ownership structure will remain unchanged, and the new company resulting from the spin-off will continue to be part of the Premier Energy Group. The initiation of the spin-off was necessary in order to fulfill the unbundling rules - legal obligation of separating the distribution from the supply activity, according to the applicable legal provisions. The spin-off was approved through the Resolution of the General Meeting of Shareholders of Premier Energy S.R.L. on 8 October 2024 and will be effective as of 31 December 2024.

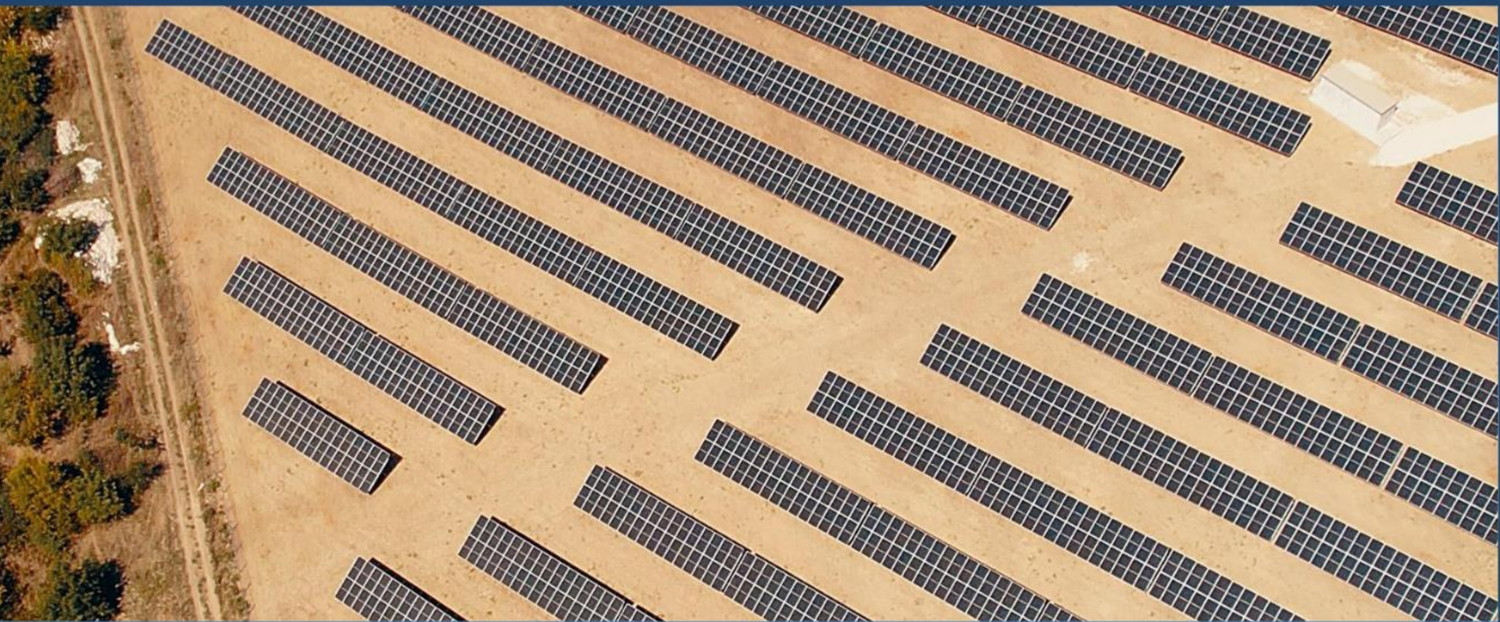
Premier Energy's 18 MW Wind Park, near Dranceni, Vaslui County, Romania

Premier Energy's ENEX 27.5 MW Wind/Solar Park station, Tulcea County, Romania

Premier Energy's 80 MW Wind Park, Mihai Viteazy, Constanta County, Romania


CEF Izvoru Barzii 14.8 MWp & 14.175 Solar Park, Mehedinti County, Romania, managed by Premier Energy


Premier Energy's CEF Frumuseni 0.50 MWp Solar Park, near Arad, Romania


Premier Energy's Solar Park near Chisinau, Moldova

FINANCIAL RESULTS ANALYSIS

OPERATIONAL KPIs

OPERATIONAL KPIs		3Q 2024	3Q 2023	Δ	9m 2024	9m 2023	Δ
Owned Renewable Energy Production	GWh	58.4	27.7	111%	127.2	92.0	38%
LFL[a]	*GWh*	25.9	27.3	*-5%*	81.1	91.5	*-11%*
Cogeneration Balancing Plant Production	GWh	7.2	0	n/a	7.2	0	n/a
Owned Renewable Energy Capacity [b]	MW	182	57	219%			
Managed Renewable Energy Capacity	MW	813	692	17%			
Electricity Supply Quantities	GWh	1,959.3	965.7	103%	4,950.4	2,977.2	66%
o/w Moldova	*GWh*	781.4	718.4	*9%*	2,346.8	2,174.4	*8%*
LFL[c]	GWh	1,327.7	965.7	37%	3,742.0	2,977.2	26%
Electricity Supply Customers	# ths.	2,179.7	841.0	159%			
o/w Moldova	# ths.	848.0	841.0	*1%*			
LFL[c]	# ths.	848.0	841.0	1%			
Electricity Distribution Customers	# ths.	953.7	946.2	1%			
Electricity Distribution RAB	$ in mil.	201.4	196.4	0%			
WACC (Regulated Return on RAB)	%	11.71%	10.28%	n/a			
Natural Gas Distribution Quantity	GWh	203.7	189.1	8%	1,634.9	1,547.5	6%
Natural Gas Distribution Customers	# ths.	158.1	150.2	5%			
Natural Gas Distribution RAB	€ in mil.	75.0	58.6	28%			
Regulated Rate of Return	%	6.39%	6.39%	n/a			
Natural Gas Supply Quantities	GWh	2,045.1	1,358.3	51%	5,438.6	4,060.7	34%
LFL[c]	GWh	2,012.0	1,358.3	48%	5,361.3	4,060.7	32%
Natural Gas Supply Customers	# ths.	144.2	111.2	30%			
o/w Vanzare	# ths.	22.7	0.0	*n/a*			
LFL[b]	# ths.	121.5	111.2	9%			
Total Energy Customers	# ths.	2,323.9	1,102.4	111%			

(a) Like-For-Like renewable production excludes the impact of Alive Wind Power One, Alive Sun Power One, Alive Sun Power Two recently acquired production plants in Romania and production in Moldova

(b) Various shareholdings
(c) Like-For-Like figures exclude the impact from the CEZ Vanzare acquisition.

In the first nine months of 2024, Premier Energy experienced strong growth across its divisions, with the owned renewable production and both electricity and natural gas supply quantities generating significant, double-digit growth (38% in owned renewable production, 66% in electricity supply and 34% in gas supply, respectively). This growth was achieved not only inorganically by the Premier Energy Furnizare and the 18 MW wind park acquisitions in 2Q and the 80 MW wind park acquisition in 3Q, but also organically, especially in the natural gas segment where the distribution footprint, supplied gas volumes and number of customers materially increased.

Renewable Production

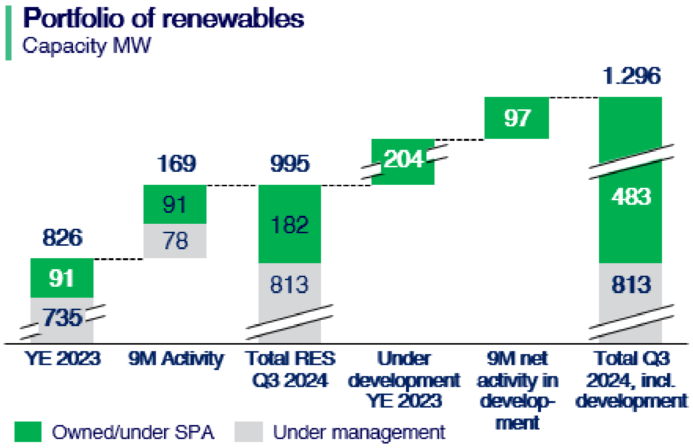
The renewable production from owned plants saw an increase of 38% during the first 9 months of the year, driven primarily by newly acquired and developed generation assets. This growth was tempered by less favorable wind conditions in Romania throughout 2024. Nevertheless, in 3Q the unfavorable trend weakened, generating only a 6% decrease vs. 3Q 2023 while the 1H 2024 decrease was almost 15%.

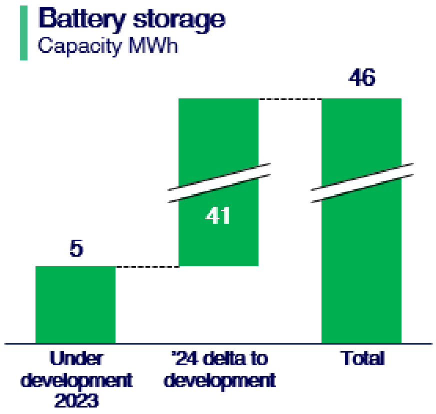
38% YoY increase in owned renewable electricity production

Production at the cogeneration balancing plant started in 3Q and produced 7.2 GWh during the quarter. The Group is awaiting to receive a secondary services license in the coming months, further broadening the plant's business model opportunities.

In terms of strategic developments in the renewables segment, Premier Energy is well on its way to achieving its stated ambitious target of 1,400 – 1,600 MW of capacity by 2026 and successfully closed the acquisitions of the 80 MW wind plant (in July) as well as the 18 MW wind plant from a private owner (in 2Q). Moreover, the Group has increased renewables under management by 78 MW (respectively by 158 MW of new assets as the 80 MW acquired wind plant was prior to the acquisition managed by the Group). Additionally, the Group continued to expand its renewable energy footprint by building 11 MW of solar plants in the Republic of Moldova during 2024 so far, out of which 5 MW were commissioned in 3Q (all of the Moldovan renewable plants are included within the Moldova segment from an IFRS perspective). The Group is now negotiating with suppliers for its 99 MW wind development and 23 MW and 86 MW solar developments in Romania. The Group's 99 MW wind plant development received the Favorable Notice from Romanian Civil Aeronautical Authority in July 2024 and construction on the ready-to-build plant should start later in 4Q 2024 or early in 2025. Construction on the 23 MW solar development has commenced while the construction for the 86 MW development should start in 4Q 2024. Furthermore, the group has decided to double the battery storage capacity for both of these solar projects. Overall, the Group added 85 MW of owned operational renewable production assets during the quarter – more than doubling its capacity and increased its development pipeline to 301 MW by the 30th of September.

The renewable energy sources (RES) portfolio as of 30.9.2024 consists of:





Electricity Supply

With the acquisition of CEZ Vanzare (renamed Premier Energy Furnizare), the Group, including its Alive Capital subsidiary, established itself as the #4 electricity supplier on the Romanian market. Integration of Premier Energy Furnizare is ongoing.

#4 electricity supplier in Romania

Natural Gas Division

In the nine months of 2024, Premier Energy's natural gas division experienced a significant increase in supply volumes, up by 34% overall, and 32% on a LFL basis. This growth was driven by robust domestic sales in Romania alongside a strong performance in wholesale markets outside of Romania. Additionally, distribution volumes saw a healthy growth of 6% during the same period, reflecting the growing distribution footprint and solid market position of the Group as well as continued increasing natural gas demand.

34% YoY growth in gas supplied

The robust operational growth was further supported by strategic infrastructure developments and market expansion. The Group added five thousand customers connected to its distribution network this year, which is a 3% increase. Moreover, the Group successfully built 127 kilometers of new distribution network (27 kilometers in 3Q), enhancing its capacity to meet the growing demand and increasing its RAB value. This expansion was complemented by the winning of two new concession agreements, bringing the total number of gas concessions held by Premier Energy to 118, further solidifying its market presence.

5K distribution customers connected YTD

The natural gas client base expanded by 30K from the beginning of the year (adding 3K customers in 3Q), with approximately 21K of these new clients coming through the acquisition of CEZ Vânzare.

30K natural gas clients gained in 2024

Moldova Division

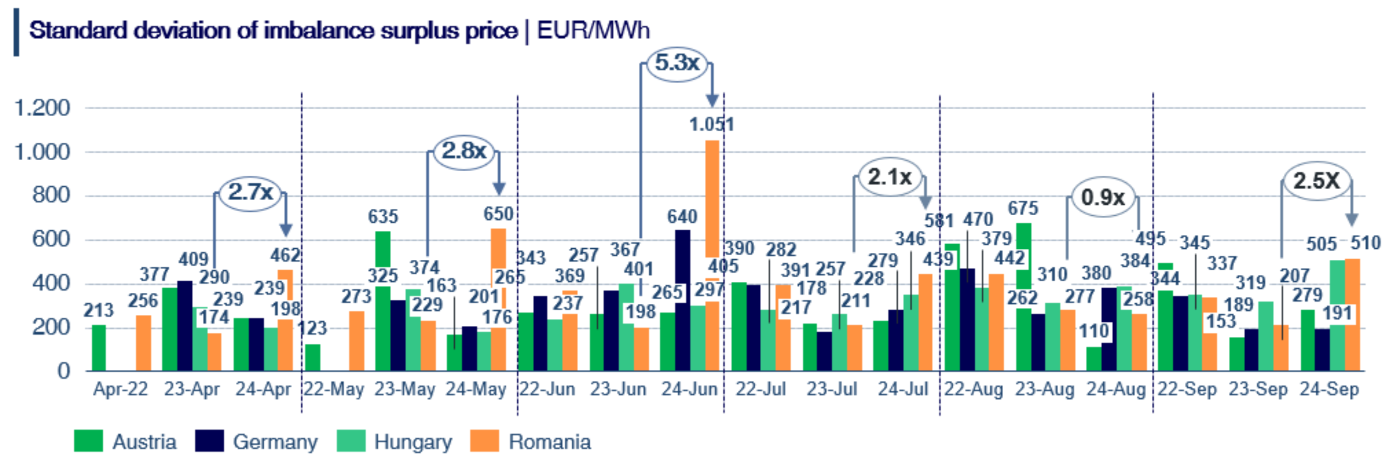
The Moldovan division is performing as expected with a 1% growth rate in electricity distribution customers and a stable RAB value enhanced by a higher WACC return of 11.71%. The supply volumes increased by 8% YTD and by 9% in 3Q. This growth in Moldova was supported by the overall GDP growth and warmer weather conditions compared to the previous year, which spurred higher electricity demand.

11.71% WACC return on RAB in Rep. of Moldova

MARKET CONTEXT

High Electricity Balancing Costs in Romania

During May and June of 2024, Premier Energy, along with the broader energy sector in Romania, faced unprecedented challenges due to the unsustainably high electricity balancing costs. These costs remained elevated also in the 3rd quarter. Electricity balancing costs refer to the expenses incurred by market participants, including renewable production plants and electricity suppliers, to ensure that supply and demand in the electricity grid remain balanced in real time, often involving the extra purchase or curtailment of electricity to stabilize the system and prevent outages.



Sources: *all data regarding balancing costs for Romania contains final prices. For Germany, Austria, and Hungary, the data includes estimates, intermediary prices, as well as final prices. Data sources: ENTSO-E Transparency Platform (https://transparency.entsoe.eu/) and OPCOM (https://www.opcom.ro/). The prices applied are surplus rates intended to penalize excess energy.*

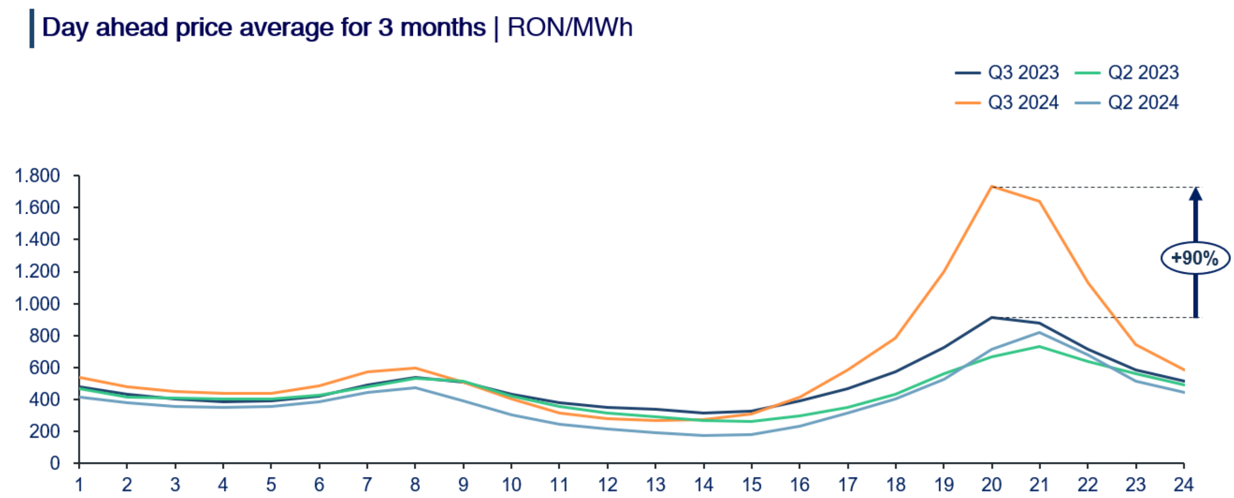
A significant contributing factor to these challenges is the absence of regulatory limitations (for example price cap and solidarity tax limitations) within the balancing segment of the industry, while the rest of the entire electricity industry operates under such constraints. This balancing sector exemption exacerbates the financial strain on renewable plant producers and electricity supply companies.

Recognizing the critical need and commercial opportunity for robust balancing capabilities, the Group has proactively invested in this area since 2022. In October 2022, Premier Energy acquired an idle cogeneration balancing plant in Făgăraș, Romania, which has since undergone refurbishing and became fully commercially operational as a licensed balancing plant on July 1st, 2024. The Group is now working on potentially enlarging the plant by adding 2 new engines with a capacity of 6.7 MW. Additionally, the acquisition of Alive Capital in February 2022 was driven in part by their advanced balancing management capabilities and efficiencies. Looking forward, the Group's two new major solar plant developments include battery storage capabilities, and the Group continues to look for new opportunities to further strengthen and profitably grow its electricity balancing capacity.

Moreover, the scaled and vertically integrated electricity business model of the Group, encompassing renewable production, management, forecasting, balancing, dispatching, and supply to end customers, is one of the largest in Romania and the largest in Moldova. With over 120 different renewable production plants in Romania, the Group has been able to limit balancing quantities relative to total renewable electricity sold and continues to look for ways to optimize and gain efficiencies from its growing production plants and supply businesses to further reduce any potential impact from high balancing costs in the future.

High Intraday Price Volatility in Romania

During 3Q of 2024, the day ahead prices in the evening demand peak hours almost doubled compared to last year and previous quarters. Especially in July, the intraday pricing volatility was extreme with July's prices reaching approximately 2.5x the level experienced last year.



Sources: *Day ahead priced, OPCOM*

Regulatory Updates

On November 7, 2024, the Constitutional Court of Romania (CCR) declared the contribution to the Energy Transition Fund, commonly known as the windfall tax on electricity producers, unconstitutional. This tax, introduced in 2022, targeted additional revenues from wholesale transactions exceeding 450 RON/MWh, with the threshold reduced to 400 RON/MWh starting April 1, 2024. The Court found that the provisions of Government Emergency Ordinance no. 27/2022 violated principles of fair taxation and economic freedom, adversely affecting fair competition and discouraging renewable energy production.

The implications of this ruling for Premier Energy Group and the broader energy market are currently uncertain. While the Ministries of Energy and Finance have not yet issued statements, government sources have indicated to the media that the decision may apply only prospectively, potentially exempting the state from reimbursing the over RON 13 billion collected under this tax. For Premier Energy, this development introduces ambiguity regarding future financial obligations and the overall tax framework. The existing system, including the contribution obligation and capped consumer prices, is scheduled to conclude on April 1, 2025. However, the impact of the CCR's decision on the remaining period and subsequent regulatory measures remains to be clarified.

INTERIM PROFIT OR LOSS STATEMENT ANALYSIS

Premier Energy's vertically integrated and diversified model of operations allowed the Group to navigate the complex and volatile energy market during the nine months of 2024 relatively well. The strong operational performance was partially offset by unforeseen and unsustainably high electricity imbalance costs, which skyrocketed in May and June 2024, negatively impacting the overall financial performance of the Group. Lower overall electricity prices with higher intraday volatility and lower wind conditions during 2024 also impacted the Group's results.

The Group achieved a 36% growth of the total revenue on a normalized basis, after adjusting for tariff deviations and tariff impact from energy supplied but unbilled in Moldova, registering EUR 841.7 million in 9M 2024, versus EUR 617.9 million in 9M 2023. Excluding the normalization, the growth was 25%, as the Group generated EUR 815.8 million in IFRS turnover in 9M 2024 and EUR 653.7 million in 9M 2023. This strong normalized top-line performance reflects the continued growth of the Group paired with the effectiveness of the Group's diversified business approach.

The revenues from the renewable segment in Romania saw a 6% growth, to EUR 145.6 million. The segment revenues grew in the 3Q due in part to the acquisition of the 80 MW wind farm in July 2024. Overall, this segment was impacted by lower overall electricity prices, the introduction of the new solidarity tax on electricity production plants from April 2024, and the reduced wind production in Romania so far this year.

The newly acquired Romania Energy Supply segment generated EUR 181.1 million of revenues during its first 6 months of ownership by the Group since its April closing.

The revenue from the natural gas distribution and supply business increased by 11% during the first nine months of the year.

The electricity distribution and supply business in the Republic of Moldova saw a 16% YoY decline on an IFRS basis but was up 5% on a normalized basis for the nine-month period.

At the level of other operating income, the 185% increase of this category was mainly attributable to the acquisition of CEZ Vânzare, rebranded to Premier Energy Furnizare, and represents the Romanian State's subsidy for price caps and the RON 73 allowed electricity gross margin that are in place and that are recoverable from the Ministry of Energy.

	3Q 2024	3Q 2023	Δ	9M 2024	9M 2023	Δ
	MEUR	MEUR	%	MEUR	MEUR	%
Romania Renewable Energy Revenue	58.3	36.9	58%	145.6	137.4	6%
Romania Energy Supply Revenue	102.5		n/a	181.1	n/a	n/a
Natural Gas Revenue	54.0	60.7	-11%	223.8	202.3	11%
Moldova Electricity Revenue	88.6	90.7	-2%	265.3	314.0	-16%
Revenue from core operations	**303.3**	**188.4**	61%	**815.8**	**653.7**	25%
Tariff Deviations (Moldova)	*5.2*	*-11.3*		*22.8*	*-47.5*	
Energy Supplied / Unbilled (Moldova)	*-1.7*	*-1.0*		*3.1*	*11.7*	
Normalized Revenue	**306.9**	**176.0**	**74%**	**841.7**	**617.9**	**36%**
Other Operating Income	48.8	6.3	671%	88.3	31.0	185%
Gain on Bargain Purchase	6.0	0.0	n/a	20.1	4.0	399%

At the level of the Group, the EBITDA growth was significantly hindered by the unprecedentedly high balancing costs in May and June, which continued to be elevated in 3Q and which affected the entire market, paired with the negative impacts from the new solidarity tax on renewable electricity production sources, applicable since April 2024, as well as lower overall electricity prices with increased volatility during the day.

	3Q 2024	3Q 2023	Δ	9M 2024	9M 2023	Δ
	MEUR	MEUR	%	MEUR	MEUR	%
Operating Expenses	-338.0	-166.7	103%	-859.2	-581.8	48%
Depreciation & Amort.	-7.2	-5.0	45%	-19.1	-14.5	32%
Unrealized FX Gain / Losses	0.0	-1.1	-99%	-2.0	-1.7	20%
Profit From Operations	**12.9**	**22.0**	**-41%**	**44.0**	**90.7**	**-52%**
Reported EBITDA	**14.1**	**28.0**	**-50%**	**44.9**	**102.9**	**-56%**
Tariff Deviations (MD)	5.2	-11.3	-146%	22.8	-47.5	-148%
Energy Supplied / Unbilled (MD)	-1.7	-1.0	69%	3.1	11.7	-73%
One-time Expenses for PW 80	1.4	0.0	n.a	1.4	0.0	n/a
Normalized EBITDA	**19.1**	**15.7**	**22%**	**72.3**	**67.1**	**8%**
Profit Before Tax	8.9	18.7	-52%	32.1	83.0	-61%
Profit After Tax	6.6	12.9	-49%	26.5	62.5	-58%
Gain on Bargain Purchase	-6.0	0.0	n/a	-20.1	-4.0	n/a
One-time After-tax Acquisition Expenses	1.2	0.0	n/a	1.2	0.0	n/a
After-tax Tariff Deviations (MD)	4.4	-7.9	-155%	20.1	-41.8	-148%
After-tax Energy Supplied / Unbilled (MD)	-1.5	-0.9	69%	2.7	10.3	-73%
Normalized Profit After Tax	4.6	4.1	12%	30.3	27.0	12%

Despite these challenges, the Group still managed to achieve an 8% growth in Normalized EBITDA, which amounted to EUR 72.3 million for 9M 2024, vs EUR 67.1 million generated in 9M 2023. In 3Q 2024, the Group's Normalized EBITDA grew by 22%, driven by higher supplied volumes in the natural gas segment, return to expected profitability in the Romanian energy supply segment and in the Renewable segment driven by the 80 MW wind park acquisition although this segment still struggled due to the aforementioned balancing costs and increased price volatility during the day. The normalization includes the value of tariff deviations in the Republic of Moldova in the total amount of EUR 22.8 million (vs. an outperformance, and hence a negative adjustment, of EUR 47.5 million in 9M 2023), and the tariff in force impact in energy supplied but not billed in Moldova in the amount of EUR 3.1 million (vs positive EUR 11.7 million in 9M 2023). Finally, the normalization includes EUR 1.4 million of one-time acquisition costs related to the acquisition of the 80 MW wind park (vs. Gain on Bargain Purchase of EUR 6.0 million).

The profit before tax amounted to EUR 32.1 million for 9M 2024, registering a 61% decrease, with profit after tax amounting to EUR 26.5 million, a 58% YoY decline. The normalized estimated net profit, adjusting for the after-tax tariff deviation, energy supplied but unbilled tariff impacts, and the one-time acquisition expenses amounted to approximately EUR 30.3 million, a 12% YoY normalized increase.

Segment analysis

3Q 2024 (EUR in millions)	Romania Renewable Energy	Romania Energy Supply	Natural Gas	Moldova Electricity	Corporate	Total
Revenue	58.3	102.5	54.0	88.6	0.0	303.3
Impact of Tariff Deviations				5.2		5.2
Impact of Energy Unbilled				-1.7		-1.7
Normalized Revenue	**58.3**	**102.5**	**54.0**	**92.1**	**0.0**	**306.9**
Normalized Revenue Growth %	58%	n/a	-11%	17%	n/a	74%
Profit from Operations	**2.8**	**7.8**	**2.3**	**2.0**	**-2.0**	**12.9**
Elimination of inter-segment profit (IFRS)	2.0	-2.8	0.1	0.7	0.0	0.0
Elimination of inter-segment profit (Management)	1.0	-1.0	0.0	0.0	0.0	0.0
Profit from Operations for Reportable Segments	**5.8**	**4.0**	**2.5**	**2.7**	**-2.0**	**12.9**
Plus: Depreciation & Amortization	2.4	0.0	1.9	2.9	0.0	7.2
Less: Gain on Bargain Purchase	-6.0	0.0	0.0	0.0	0.0	-6.0
Plus: FX Impact	0.0	0.0	0.0	0.0	0.0	0.0
Adjusted EBITDA	**2.2**	**4.0**	**4.3**	**5.6**	**-2.0**	**14.1**
Impact of Tariff Deviations				5.2		5.2
Impact of Energy Unbilled				-1.7		-1.7
Plus: One-time Expenses for PW 80 acquisition	1.0				0.4	1.4
3Q 2024 Normalized EBITDA	**3.2**	**4.0**	**4.3**	**9.1**	**-1.5**	**19.1**
% Growth vs. 3Q 2023	-19%	n/a	8%	15%	n/a	22%
Profit Before Tax for Reportable Segment	**4.5**	**3.2**	**1.8**	**1.9**	**-2.5**	**8.9**
Income Tax (IFRS)	0.2	-2.3	-0.1	-0.2	0.0	-2.4
Profit after tax	**4.7**	**0.9**	**1.7**	**1.6**	**-2.5**	**6.6**
Less: Gain on Bargain Purchase	-6.0					-6.0
Plus: One-time After-Tax Exp. for PW 80 acquisition	0.8				0.4	1.2
Impact of After-tax Tariff Deviations				4.4		4.4
Impact of After-tax Energy Unbilled				-1.5		-1.5
Normalized Net Profit	**-0.4**	**0.9**	**1.7**	**4.5**	**-2.1**	**4.6**
Normalized Net Profit Growth %	-58%	n/a	-522%	-41%	n/a	12%

3Q 2023 (EUR in millions)	Romania Renewable Energy	Natural Gas	Moldova Electricity	Corporate	Total
Revenue	36.9	60.7	90.7	0.0	188.4
Impact of Tariff Deviations			-11.3		-11.3
Impact of Energy Unbilled			-1.0		-1.0
Normalized Revenue	**36.9**	**60.7**	**78.4**	**0.0**	**176.0**
Profit from Operations	**2.8**	**1.9**	**17.6**	**-0.3**	**22.0**
Elimination of inter-segment profit (IFRS)		-0.2	0.2		0.0
Profit from Operations for Reportable Segments	**2.8**	**1.7**	**17.8**	**-0.3**	**22.0**
Plus: Depreciation & Amortization	1.0	1.3	2.6	0.0	5.0
Plus: FX Impact	0.1	1.0	-0.1	0.1	1.1
Adjusted EBITDA	**3.9**	**4.0**	**20.2**	**-0.2**	**28.0**
Impact of Tariff Deviations			-11.3		-11.3
Impact of Energy Unbilled			-1.0		-1.0
3Q 2023 Normalized EBITDA	**3.9**	**4.0**	**7.9**	**-0.2**	**15.7**
Profit Before Tax for Reportable Segment	**2.3**	**1.3**	**17.3**	**-2.1**	**18.7**
Income Tax (IFRS)	-3.3	-1.7	-0.9	0.0	-5.8
Profit After Tax	**-1.0**	**-0.4**	**16.4**	**-2.1**	**12.9**
Impact of After-tax Tariff Deviations			-7.9		-7.9
Impact of After-tax Energy Unbilled			-0.9		-0.9
Normalized Net Profit	**-1.0**	**-0.4**	**7.6**	**-2.1**	**4.1**

9M 2024 (EUR in millions)	Romania Renewable Energy	Romania Energy Supply	Natural Gas	Moldova Electricity	Corporate	Total
Revenue	145.6	181.1	223.8	265.3	0.0	815.8
Impact of Tariff Deviations				22.8		22.8
Impact of Energy Unbilled				3.1		3.1
Normalized Revenue	**145.6**	**181.1**	**223.8**	**291.2**	**0.0**	**841.7**
% Growth	6%		11%	5%		36%
Profit from Operations	**7.2**	**29.1**	**16.0**	**-3.7**	**-4.6**	**44.0**
Elimination of inter-segment profit (IFRS)	8.5	-10.3	0.7	1.1	0.0	0.0
Elimination of inter-segment profit (Management)	1.0	-1.0				0.0
Profit from Operations for Reportable Segments	**16.6**	**17.7**	**16.8**	**-2.6**	**-4.6**	**44.0**
Plus: Depreciation & Amortization	5.2	0.0	5.2	8.6	0.0	19.1
Less: Gain on Bargain	-6.0	-14.1	0.0	0.0	0.0	-20.1
Plus: FX Impact	0.2	0.0	2.2	-0.1	-0.2	2.0
Adjusted EBITDA	**16.0**	**3.6**	**24.2**	**6.0**	**-4.8**	**44.9**
% Growth	-51%	n/a	224%	-91%		-56%
Impact of Tariff Deviations				22.8		22.8
Impact of Energy Unbilled				3.1		3.1
Plus: One-time Expenses for PW 80 Transaction	1.0				0.4	1.4
9m 2024 Normalized EBITDA	**17.0**	**3.6**	**24.2**	**31.9**	**-4.3**	**72.3**
% Growth	-48%	n/a	224%	10%		8%
Profit Before Tax for Reportable Segment	**13.1**	**16.7**	**15.4**	**-4.9**	**-8.1**	**32.1**
Income Tax (IFRS)	-0.9	-2.0	-3.2	0.4	0.0	-5.7
Profit After Tax	**12.2**	**14.7**	**12.2**	**-4.5**	**-8.1**	**26.5**
Less: Gain on Bargain Purchase	-6.0	-14.1				-20.1
Plus: One-time After-Tax Exp. for PW 80 acquisition	0.8				0.4	1.2
Impact of After-tax Tariff Deviations				20.1		20.1
Impact of After-tax Energy Unbilled				2.7		2.7
Normalized Net Profit	**7.0**	**0.6**	**12.2**	**18.3**	**-7.8**	**30.3**
% Growth	-54%	n/a	n/a	-3%		12%

9M 2023 (EUR in millions)	Romania Renewable Energy	Natural Gas	Moldova Electricity	Corporate	Total
Revenue	137.4	202.3	314.0	0.0	653.7
Impact of Tariff Deviations			-47.5		-47.5
Impact of Energy Unbilled			11.7		11.7
Normalized Revenue	**137.4**	**202.3**	**278.2**	**0.0**	**617.9**
Profit from Operations	**33.9**	**3.4**	**55.8**	**-2.3**	**90.7**
Elimination of inter-segment profit (IFRS)	0.0	-1.4	1.4	0.0	0.0
Profit from Operations for Reportable Segments	**33.9**	**2.0**	**57.2**	**-2.3**	**90.7**
Plus: Depreciation & Amortization	3.0	3.8	7.7	0.0	14.5
Less: Gain on Bargain	-4.0	0.0	0.0	0.0	-4.0
Plus: FX Impact	0.1	1.6	-0.2	0.1	1.7
Adjusted EBITDA	**32.9**	**7.5**	**64.7**	**-2.2**	**102.9**
Impact of Tariff Deviations			-47.5		-47.5
Impact of Energy Unbilled			11.7		11.7
9m 2023 Normalized EBITDA	**32.9**	**7.5**	**28.9**	**-2.2**	**67.1**
Profit Before Tax for Reportable Segment	**32.6**	**0.8**	**55.8**	**-6.1**	**83.0**
Income Tax (IFRS)	-13.3	-1.8	-5.5	0.0	-20.6
Profit After Tax	**19.3**	**-1.0**	**50.3**	**-6.1**	**62.5**
Less: Gain on Bargain Purchase	-4.0	0.0	0.0	0.0	-4.0
Impact of After-tax Tariff Deviations			-41.8		-41.8
Impact of After-tax Energy Unbilled			10.3		10.3
Normalized Net Profit	**15.2**	**-1.0**	**18.8**	**-6.1**	**27.0**

Analyzing the key operating segments, for the renewable segment in Romania, Premier Energy registered 9M 2024 revenues of EUR 145.6 million, a 6% increase. Renewable production from owned plants increased by 38% (driven in part by the newly acquired 80 MW wind plant) and the managed business continued to grow while the market price of electricity was materially lower (although more volatile during the day) this year than last year, impacting the overall profitability of the segment. The renewable segment's Normalized EBITDA was largely influenced by the high balancing costs that the industry faced during May and June, which were three times and five times relatively higher than those in May and June 2023. The higher than usual balancing costs continued during the 3rd quarter, negatively impacting the profitability of the business, as did the increased intraday price volatility. As such, the 9-month EBITDA registered a 51% decline compared to the same period last year but most of the decline was in the first half of the year as the 3Q EBITDA decline was 19%.

The acquisition of the former CEZ Vânzare (renamed to Premier Energy Furnizare) business in Romania was completed in April, and therefore as of April 1st, 2024, the results of the business are included in the consolidated results for 9M 2024. The revenue generated during the Group's ownership of the business during the 9-month 2024 period amounted to EUR 181.1 million. The EBITDA generated by Premier Energy Furnizare during this time was EUR 3.6 million, being negatively impacted by the high balancing costs combined with price caps and remuneration caps, including remuneration caps on the balancing costs which are tied to the value of the purchase price as well as due to the increased volumes from prosumers. In the third quarter, the Romania energy supply segment that is comprised of Premier Energy Furnizare registered revenues of EUR 102.5 million with the EBITDA being EUR 4.0 million, essentially in line with the anticipated levels as the balancing costs during the quarter were close to the 5% range of average monthly sourcing costs compensated by the state.

The natural gas division generated an 11% revenue increase, reaching EUR 223.8 million in 9M 2024, vs EUR 202.3 million in 9M 2023. This evolution was driven by LFL supply volumes increasing by 32%, supported by strong Romanian domestic sales as well as wholesale revenue outside of Romania. The natural gas distribution segment will be further bolstered by EUR 13.8 million of distribution assets put into function during the nine months of the year (that should be included in RAB next year). At the level of EBITDA, the division generated a 224% increase, reaching EUR 24.2 million for the 9 month period, supported by the growing volumes as well as increased margins, including through the increased regulatory margin limit from RON 12 / MW to RON 15 / MW starting in April 2024. In the third quarter, the natural gas segment registered revenues of EUR 54.0 million, an 11% decrease due to lower overall prices of natural gas in the market. The segment's EBITDA was EUR 4.3 million, an 8% increase.

In the Republic of Moldova, the business performed according to expectations. Adjustments need to be made for tariff deviations that stem from the outperformance against the regulatory-allowed profits and return on assets in 2023, which is then causing a comparative underperformance in 2024 as expected. As a reminder, the electricity supply and distribution divisions in Moldova are fully regulated with the supply division earning a 1% profit margin on top of total (agreed with the regulator) costs. Since the largest cost component is the actual price of electricity, the volatility of electricity prices causes the business to materially deviate from the 1% regulatory profit margin that the business is supposed to earn on an annual basis since tariffs are fixed over a medium-term. As such, tariff deviations are frequent in the business and usually reversed in the following years. The decrease in 9M 2024 revenues in Moldova was thus driven primarily by a reduction in underlying tariffs, which were linked to lower electricity sourcing costs as well as the tariff deviation from last year, offset slightly by revenue coming from the 15 MW of solar plants which have been constructed and put into operation over the past year. Consequently, for 9M 2024, the revenues from the Moldovan electricity segment decreased by 16%, reaching EUR 265.3 million, with the normalized revenue (adjusting for the tariff deviations and change in tariffs of energy sold but unbilled) actually increasing by 5% on a year-over-year basis to EUR 291.2 million, and normalized EBITDA amounting to EUR 31.9 million, a 10% YoY increase. In the third quarter the Moldova electricity segment registered revenues of EUR 88.6 million, on a normalized level EUR 92.1 million, a 17% YoY increase. The segment's EBITDA for the quarter was EUR 5.6 million, correspondingly the normalized EBITDA was EUR 9.1 million, a 15% YoY decrease.

Note on the Normalization

Premier Energy recognizes the importance of presenting normalized revenues and profitability levels for its operations in the Republic of Moldova due to the business being fully regulated and subject to the beforementioned tariff deviations. While fully regulated, the business still operates in a market characterized by significant fluctuations in the underlying energy prices. Over the past few years, deviations between forecasted and actual tariff components, largely driven by the volatility in procured electricity prices, have led to considerable tariff deviations and therefore differences in financial outcomes on a reported, IFRS basis but all the while the normalized (income that is earned on a regulatory basis) outcomes showcase a much more stable, profitably growing business, driven by higher regulatory WACC returns and higher consumptions.

In M EUR	9M 2024	9M 2023	2023	2022	2021
IFRS, Reported EBITDA	**6.0**	**64.7**	**75.1**	**32.8**	**4.5**
Impact of Tariff Deviation (non-IFRS)	22.8	-47.5	-47.9	13.3	23.0
Statutory EBITDA (non-IFRS)	**28.0**	**17.2**	**27.2**	**46.1**	**27.5**
Impact of Energy Unbilled	3.1	11.7	9.9	-12.6	1.1
Normalized EBITDA (non-IFRS)	**31.9**	**28.9**	**37.1**	**33.5**	**28.6**
Energy Unbilled – Ending Balance (GWh)	16	27	71	74	73
Tariff in force – End-of Period (MDL)	2.18	2.41	2.23	4.50	1.43
Regulated WACC Returns	11.7%	10.3%	10.3%	8.3%	7.8%

For instance, during 2020 and 2023, the company benefited from lower-than-anticipated energy prices, which resulted in outperforming the regulatory allowed return during these years. These gains were then offset in 2021 and during the nine months of 2024, when tariffs were adjusted to offset the overperformance to ideally have a situation where there were no tariff deviations at the end of the year. In the case of the 2023 and 2024 performance, the Moldovan business generated an IFRS reported EBITDA of EUR 75 million in 2023, or approximately 2x the EBITDA it should have earned as per the regulated returns, creating a tariff deviation imbalance (the business earning more than it should have) of approximately EUR 33 million as of year-end 2023. As such, the IFRS EBITDA in 2024 will be minimal so as to have a situation at the end of 2024 where there is no material tariff deviation outstanding. The normalization of EBITDA is thus presented to provide a clearer picture of the company's underlying performance, excluding the distortions caused by these tariff deviations generated primarily by the electricity supply business in Moldova. The increase in normalized EBITDA mostly reflects increases in the regulated Weighted Average Cost of Capital (WACC) return and the Regulated Asset Base (RAB), with additional minor contributions from foreign exchange impacts and other factors. The WACC return in Moldova is denominated in US$ with the calculation based on the yield of the 10-year US treasury. As the yield has increased over the past couple of years, so has the regulated WACC return on the RAB of the business. The regulated return has thus increased from a low of 7.8% in 2021 (based on the very low 10-year US treasury levels during the pandemic year of 2020) to a level of 11.7% in 2024.

Regarding energy unbilled effects, which result from the timing differences between the procurement of energy (accounted for as expenses) and the billing based on meter readings (accounted for as revenue), an adjustment needs to be made to reflect the year-to-date and year-over-year differences in the tariff in force and the quantity of energy supplied at the end of the periods, adjusting for the seasonal impact between months due to consumption evolution. In the future, if electricity prices stabilize, causing the tariffs to stabilize, there will not be a tariffs-related energy unbilled effect to normalize.

It is important to highlight again that Premier Energy's electricity supply division in Moldova operates on a 1% profit margin over total costs due to regulatory requirements. Given that the largest cost component is the actual price of electricity, the inherent volatility of these prices often causes the business to deviate significantly from the intended 1% regulatory profit margin. Since tariffs are fixed over a medium term, these deviations are common and are typically reversed in the subsequent year. Therefore, presenting normalized financial metrics specific to the business in the Republic of Moldova helps stakeholders and management better understand the company's underlying performance, excluding the effects of these temporary deviations.

Finally, the Moldovan business benefited in the 9 month period from the revenue and profitability of its growing renewables business, including the 15 MW of solar plants that have been constructed and put into operation over the past year.

INTERIM STATEMENT OF FINANCIAL POSITION ANALYSIS

The evolution of the consolidated balance sheet as of September 30th, 2024 reflects a robust financial position, marked by increased equity, overall profits, and strategic acquisitions in the first nine months of 2024.

The total assets increased 43%, reaching EUR 1,047.5 million. The long-term assets saw a 27% increase in 9M 2024, up to EUR 597.5 million, largely due to strategic investments into renewables electricity production plants and into the regulated distribution businesses, increasing the property, plant, and equipment position by 29% to EUR 515.9 million. As mentioned before, in July 2024, Premier Energy acquired an 80 MW operating wind park in Romania and the Group continued to invest in its distribution businesses in both Romania (natural gas) and Moldova (electricity) while also developing the multiple solar plants in Moldova.

At the level of current assets, there is a significant increase of 73%, up to EUR 450.0 million. The principal contribution to this category has been brought by the trade receivables which saw a 133% increase, to EUR 203.1 million. Trade and other receivables, as well as short-term bank debt, increased primarily due to the acquisition of CEZ Vânzare in April. Out of the EUR 203.1 million in receivables, over EUR 95 million is tied to government support scheme receivables related to CEZ Vânzare. It is important to mention that approximately EUR 76 million of these receivables were collected in July and August 2024 although the higher electricity spot prices and balancing costs resulted in new government support scheme receivables being generated during the 9 month period. The cash position saw a 35% increase, up to EUR 110.0 million, reflecting primarily the net IPO proceeds.

The equity noted a significant increase in 9M 2024, driven by both the successful IPO in May and the profits generated during the period. As of September 2024, the equity stood at EUR 518.9 million, up 28% from EUR 405 million as of December 2023. The share premium registered a 402% increase, up to EUR 112.8 million, as a direct result of the successful IPO.

The liabilities increased by 62%, to EUR 528.6 million. As of September 2024, Premier Energy's net debt stood at EUR 124.5 million. However, after adjusting for working capital, the company reported an adjusted net debt position of negative EUR 31.4 million, indicating a net cash and working capital surplus. The relatively high net working capital position was primarily due to the significant receivables, including the EUR 95 million from government support schemes, and EUR 55 million worth of inventory, particularly inventory of natural gas-in-storage which was purchased for the upcoming winter heating season.

Of note is that the interim statement of financial position as of September 2024 includes over EUR 20 million of investments that have been made into assets which did not generate any revenue and profits during the first nine months (for example, investments into various renewable development projects; capital expenditures into the distribution networks which have not yet been commissioned into RAB, etc.).

	30.09.2024 MEUR	31.12.2023 MEUR	Variation %
NON-CURRENT ASSETS	**597.5**	**471.0**	**27%**
Intangible assets and goodwill	50.1	47.8	5%
Property, plant and equipment	515.9	399.1	29%
Investments in equity-accounted investees	0.2	0.2	0%
Loans receivable	4.1	4.9	-15%
Trade receivables	1.4	1.1	24%
Other assets	9.8	14.1	-30%
Green certificates	9.8	1.1	801%
Restricted deposits	0.4	2.3	-84%
Deferred tax assets	5.8	0.4	1224%
CURRENT ASSETS	**450.0**	**259.9**	**73%**
Loans receivable	0.2	0.2	-8%
Current income tax assets	0.0	0.0	0%
Trade receivables	203.1	87.2	133%
Inventories	54.9	35.4	55%
Other assets	63.1	45.4	39%
Green certificates	5.2	3.9	34%
Restricted deposits	12.5	5.6	122%
Financial assets at amortized cost – other deposits	0.5	-	n/a
Contract assets	0.5	0.8	-38%
Cash and cash equivalents	110.0	81.3	35%
TOTAL ASSETS	1,047.5	**730.8**	**43%**
EQUITY	**518.9**	**405.0**	**28%**
Share capital	0.1	0.1	25%
Share premium	112.8	22.5	402%
Common control transaction reserve	-5.0	-5.0	0%
Revaluation reserves	46.8	46.8	0%
Translation and legal reserve	2.8	3.4	-17%
Retained earnings	297.1	232.1	28%
Profit for the year	23.6	65.9	-64%
Non-controlling interests	40.7	39.2	4%
LIABILITIES	**528.6**	**325.9**	**62%**
Non-current liabilities	**260.0**	**171.8**	**51%**
Provisions	13.9	6.2	123%
Due to banks and other financial institutions	150.0	100.4	49%
Trade payables	0.0	0.0	-5%
Lease liabilities	7.0	4.5	54%
Other liabilities	59.8	38.0	57%
Deferred tax liabilities	29.3	22.6	30%
Current liabilities	**268.6**	**154.1**	**74%**
Bank overdrafts	45.0	-	n/a
Provisions	14.4	2.7	434%
Due to non-banks	0.1	1.3	-89%
Due to banks and other financial institutions	52.1	53.1	-2%
Current income tax liabilities	3.4	3.9	-15%
Trade payables	46.5	46.7	0%
Contract liabilities	18.7	17.6	7%
Lease liabilities	1.4	0.7	109%
Other liabilities	87.0	28.0	211%
TOTAL LIABILITIES AND EQUITY	**1,047.5**	730.8	43%

KEY FINANCIAL RATIOS

The main financial ratios of Premier Energy PLC's consolidated result, as of September 30th, 2024, are presented below.

Financial data in EUR '000,000	**30 September 2024**	
Liquidity ratio		
Current assets	450.0	**= 1.68**
Current liabilities	268.6	
Gearing ratio		
Long-term interest-bearing debt	150.0	**= 29%**
Equity	518.9	
Trade receivables turnover		
Average receivables	145.2	**= 13%**
Turnover / (3x4)	1,087.7	
Fixed asset turnover		
Turnover / (3x4)	1,087.7	**= 1.82**
Non-current assets	597.5	

DECLARATION OF THE MANAGEMENT

November 14th, 2024

This report has been prepared in accordance with Section 12 sub-sections (1) and Section 37 of the Transparency Requirements (Securities for Trading on a Regulated Markets) Law of 2007 as amended (the "Law").

We, the members of the Board of Directors and the other responsible persons for the preparation of the Non-Audited, Interim Condensed Consolidated Financial Statements for the nine-month period ended 30 September 2024 (the "Interim Condensed Consolidated Financial Statements") of **Premier Energy PLC** (the "Company") confirm to the best of our knowledge that:

a) the Interim Condensed Consolidated Financial Statements

   i. have been prepared in accordance with the applicable International Financial Reporting Standards as adopted by the European Union, and
   ii. give a true and fair view of the assets, liabilities, financial position, and the profit or loss of Premier Energy PLC and the undertakings included in the consolidated accounts taken as a whole, and

José Garza Chairman of the Board of Directors Chief Executive Officer	Peter Stohr Member of the Board of Directors Chief Financial Officer
Radka Blazkova Member of the Board of Directors	Mirela Covasa Independent Member of the Board of Directors
Demetra Kalogerou Independent Member of the Board of Directors	

Premier Energy's 18 MW Wind Park, near Dranceni, Vaslui County, Romania

investor.relations@premierenergygroup.eu

PREMIER ENERGY PLC

Interim Condensed Consolidated Financial Statements
For the nine-months period ended
30 September 2024

Prepared in accordance with IAS 34 Interim Financial Reporting as adopted by the European Union

Contents

Officers and Professional Advisors

Board of Directors:

Name	Date of appointment/ resignation	Title
Petr Stohr	Appointed on 28 January 2021	Executive Director
Demetrios Aletraris	Resigned on 28 May 2024	Non-executive Director
Radka Blažková	Appointed on 15 January 2013	Non-executive Director
Mirela-Florenţa Covaşă	Appointed on 28 May 2024	Non-executive, Independent Director
Jose Martin Garza	Appointed on 28 May 2024	Executive Director
Dimitra Kalogerou Antoniadou	Appointed on 28 May 2024	Non-executive, Independent Director

Secretary	Cymanco Services Limited 5 Esperidon Street 4th floor 2001 Nicosia Cyprus
Bankers	Unicredit Bank SA European Bank for Reconstruction and Development (EBRD) European Investment Bank (EIB) Alpha Bank Romania SA Vista Bank (Romania) SA Vista Leasing IFN (Romania) S.A. Credit Agricole Bank Romania S.A. PPF Banka a.s. BC Eximbank SA BC Moldova Agroindbank SA J&T Banka a.s. Patria Bank S.A. B.R.D. - Groupe Societe Generale S.A. Banca Comerciala Romana S.A. Raiffeisen Bank S.A. Garanti Bank S.A. Banca Transilvania S.A. ING Bank N.V. CEC Bank S.A. Libra Internet Bank S.A. First Bank S.A.
Registered Office	48 Themistokli Dervi Avenue Athienitis Centennial Building, 3rd floor, Office 303 1066 Nicosia Cyprus
Registration number	HE316455

	Note	Unaudited 30 September 2024 TEUR	Audited 31 December 2023 TEUR
ASSETS			
Non-current assets			
Intangible assets and goodwill	5	50,073	47,759
Property, plant and equipment	6	515,859	399,132
Investments in equity-accounted investees	14	199	199
Loans receivable	11	4,113	4,855
Trade receivables	8	1,423	1,146
Other assets	12	9,825	14,057
Green certificates	13	9,820	1,090
Restricted deposits	10	362	2,303
Deferred tax assets	19	5,800	438
Total non-current assets		**597,474**	**470,979**
Current assets			
Loans receivable	11	185	201
Current income tax assets	29	26	26
Trade receivables	8	203,068	87,240
Inventories	9	54,889	35,424
Other assets	12	63,109	45,386
Green certificates	13	5,232	3,895
Restricted deposits	10	12,527	5,638
Financial assets at amortised cost – other deposits	10	497	--
Contract assets	22	486	779
Cash and cash equivalents	7	110,020	81,272
Total current assets		**450,039**	**259,861**
Total assets		**1,047,513**	**730,840**

The notes on pages 11 to 59 are an integral part of these interim condensed consolidated financial statements.

	Note	Unaudited 30 September 2024 TEUR	Audited 31 December 2023 TEUR
EQUITY			
Share capital	20	125	100
Share premium	20	112,772	22,457
Common control transaction reserve	20	(5,018)	(5,018)
Revaluation reserves	20	46,790	46,790
Translation reserve	20	(598)	(18)
Legal reserve	20	3,429	3,434
Retained earnings		297,063	232,122
Profit for the period/year	20	23,631	65,871
Equity attributable to owners of the Company		**478,194**	**365,738**
Non-controlling interests	21	**40,711**	**39,247**
Total equity		**518,905**	**404,985**
LIABILITIES			
Non-current liabilities			
Provisions	15	13,892	6,227
Due to banks and other financial institutions	16	150,040	100,379
Trade payables	17	36	38
Lease liabilities	6	6,979	4,542
Other liabilities	18	59,760	38,040
Deferred tax liabilities	19	29,323	22,579
Total non-current liabilities		**260,030**	**171,805**
Current liabilities			
Bank overdrafts	7	44,956	--
Provisions	15	14,401	2,698
Due to non-banks	16	139	1,318
Due to banks and other financial institutions	16	52,062	53,096
Current income tax liabilities	29	3,360	3,946
Trade payables	17	46,526	46,740
Contract liabilities	22	18,744	17,574
Lease liabilities	6	1,407	674
Other liabilities	18	86,983	28,004
Total current liabilities		**268,578**	**154,050**
Total liabilities		**528,608**	**325,855**
Total liabilities and equity		**1,047,513**	**730,840**

On 13 November 2024, the Board of Directors of PREMIER ENERGY PLC authorised these interim condensed consolidated financial statements for issue.

Jose Martin Garza
Director

Petr Stöhr
Director

The notes on pages 11 to 59 are an integral part of these interim condensed consolidated financial statements.

For the nine months ended		**Unaudited**	
	Note	**30 September 2024 TEUR**	**30 September 2023 TEUR**
Revenues	22	815,770	653,664
Other operating income	26	88,338	30,990
Gain on bargain purchase	1	20,144	4,037
Cost of electricity, gas and transportation	22	(787,240)	(525,201)
Raw materials and consumables used	9	(3,378)	(3,451)
Depreciation and amortisation	5,6	(19,063)	(14,492)
Services and material expenses	23	(40,817)	(30,884)
Personnel expenses	24	(27,930)	(21,644)
Other operating expenses	27	(2,174)	(1,830)
Reversal/(impairment loss) on loans and receivables	25	323	(468)
Finance income	28	2,100	1,739
Finance expense	28	(13,933)	(9,418)
Profit before tax		**32,140**	**83,042**
Income tax expense	29	(5,683)	(20,559)
Profit after tax		**26,457**	**62,483**
Other comprehensive income:			
Items that are or may be reclassified subsequently to profit or loss:			
Translation reserves changes	20	(619)	8,525
Other comprehensive income for the period		**(619)**	**8,525**
Total comprehensive income for the period		**25,838**	**71,008**
Total profit attributable to:			
Owners of the Company		23,631	51,022
Non-controlling interests	21	2,826	11,461
		26,457	**62,483**
Total comprehensive income attributable to:			
Owners of the Company		23,051	58,836
Non-controlling interests	21	2,787	12,172
		25,838	**71,008**
Earnings per ordinary share attributable to the owners of the Company, basic and diluted (in EUR per share)	20	**0.213**	**0.510**

The notes on pages 11 to 59 are an integral part of these interim condensed consolidated financial statements.

For the nine months ended 30 September 2024

	Note	Share capital	Share premium	Common control transaction reserve	Revaluation reserve	Translation reserve	Legal reserve	Retained earnings	Total – Owners of the Company	Non-controlling interest	Total
Unaudited		**TEUR**	**TEUR**	**TEUR**	**TEUR**	**TEUR**	**TEUR**	**TEUR**	**TEUR**	**TEUR**	**TEUR**
Balance as at 1 January 2024		**100**	**22,457**	**(5,018)**	**46,790**	**(18)**	**3,434**	**297,993**	**365,738**	**39,247**	**404,985**
Comprehensive income											
Profit for the period		--	--	--	--	--	--	23,631	**23,631**	2,826	**26,457**
Profit for the period		--	--	--	--	--	--	**23,631**	**23,631**	**2,826**	**26,457**
Translation reserve change		--	--	--	--	(580)	--	--	**(580)**	(39)	**(619)**
Total other comprehensive income for the period		--	--	--	--	**(580)**	--	--	**(580)**	**(39)**	**(619)**
Total comprehensive income for the period		--	--	--	--	**(580)**	--	**23,631**	**23,051**	**2,787**	**25,838**
Transactions with owners recognised directly in equity											
Contributions by and distributions to owners											
Issue of new shares (inc. share premium)	20	25	90,315	--	--	--	--	--	90,340	--	90,340
Capital contributions from NCI to equity of subsidiaries		--	--	--	--	--	--	--	--	1,242	**1,242**
Dividends paid	20	--	--	--	--	--	--	--	--	(1,833)	**(1,833)**
Net contribution to legal reserve	20	--	--	--	--	--	(5)	5	--	--	--
Total contributions by and distributions to owners		**25**	**90,315**	--	--	--	**(5)**	**5**	**90,340**	**(591)**	**89,749**
Transactions NCI without change in control		--	--	--	--	--	--	**(935)**	**(935)**	**(732)**	**(1,667)**
Total transactions with owners		**25**	**90,315**	--	--	--	**(5)**	**(930)**	**89,405**	**(1,323)**	**88,082**
Other movements		--	--	--	--	--	--	--	--	--	--
Balance as at 30 September 2024		**125**	**112,772**	**(5,018)**	**46,790**	**(598)**	**3,429**	**320,694**	**478,194**	**40,711**	**518,905**

The notes on pages 11 to 59 are an integral part of these interim condensed consolidated financial statements.

For the nine months ended 30 September 2023

	Note	Share capital	Share premium	Common control transaction reserve	Revaluation reserve	Translation reserve	Legal reserve	Retained earnings	Total – Owners of the Company	Non-controlling interest	Total
Unaudited		**TEUR**	**TEUR**	**TEUR**	**TEUR**	**TEUR**	**TEUR**	**TEUR**	**TEUR**	**TEUR**	**TEUR**
Balance as at 1 January 2023		**100**	**22,457**	**(5,018)**	**37,883**	**(7,587)**	**2,804**	**250,796**	**301,435**	**33,480**	**334,915**
Comprehensive income											
Profit for the period		--	--	--	--	--	--	51,022	**51,022**	11,461	**62,483**
Profit for the period		--	--	--	--	--	--	**51,022**	**51,022**	**11,461**	**62,483**
Translation reserve change		--	--	--	--	7,814	--	--	**7,814**	711	**8,525**
Total other comprehensive income for the period		--	--	--	--	**7,814**	--	--	**7,814**	**711**	**8,525**
Total comprehensive income for the period		--	--	--	--	**7,814**	--	**51,022**	**58,836**	**12,172**	**71,008**
Transactions with owners recognised directly in equity											
Contributions by and distributions to owners											
Capital contributions from NCI to equity of subsidiaries		--	--	--	--	--	--	--	--	642	**642**
Dividends paid	20	--	--	--	--	--	--	(18,000)	**(18,000)**	(10,327)	**(28,327)**
Net contribution to legal reserve, transfer	20	--	--	--	--	--	248	(248)	-	-	-
Total contributions by and distributions to owners		--	--	--	--	--	**248**	(18,248)	**(18,000)**	**(9,685)**	**(27,685)**
Transactions NCI without change in control		--	--	--	--	--	--	--	--	**(7)**	**(7)**
Effect from acquisitions through business combinations		--	--	--	--	--	--	--	--	**1,647**	**1,647**
Total changes in ownership interests in subsidiaries		--	--	--	--	--	--	--	--	**1,640**	**1,640**
Total transactions with owners		--	--	--	--	--	**248**	**(18,248)**	**(18,000)**	**(8,045)**	**(26,045)**
Other movements		--	--	--	--	--	--	243	**243**	23	**266**
Balance as at 30 September 2023		**100**	**22,457**	**(5,018)**	**37,883**	**227**	**3,052**	**283,813**	**342,514**	**37,630**	**380,144**

The notes on pages 11 to 59 are an integral part of these interim condensed consolidated financial statements.

For the nine months ended	Note	Unaudited 30 September 2024 TEUR	30 September 2023 TEUR
Cash flows from operating activities			
Profit for the period before tax		**32,140**	**83,042**
Adjustment for:			
Depreciation and amortisation	5,6	19,063	14,492
Impairment losses/(reversal) on property, plant and equipment	6,26	79	(490)
(Reversal of impairment losses)/impairment loss on trade receivables	25	(318)	475
Reversal of impairment losses on loans	25	(5)	(7)
Gain on bargain purchase	1	(20,144)	(4,037)
Net interest expense	28	9,565	6,095
Unrealised foreign exchange gain		(98)	(2,099)
Operating profit before changes in working capital and provisions		**40,282**	**97,471**
Decrease/(increase) in contract assets		293	(210)
Decrease/(increase) in inventories		(5,865)	(7,322)
(Increase)/decrease in trade receivables and other assets		14,008	44,625
(Increase)/decrease in restricted deposits related to operating activities		(5,445)	9,860
Increase/(decrease) in trade payables and other liabilities		2,709	(8,368)
Increase/(decrease) in contract liabilities		1,170	(325)
Increase/(decrease) in provisions and employee cost		(1,915)	599
(Increase)/decrease in green certificates		2,638	1,244
Proceeds from derivatives		--	(654)
Cash generated from operating activities		**47,875**	**136,920**
Interest paid		(11,886)	(6,233)
Income tax paid		(8,341)	(15,824)
Net cash generated from operating activities		**27,648**	**114,863**
Cash flows from investing activities			
Proceeds from sale of property, plant and equipment		6,332	2,204
Proceeds from other financial assets		--	64
Loans provided		(572)	(2,727)
Loans repaid		1,334	3,068
Interest received		124	131
Acquisition of subsidiary, net of cash and overdrafts acquired	1	(147,506)	(6,841)
Acquisition of investments in associates		--	(199)
Acquisitions of intangible assets	5	(1,397)	(965)
Acquisitions of property, plant and equipment	6	(40,251)	(37,312)
Net cash used in investing activities		**(181,936)**	**(42,577)**

The notes on pages 11 to 59 are an integral part of these interim condensed consolidated financial statements.

For the nine months ended		**Unaudited**	
	Note	**30 September 2024**	**30 September 2023**
Cash flows from financing activities		**TEUR**	**TEUR**
Issue of new shares	20	90,340	--
Transactions with NCI without change in control		(1,667)	(7)
Capital contributions from NCI to equity of subsidiaries		605	642
Other changes		(5)	--
Proceeds from interest-bearing loans and borrowings	16	138,827	72,985
Repayments of interest-bearing loans and borrowings	16	(87,980)	(67,002)
Net change in lease liabilities		(290)	(556)
Dividends paid	20	(1,833)	(28,327)
Net cash generated from/(used in) financing activities		**137,997**	**(22,265)**
Net movement in cash and cash equivalents		**(16,291)**	**50,021**
At the beginning of the year	7	**81,272**	**48,657**
Effects of movements in exchange rates on cash held		83	1,006
At the end of the year	7	**65,064**	**99,684**
Cash and cash equivalents in the statement of cash flows are defined by:			
Cash and cash equivalents in the statement of financial position	7	110,020	99,684
Bank overdrafts	7	(44,956)	**--**
At the end of the year	7	**65,064**	**99,684**

The notes on pages 11 to 59 are an integral part of these interim condensed consolidated financial statements.

1. Description of the Group

PREMIER ENERGY PLC (the "Company") was incorporated and domiciled in Cyprus on 11 December 2012 as a private limited liability company under the Cyprus Companies Law, Cap. 113. Its registered office is at 48 Themistokli Dervi Avenue, Athienitis Centennial Building, 3rd Floor, office 303, 1066 Nicosia, Cyprus. On 8 March 2021, the Company changed its name and corporate structure from PREMIER ENERGY CYPRUS LTD to PREMIER ENERGY PLC.

The condensed interim consolidated financial statements for the Company for nine months ended 30 September 2024 and 30 September 2023 comprise the Company and its subsidiaries (together referred to as "the Group") and the Group's interest in associates.

Initial public offering ("IPO")

On 28 May 2024, Premier Energy PLC completed an IPO on the Bucharest Stock Exchange (BVB) by raising both primary and secondary proceeds. The offering was carried out between 8 and 15 May and it was the first mixed IPO on BVB, meaning that out of the 35.9 million shares sold, 25 million were newly issued shares, 6.25 million shares were sold by the sole shareholder, EMMA ALPHA HOLDING LTD, while 4.7 million shares were overallocated and treated as a sale of the sole shareholder.

Shareholders

Starting from 28 May 2024, the shares issued by the Company started trading on the Bucharest Stock Exchange following the IPO.

The owners of the Company are as follows:

Shareholders	Country of incorporation	Type of shares	Ownership interest (%) 30 September 2024	31 December 2023
EMMA ALPHA HOLDING LTD	Cyprus	Ordinary shares	71.25%	99.99 %
NN Group NV	Netherlands	Ordinary shares	5.92%	--
Other shareholders		Ordinary shares	22.83%	0.01 %

Principal activities

The Group is one of the fastest growing vertically integrated energy infrastructure players in Southeastern Europe ("SEE"). The Group has over 1,200 MW of renewable electricity generation under ownership, management or in development in Romania and Moldova along with having one of the fastest growing renewable electricity supply businesses. The Group is also the third largest natural gas distributor and supplier in Romania with over 155,000 distribution consumption points. Furthermore, the Group is the largest electricity distributor and supplier in the Republic of Moldova with almost one million consumption points serving approximately 75% of the Moldovan population. Together with the acquisition of PREMIER ENERGY FURNIZARE S.A. in Romania in April 2024, the Group serves approximately 2.4 million electricity and natural gas supply customers in both Romania and Moldova.

Regulatory environment

The Group operates in Romania through 16 companies including numerous renewable electricity generation companies alongside a renewable management company and several natural gas distribution infrastructure and supply companies. In the Republic of Moldova, the Group operates through 4 companies, including an electricity distribution infrastructure company, an electricity supply company and an electricity supply and renewable energy generation and management company. The Group also has energy supply companies in Hungary and Serbia.

A. Relevant regulations in the renewable energy sector in Romania

Activity in the energy sector is regulated by the National Energy Regulatory Authority ("ANRE"), which is an autonomous administrative authority with legal personality, under parliamentary control, fully financed from its own revenues, independent in decision-making, organization and function, having as its object of activity the development, approval and monitoring of the application of the set of mandatory regulations at the national level necessary for the operation of the sector and the electricity, heat and natural gas market in conditions of efficiency, competition, transparency and consumer protection.

ANRE's regulatory competences are expressly identified by the primary legislation applicable to the electricity, natural gas, energy efficiency and thermal energy sector, namely Emergency Ordinance no. 33/2007 on the organization and operation of the National Energy Regulatory Authority, approved through Law 160/2012, with

1. Description of the Group (continued)

Regulatory environment (continued)

A. Relevant regulations in the green energy sector in Romania (continued)

subsequent amendments, the Electricity and Natural Gas Law no. 123/2012 with subsequent amendments and additions, Law no. 121/2014 on energy efficiency with subsequent amendments and additions, Law no. 220/2008 for the establishment of the system for the promotion of energy production from renewable energy sources, republished with subsequent amendments and additions.

Due to the high volatility of electricity and natural gas prices, maximum price ceilings were introduced for certain types of consumers, with subsidies from the state budget of the differences up to the level of the recognized production cost, as well as the creation of the Energy Transition Fund in which the unsustainable profit margins of the electricity producers are collected by the State. These measures are limited in time until the year 2025, to be eliminated with the commissioning of a significant total power in electricity production capacities from renewable sources.

In Romania, the Group holds 5 (five) licenses for the electricity supply activity, namely:

- Premier Energy S.R.L.: Electricity Supply License no. 2149/23.05.2019
- Premier Energy Trading S.R.L.: Electricity Supply License no. 2363/07.12.2022
- True Energy Management S.R.L.: Electricity Supply License no. 2433/25.10.2023
- Alive Capital S.A.: Electricity Supply License no. 1871/13.01.2016
- Premier Energy Furnizare S.A. (formerly CEZ VANZARE S.A.): Electricity Supply License no. 2011/15.02.2017

In addition, the Group also owns a Local Dispatching Alive Capital DLC Power Plant invested by CNTEE Transelectrica SA - UNO-DEN (National Energy Dispatching) for the operational management of dispatching power plants.

B. Relevant regulations in the natural gas sector in Romania

Among the main attributions of ANRE as a regulatory authority in Romania are the issuance / update / suspension of the licenses/authorizations required to carry out activities in the natural gas sector, monitoring the natural gas market, issuing secondary regulations (i.e. regulations, methodologies, procedures), approving regulated tariffs, as well as control activities to verify how the regulations are applied/complied.

(a) Natural gas distribution

The Group's natural gas distribution companies (as operators) have entered into 116 service agreements for natural gas distribution with various municipalities in Romania and local authorities between 2000 and 2024. There is a particular case stipulated by the Romanian law, is the obligation to provide the public service of natural gas distribution in the localities where the license of the concessionaire distribution operator was withdrawn, by designation by the regulatory authority.

Connections to the gas distribution network

According to the Regulation on connection to the gas grid, until 13 October 2020, connections to the gas grid were funded by the consumer in exchange for a regulated tariff (i.e. connection fee) collected by the operator. Under the terms of the gas distribution regulations, once customers have paid their connection fees, the operator became obligated to provide on-going access to the gas distribution network and to maintain/repair/replace the connection asset at its own expense. Effective 14 October 2020, the regulations required that connections to gas grid and other network assets necessary to make a connection to be funded by the distribution operator (and remunerated through increases of future tariffs), except for connections and network extensions for non-household consumers with lengths of more than 2.5 km, which are funded by the consumer.

Starting March 2022, the Connection Regulation has changed, in the sense that both parties (customer and distributor) bear a part of the financing value of the connection, in what may concern the distribution system for the client. Thus, the distributor finances an amount up to the average value of a connection, namely 2.125 lei (value calculated by ANRE). The amount financed by the distributor will be included in the regulated income and recovered through the distribution tariffs, according to the provisions of the Methodology for establishing natural gas distribution tariffs, approved by ANRE Order no. 217/2018.

The distribution tariff in Romania remunerates the assets financed by the distributor. Therefore, the profit from the natural gas distribution activity increases with the growth of RAB.

1. Description of the Group (continued)

Regulatory environment (continued)

B. Relevant regulations in the natural gas sector in Romania (continued)

(a) Natural gas distribution (continued)

- The assets made from the connection based on the requests registered until 14 October 2020, were financed by the customer, and were not included in the RAB. The costs generated by the operation/maintenance of these assets are recognized and recovered through the regulated income, but these assets do not bring profit in the natural gas distribution activity.

- The assets made from the connection based on the requests registered between 14 October 2020 and 28 February 2022, being financed by the distributor, were included in the RAB.

- The assets made from the connection based on the requests registered after 1 March 2022 are included in the RAB up to the value of 2125 Ron / record.

(b) Natural gas supply

The Group has the following natural gas supply licenses:

- Premier Energy S.R.L.: Natural Gas Supply License no. 1873/18 October 2013 valid until 18 October 2038.
- Premier Energy Trading S.R.L.: Natural Gas Supply License no. 1971/09 December 2020 valid until 31 December 2030.
- Premier Energy Furnizare S.A. (formerly CEZ VANZARE S.A.): Natural Gas Supply no. 1943/13 January 2016 valid until 31 December 2026.
- Alive Capital S.A.: Natural Gas Supply no. 2297/04 September 2019 valid until 31 December 2024.

Regulated market

Gas supply to households was regulated by ANRE until 1 July 2020, the date from which the supply tariffs are no longer regulated. The gas supply tariffs applied by the Group to households before 1 July 2020 were calculated based on methodologies that allowed, on an annual basis, the recovery of operating costs related to the regulated activity, as well as obtaining a regulated return on capital invested and working capital. The regulated rate of return was equal to the rate applicable to gas distribution.

Competitive market

Gas supply to industrial/business consumers, as well as gas supply tariffs to households after 1 July 2020, are negotiated with the customer, based on contracts compliant with the applicable regulations. Following the increase in electricity and gas prices in 2021 and 2022, the Romanian government re-introduced price caps for final consumers up to 31 March 2025 and, as a result, suppliers cannot issue invoices that go above such price cap. Suppliers are to be reimbursed from the State budget for the differentials between the capped regulated price and the actual market price of electricity or gas invoiced to consumers within 30 working days after claiming these re-imbursements. Subsidies received from the state on the regulated capped pricing mechanism are recognized in the profit or loss account in the month of delivery of the gas. These subsidies are estimated in the month of delivery based on estimated quantities and prices and are adjusted to actual amounts when the state is approving the requests. The differences between estimates and actuals are usually immaterial and are recognized in the month when the approval of the request from the state is received.

Gas storage obligations

The supply of natural gas to final consumers implies a legal obligation of the supplier to store natural gas. The gas storage tariffs are approved by ANRE.

Gas trading obligations

Starting with 1 January 2019, all gas suppliers which trade gas on the wholesale market have a legal obligation, on an annual basis, to purchase at least 40% of the gas quantity from the centralized markets, and to sell at least 50% of the gas quantities delivered during the year on the centralized markets.

Staring with 1 July 2020, all gas suppliers that trade gas on the wholesale market have a legal obligation, on an annual basis, to tender on the centralised market 40% of the traded volume as seller and to tender 40% of the contracted purchase volume. The tender obligation for the purchased volume was temporarily cancelled for April till July 2022.

1. Description of the Group (continued)

Regulatory environment (continued)

C. Relevant regulations in the electricity sector in Moldova

The activity and tariffs for electricity distribution and supply in Moldova are regulated by the National Agency for Energy Regulation (ANRE).

The electricity distribution license is valid until 2025, and the supply license until 2028. The renewal of the licenses is done every 25 years for electricity distribution and every 10 years for electricity supply.

According to the ANRE Methodology ("the Methodology") for tariff setting, the distribution tariffs are determined by ANRE each year based on estimated costs and returns, which include operational costs, costs for purchase of electricity, costs for transportation of electricity, taxes, regulated return of the capital expenditures in the grid (regulated asset base), and regulated supply margin.

In accordance with the Methodology, at the end of each year, ANRE recalculates the actual tariff for the distribution and supply of electricity using the actual costs and capex incurred for the respective year and the difference should be considered (added or deducted) in the tariffs set for the next year. These tariff deviations for a year are generated by the difference between the revenues billed from electricity distributed and supplied at the regulated tariffs approved by ANRE for a year and the total costs and returns for the year calculated according to the Methodology based on the actual costs and CAPEX incurred in that year. In accordance with the Methodology, an interest equal to the regulated weighted average cost of capital is applied monthly to the accumulated balance of tariff deviations. These tariff differences are to be recovered or to be returned through future increases or decreases of tariffs, respectively, and are not recognized as assets or liabilities in accordance with IFRSs.

During 2023, the tariffs were higher than actual costs, causing the business to generate more revenue and profits than the regulatory framework generally allows. During the nine months ended 30 September 2024, the Moldovan companies returned part of this 2023 regulatory outperformance, leading to significant decreases in reported revenues and profitability during this period.

1. Description of the Group (continued)

Description of the Ownership Structure

The Company controls, directly or indirectly, other companies in Cyprus, Romania, Moldova, Hungary and Serbia. Subsidiary companies are controlled by the Company and they are fully consolidated.

Consolidated entities	Country of incorporation	Ownership interest (%) 30 September 2024	Ownership interest (%) 31 December 2023
JOSECO HOLDINGS CO. LIMITED[1)]	Cyprus	92.74	92.74
• I.C.S. “PREMIER ENERGY” S.R.L. [1)]	Moldova	92.74	92.74
• I.C.S. “PREMIER ENERGY DISTRIBUTION” S.A. [1)]	Moldova	92.74	92.74
• NAVITAS ENERGY S.R.L.[1)]	Moldova	92.74	92.74
• ELECTRA LOGISTICS S.R.L. [1), 5)]	Moldova	92.74	92.74
LIGATNE LIMITED[2)]	Cyprus	100.00	100.00
LIGATNE GAS S.R.L. [2)]	Romania	99.96	99.96
PREMIER ENERGY S.R.L. [2)]	Romania	99.96	99.96
• PREMIER ENERGY TRADING S.R.L. [2)]	Romania	99.96	99.96
• B.E.R.G Instalatii Gaz S.R.L. [2)]	Romania	99.96	99.96
• ENERGIA MILENIULUI III S.A. [2)]	Romania	66.64	66.64
• PROGAZ P&D S.A. [2) 4)]	Romania	--	99.95
ALIVE CAPITAL S.A.	Romania	50.99	50.99
• ALIVE SUN POWER ONE S.R.L.	Romania	50.99	50.99
• ALIVE SUN POWER TWO S.R.L.	Romania	50.99	50.99
• DA VINCI NEW PROJECT S.R.L.	Romania	50.99	50.99
ECOENERGIA S.R.L.	Romania	80.00	80.00
TRUE ENERGY MANAGEMENT S.R.L. [6)]	Romania	75.00	60.00
PREMIER ENERGY HUNGARY Kft.	Hungary	100.00	100.00
PREMIER RENEWABLE INVEST CO S.R.L.	Romania	100.00	100.00
• PREMIER WIND 80 S.R.L. (formerly EOLICA DOBROGEA ONE S.R.L.)	Romania	100.00	--
ENEX NALBANT RENEWABLE S.R.L.	Romania	80.00	80.00
ALIVE CAPITAL D.O.O. Beograd	Serbia	50.99	50.99
PREMIER ENERGY FURNIZARE S.A. (formerly CEZ VANZARE S.A.)	Romania	100.00	--
ALIVE RENEWALBE HOLDING LIMITED [3)]	Cyprus	51.00	--
ALIVE CAPITAL Kft. [3)]	Hungary	50.99	--
ALIVE WIND POWER ONE S.R.L.	Romania	65.00	--

[1)] Forms part of JOSECO HOLDINGS CO. LIMITED GROUP.

[2)] Forms part of LIGATNE LIMITED GROUP.

[3)] ALIVE RENEWABLE HOLDING LIMITED, ALIVE WIND POWER ONE S.R: and ALIVE CAPITAL Kft were established during 2024.

[4)] PROGAZ P&D S.A. was merged to PREMIER ENERGY S.R.L with effective date 30 June 2024.

[5)] ELECTRA LOGISTICS S.R.L. was established on 11 May 2023 focusing mainly on purchase of land suitable for photovoltaic systems installation.

[6)] On 26 August 2024, the Group acquired an additional 15% stake in True Energy Management SRL from minority shareholders at the total amount of TEUR 1,667.

Equity-accounted investees (associates)	Country of incorporation	Ownership interest (%) 30 September 2024	Ownership interest (%) 31 December 2023
BRASOV RENEWABLES S.R.L.	Romania	20.40	20.40

1. Description of the Group (continued)

Acquisitions in 2024

On 15 April, the Group acquired a 100% stake in PREMIER ENERGY FURNIZARE S.A. (formerly CEZ VANZARE S.A.), an electricity and natural gas supply business providing approximately 3.2 GWh of annual electricity and natural gas to its primarily household and small business clients. The consideration for the business amounted to TEUR 20,404. Total net assets with the fair value of TEUR 34,547 were acquired. Gain on bargain purchase in the amount of TEUR 14,143 was recognised as a result of this transaction due to a well negotiated acquisition by the management of the Group.

The following table summarises the recognised amounts of assets acquired, and liabilities assumed, at the date of acquisition of PREMIER ENERGY FURNIZARE S.A.:

	Note	**TEUR**
Intangible assets	5	271
Property, plant and equipment	6	390
Trade and other receivables	8	139,368
Other assets (financial and non-financial)	12	2,364
Inventories	9	1,968
Deferred tax asset	19	3,011
Cash and cash equivalents	7	10,356
Trade and other payables	17	(74,262)
Bank overdrafts	7	(30,981)
Provisions	15	(17,486)
Current income tax liabilities	29	(452)
Total identifiable net assets acquired		**34,547**
Consideration, paid in cash		(20,404)
Gain on bargain purchase (+)		**14,143**

Cash effect on acquisition	
Consideration, paid in cash	(20,404)
Cash acquired	10,356
Bank overdrafts	(30,981)
Net cash outflow	**(41,029)**

1. Description of the Group (continued)

Acquisitions in 2024

On 4 January 2024, a new entity called ALIVE WIND POWER ONE S.R.L. ("AWPO") was incorporated, being 65% owned by Premier Energy PLC and 35% by OMNIA Capital BV, with the aim of acquiring an already built 18 MW wind plant with an additional 8 MW of a wind plant development. The closing of the asset deal acquisition occurred on 15th of April 2024. The wind power plant assets acquired are composed of the following:

- Wind power plants in operation:

CEE SERV 1 comprised of 4 wind turbines, with a total installed power capacity of **8 MW**
CEE SERV 2 comprised of 3 wind turbines, with a total installed power capacity of **6 MW**
CEE EXACTECH comprised of 2 wind turbines, with a total installed power capacity of **4 MW**

- Additional wind power plants in development:

1 wind turbine (foundation stage) with a total approved power capacity of **2 MW**
3 wind turbines (foundations stage) with a total approved power capacity of **6 MW**

and all are located near the town of Dranceni, Vaslui County, Romania with a normalized annual production of the assets in operation of approximately 45,000 MWh/year. The fair value of the net assets in the total amount of TEUR 19,214 were acquired.

The acquisition was completed because of its strong complementary, strategic fit within the renewable energy production business in Romania. Total acquisition-related costs were immaterial and are recognised within the line Services and material expenses, in the profit or loss.

The following table summarises the recognised amounts of assets acquired, and liabilities assumed, at the date of acquisition of the asset:

	Note	**TEUR**
Property, plant and equipment	6	19,639
Decommissioning provision	15	(425)
Total identifiable net assets acquired		**19,214**
Consideration, paid in cash		(19,214)
Gain on bargain purchase (+)		**--**
Cash effect on acquisition		
Consideration, paid in cash		(19,214)
Cash acquired		--
Net cash outflow		**(19,214)**

1. Description of the Group (continued)

Acquisitions in 2024

On 30 July 2024, the Group acquired a 100% stake in PREMIER WIND 80 S.R.L. (formerly Eolica Dobrogea One S.R.L.), a wind power plant with an installed capacity of 80 MW comprised of 40 wind turbines, built on several plots of land, with a total surface of 2,896,505 sqm and 4,995 sqm related to the electric substation, located in Mihai Viteazu village, Romania. The total estimated annual electricity production from the plant is approximately 170 GWh. The company owns production license no. 1117 from 31.10.2012, with 25 years validity and an accreditation for the renewable scheme support no. 2800, issued on 31.12.2012 and valid until 31.12.2026.

The consideration for the acquisition of the company amounted to TEUR 96,816, including TEUR of 8,516 as deferred consideration should the company receive any refund compensation from the Romanian state for the cancellation or suspension of the Romanian windfall tax legislation which was paid up until 31 December 2023.

Total net assets with a fair value of TEUR 102,817 were acquired, comprised mainly of the wind park assets, grid connection assets and related green certificates. The total net assets acquired also include the value of TEUR 8,516 as part of income tax receivable related to the aforementioned potential refund for windfall tax payments made up to 31 December 2023. Gain on bargain purchase in the amount of TEUR 6,001 was recognised as a result of this transaction due to a well negotiated acquisition by the management of the Group.

The acquisition was completed due to the Group's strategic growth initiative within the renewables electricity generation sector. Total acquisition-related costs were TEUR 1,400 and are recognised within the line Services and material expenses.

The following table summarises the recognised amounts of assets acquired, and liabilities assumed, at the date of acquisition of PREMIER WIND 80 S.R.L.:

	Note	TEUR
Intangible assets	5	2,991
Property, plant and equipment	6	80,675
Trade and other receivables	8	768
Income tax receivable	19	10,911
Other assets (financial and non-financial)	12	786
Green certificates	13	12,705
Inventories	9	721
Cash and cash equivalents	7	9,553
Trade and other payables	17	(519)
Lease liabilities	6	(2,991)
Other liabilities	18	(3,391)
Provisions	15	(3,362)
Deferred tax liabilities	29	(6,030)
Total identifiable net assets acquired		**102,817**
Consideration, paid in cash		(88,300)
Deferred consideration		(8,516)
Gain on bargain purchase (+)		**6,001**
Cash effect on acquisition		
Consideration, paid in cash		(88,300)
Deferred consideration		(8,516)
Cash acquired		9,553
Net cash outflow		**(87,263)**

1. Description of the Group (continued)

Acquisitions in 2023

On 9 January 2023, the Group acquired an 80% stake in ENEX NALBANT RENEWABLE S.R.L., a 13.75 MW wind electricity generation plant with rights to an additional 13.75 MW wind energy generation plant development near the town of Nalbant, Romania. The consideration for the percentage acquired amounted to TEUR 3,280. Total net assets with the fair value of TEUR 8,210 comprise mainly wind park assets and grid connection assets. Gain on bargain purchase in the amount of TEUR 3,288 was recognised as a result of this transaction due to a well negotiated acquisition by the management of the Group.

The fair value of the non-controlling interest was TEUR 1,642 as at the acquisition date. In addition, loans payables in the amount of TRON 35,240 (approximately TEUR 7,120) were assumed by the group from the former shareholders. On 2 March 2023, the Group received a loan in the amount of TEUR 8,900 from Vista Bank (Romania) S.A., effectively refinancing the loans assumed.

The acquisition was completed due to the Group's strategic growth initiative within the renewables electricity generation sector. Total acquisition-related costs were immaterial and are recognised within the line Services and material expenses, in the profit or loss. For nearly the 12 months ended 31 December 2023, the entity ENEX NALBANT RENEWABLE S.R.L. generated standalone revenue of TEUR 3,218 and a profit before tax of TEUR 1,084.

The following table summarises the recognised amounts of assets acquired, and liabilities assumed, at the date of acquisition of ENEX NALBANT RENEWABLE S.R.L.:

	Note	**TEUR**
Intangible assets	5	218
Property, plant and equipment	6	19,044
Trade and other receivables	8	96
Other assets (financial and non-financial)	12	34
Deferred tax asset	19	35
Cash and cash equivalents	7	4
Interest-bearing loans and borrowings – non-banks	16	(41)
Lease liabilities	6	(217)
Other liabilities	18	(9,044)
Provisions	15	(319)
Deferred tax liabilities	19	(1,600)
Total identifiable net assets acquired		**8,210**
Non-controlling interest (on fair value of net assets)		**(1,642)**
Consideration, paid in cash		(3,280)
Gain on bargain purchase (+)		**3,288**

Cash effect on acquisition	
Consideration, paid in cash	(3,280)
Cash acquired	4
Net cash outflow	**(3,276)**

1. Description of the Group (continued)

Acquisitions in 2023

On 30 June 2023, the Group's Alive Capital subsidiary acquired a 100% stake in the entity ALIVE SUN POWER TWO S.R.L., a company operating a 1.9 MW solar park on over 40,000 sq.m. of owned land in Urlati Commune, Prahova County, Romania, for the total purchase price of TEUR 1,710. The purchase price consists of the amount of TEUR 1,947 less the refinancing of TEUR 237 in shareholder loans provided to ALIVE SUN POWER TWO S.R.L. by the previous owners. Gain on a bargain purchase in the amount of TEUR 749 was recognized as a result of this transaction due to a well negotiated acquisition by the management of the Group.

The acquisition was completed because of its strong complementary, strategic fit within the renewable energy production business in Romania. The acquisition benefits from over 2,200 MWh of annual electricity production and receives 4 green certificates plus 2 deferred green certificates for each MWh of production until 2028. For the 6 months ended 31 December 2023, the entity ALIVE SUN POWER TWO S.R.L. generated standalone revenue of TEUR 314 and a profit before tax of TEUR 157. If the acquisition had occurred on 1 January 2023, management estimates that consolidated revenue would have been higher by TEUR 260 and consolidated profit would have been higher by TEUR 115.

The following table summarises the recognised amounts of assets acquired, and liabilities assumed, at the date of acquisition of ALIVE SUN POWER TWO S.R.L.:

	Note	**TEUR**
Property, plant and equipment	6	2,459
Green certificates	13	534
Trade and other receivables	8	4
Income tax receivable	29	5
Other assets (financial and non-financial)	12	38
Cash and cash equivalents	7	4
Interest-bearing loans and borrowings – non-banks	16	(237)
Trade and other payables	17	(14)
Other liabilities	18	(10)
Current income tax liabilities	29	(1)
Deferred tax liabilities	19	(323)
Total identifiable net assets acquired		**2,459**
Consideration, paid in cash		(1,710)
Gain on bargain purchase (+)		**749**

Cash effect on acquisition	
Consideration, paid in cash	(1,710)
Cash acquired	4
Net cash outflow	**(1,706)**

1. Description of the Group (continued)

Acquisitions in 2023

On 18 July 2023 a new entity called ALIVE SUN POWER ONE S.R.L. was established as a 100% owned subsidiary of the Group's Alive Capital subsidiary. ALIVE SUN POWER ONE S.R.L. acquired through an asset transaction a 5.4 MW operational solar plant located in Valea Calugareasca Comunne, Prahova County, Romania with a normalised annual production of approximately 5,600 MWh/year. The fair value of the net assets in the total amount of TEUR 26 was acquired.

The acquisition was completed because of its strong complementary, strategic fit within the renewable energy production business in Romania. Total acquisition-related costs were immaterial and are recognised within the line Services and material expenses, in the profit or loss.

The following table summarises the recognised amounts of assets acquired, and liabilities assumed, at the date of acquisition of ALIVE SUN POWER ONE S.R.L.:

	Note	TEUR
Intangible assets	5	82
Property, plant and equipment	6	2,831
Trade and other receivables	8	96
Other liabilities	18	(2,983)
Total identifiable net assets acquired		**26**
Consideration, paid in cash		(26)
Gain on bargain purchase (+)		**--**
Cash effect on acquisition		
Consideration, paid in cash		(26)
Cash acquired		--
Net cash outflow		**(26)**

1. Description of the Group (continued)

Acquisitions in 2023

On 25 August 2023, the Company acquired a 99.99% stake in the entity PROGAZ P&D S.A., a gas distribution company with 3 concessions in Romania, including one in Berceni, for the total purchase price of TEUR 1,911. Goodwill in the amount of TEUR 1,333 was recognized as a result of this transaction.

The acquisition was completed because of the Group's strategic growth initiative within the natural gas distribution and supply business with expected synergies from combining operations of the acquiree and the acquirer. Total acquisition-related costs were immaterial and are recognised within the line Services and material expenses, in the profit or loss. For the 4 months ended 31 December 2023, the entity PROGAZ P&D S.A. generated standalone revenue of TEUR 704 and a loss before tax of TEUR 79. If the acquisition had occurred on 1 January 2023, management estimates that consolidated revenue would have been higher by TEUR 538 and consolidated profit would have been lower by TEUR 479.

The following table summarises the recognised amounts of assets acquired, and liabilities assumed at the date of acquisition of PROGAZ P&D S.A.:

	Note	**TEUR**
Intangible assets	5	262
Property, plant and equipment	6	2,129
Trade and other receivables	8	80
Income tax receivable	29	1
Other assets (financial and non-financial)	12	25
Inventories	9	22
Cash and cash equivalents	7	78
Trade and other payables	17	(2,019)
Total identifiable net assets acquired		**578**
Consideration, paid in cash		(1,911)
Goodwill (-)		**(1,333)**

Cash effect on acquisition	
Consideration, paid in cash	(1,911)
Cash acquired	78
Net cash outflow	**(1,833)**

1. Description of the Group (continued)

Acquisitions in 2023

On 20 November 2023, the entity DA VINCI NEW PROJECT S.R.L., a 23 MW solar plant development with 4.6 MWh storage capacity and for which the company received a EUR 5.4 million government grant, was acquired with an effective Group ownership of 50,99 %. The purchase price consists of the amount of TEUR 2,541 less the outstanding shareholders loans of TEUR 141 plus the additional deferred consideration of TEUR 2,361 (the fair value of the deferred consideration as at 31 December 2023 was TEUR 1,993). Goodwill in the amount of TEUR 560 was recognized as a result of this transaction.

The acquisition was completed because of its strong complementary, strategic fit within the renewable energy production business in Romania. For the period between the acquisition date and 31 December 2023, the entity DA VINCI NEW PROJECT S.R.L. generated no standalone revenue and a loss before tax of TEUR 12.

The following table summarises the recognised amounts of assets acquired, and liabilities assumed at the date of acquisition of DA VINCI NEW PROJECT S.R.L.:

	Note	TEUR
Intangible assets	5	4,533
Property, plant and equipment	6	582
Other assets (financial and non-financial)	12	5,370
Cash and cash equivalents	7	1
Interest-bearing loans and borrowings – non-banks	11	(145)
Lease liabilities	6	(422)
Other liabilities	18	(5,364)
Deferred tax liabilities	19	(725)
Total identifiable net assets acquired		**3,830**
Consideration, paid in cash		(2,397)
Consideration, deferred		(1,993)
Goodwill (-)		**(560)**
Cash effect on acquisition		
Consideration, paid in cash		(2,397)
Cash acquired		1
Net cash outflow		**(2,396)**

During 2023, subsidiaries ENERGIA MILENIULUI III S.A. and TRUE ENERGY MANAGEMENT S.R.L. increased their share capitals and share premiums. The capital contributions were subscribed to by the Group and by the non-controlling shareholders of the subsidiaries accordingly to their respective ownership interests. As a result of these transaction, non-controlling interest of ENERGIA MILENIULUI III S.A. increased by TEUR 642 and non-controlling interest of TRUE ENERGY MANAGEMENT S.R.L. increased by TEUR 647.

2. Basis of preparation

a) Basis of preparation

The interim condensed consolidated financial statements for the nine months ended 30 September 2024 have been prepared in accordance with IAS 34 Interim Financial Reporting. The Group has prepared the financial statements on the basis that it will continue to operate as a going concern. The Directors consider that there are no material uncertainties that may cast significant doubt over this assumption. They have formed a judgement that there is a reasonable expectation that the Group has adequate resources to continue in operational existence for the foreseeable future, and not less than 12 months from the end of the reporting period.

The interim condensed consolidated financial statements do not include all the information and disclosures required in the annual financial statements, and should be read in conjunction with the Group's consolidated financial statements as at 31 December 2023.

b) New standards, interpretations and amendments adopted by the Group

A) Changes in accounting policy and disclosures

The standards/amendments that are effective and have been endorsed by the European Union

The accounting policies adopted in the preparation of the interim condensed consolidated financial statements are consistent with those followed in the preparation of the Group's annual consolidated financial statements for the year ended 31 December 2023, except for the adoption of new standards effective as of 1 January 2024. The Group has not early adopted any standard, interpretation or amendment that has been issued but is not yet effective.

Several amendments apply for the first time in 2024, but do not have an impact on the interim condensed consolidated financial statements of the Group.

IAS 1 Presentation of Financial Statements: Classification of Liabilities as Current or Non-current (Amendments).

The amendments are effective for annual reporting periods beginning on or after January 1, 2024, with earlier application permitted, and will need to be applied retrospectively in accordance with IAS 8. The objective of the amendments is to clarify the principles in IAS 1 for the classification of liabilities as either current or non-current. The amendments clarify the meaning of a right to defer settlement, the requirement for this right to exist at the end of the reporting period, that management intent does not affect current or non-current classification, that options by the counterparty that could result in settlement by the transfer of the entity's own equity instruments do not affect current or non-current classification. Also, the amendments specify that only covenants with which an entity must comply on or before the reporting date will affect a liability's classification. Additional disclosures are also required for non-current liabilities arising from loan arrangements that are subject to covenants to be complied with within twelve months after the reporting period. This adoption did not have a material effect on the interim condensed consolidated financial statements.

IAS 7 Statement of Cash Flows and IFRS 7 Financial Instruments Disclosure - Supplier Finance Arrangements (Amendments).

The amendments are effective for annual reporting periods beginning on or after January 1, 2024, with earlier application permitted. The amendments supplement requirements already in IFRS and require an entity to disclose the terms and conditions of supplier finance arrangements. Additionally, entities are required to disclose at the beginning and end of reporting period the carrying amounts of supplier finance arrangement financial liabilities and the line items in which those liabilities are presented as well as the carrying amounts of financial liabilities and line items, for which the finance providers have already settled the corresponding trade payables. Entities should also disclose the type and effect of non-cash changes in the carrying amounts of supplier finance arrangement financial liabilities, which prevent the carrying amounts of the financial liabilities from being comparable. Furthermore, the amendments require an entity to disclose at the beginning and end of the reporting period the range of payment due dates for financial liabilities owed to the finance providers and for comparable trade payables that are not part of those arrangements. This adoption did not have a material effect on the interim condensed consolidated financial statements

2. Basis of preparation (continued)

B) Standards issued but not yet effective and not early adopted

The Group does not plan to adopt these New IFRSs, Amendments to IFRSs and Interpretations early.

IFRS 18 Presentation and Disclosure in Financial Statements.

IFRS 18 introduces new requirements on presentation within the statement of profit or loss. It requires an entity to classify all income and expenses within its statement of profit or loss into one of the five categories: operating; investing; financing; income taxes; and discontinued operations. These categories are complemented by the requirements to present subtotals and totals for 'operating profit or loss', 'profit or loss before financing and income taxes' and 'profit or loss'. It also requires disclosure of management-defined performance measures and includes new requirements for aggregation and disaggregation of financial information based on the identified 'roles' of the primary financial statements and the notes. In addition, there are consequential amendments to other accounting standards. IFRS 18 is effective for reporting periods beginning on or after 1 January 2027, with earlier application permitted, Retrospective application is required in both annual and interim financial statements. The standard has not been endorsed by the EU. Management does not expect to have a material effect on the interim condensed consolidated financial statements.

IFRS 19 Subsidiaries without Public Accountability: Disclosures.

IFRS 19 permits subsidiaries, of a parent that prepared consolidated financial statements available for public use, which comply with IFRS accounting standards, to apply IFRS accounting standards with reduced disclosure requirements, while still applying the recognition, measurement and presentation requirements in other IFRS accounting standards to its financial records used for group reporting. Unless otherwise specified, eligible entities that elect to apply IFRS 19 will not need to apply the disclosure requirements in other IFRS accounting standards. IFRS 19 is effective for reporting periods beginning on or after 1 January 2027, with early application permitted. The standard has not been endorsed by the EU.

Amendment in IFRS 10 Consolidated Financial Statements and IAS 28 Investments in Associates and Joint Ventures: Sale or Contribution of Assets between an Investor and its Associate or Joint Venture

The amendments address an acknowledged inconsistency between the requirements in IFRS 10 and those in IAS 28, in dealing with the sale or contribution of assets between an investor and its associate or joint venture. The main consequence of the amendments is that a full gain or loss is recognized when a transaction involves a business (whether it is housed in a subsidiary or not). A partial gain or loss is recognized when a transaction involves assets that do not constitute a business, even if these assets are housed in a subsidiary. In December 2015 the IASB postponed the effective date of this amendment indefinitely pending the outcome of its research project on the equity method of accounting. The amendments have not yet been endorsed by the EU. Management does not expect to have a material effect on the interim condensed consolidated financial statements.

Amendments to IFRS 9 and IFRS 7 – Amendments to the Classification and Measurement of Financial Instruments.

The amendments clarify that a financial liability is derecognised on the 'settlement date' and introduce an accounting policy choice to derecognise financial liabilities settled using an electronic payment system before the settlement date, if certain conditions are met. In addition, the amendments clarify how to assess the contractual cash flow characteristics of financial assets with Environmental, Social and Governance (ESG)-linked and other similar contingent features. Finally, the amendments clarify the treatment of non-recourse loans and contractually linked instruments. Additional disclosures are introduced for financial instruments with contingent features and equity instruments classified at fair value through Other Comprehensive Income. The amendments become effective for reporting periods beginning on or after 1 January 2026. Early adoption is permitted, with an option to early adopt the amendments for contingent features only. The amendments have not yet been endorsed by the EU. Management does not expect to have a material effect on the interim condensed consolidated financial statements.

2. Basis of preparation (continued)

c) Presentation and functional currency

The interim condensed consolidated financial statements are presented in Euro (EUR), which is the Company's functional currency and Group's presentation currency. The functional currency of the Romanian entities is the Romanian Leu, for the Moldovan entities is the Moldovan Leu, for the Hungarian entity is the Hungarian forint, for the Serbian entity is the Serbian denar and for the Cypriot entities is the Euro. Financial information presented in EUR has been rounded to the nearest thousand (TEUR).

The following exchange rates were used during translations:

Date	**Closing exchange rate MDL/EUR**	**Average exchange rate MDL/EUR for the 9-month period**
30 September 2024	19.4506	19.2479
31 December 2023	19.3574	19.6431
30 September 2023	19.1338	19.7639
Date	**Closing exchange rate RON/EUR**	**Average exchange rate RON/EUR for the 9-month period**
30 September 2024	4.9753	4.9744
31 December 2023	4.9756	4.9467
30 September 2023	4.9735	4.9392
Date	**Closing exchange rate HUF/EUR**	**Average exchange rate HUF/EUR for the 9-month period**
30 September 2024	396.88	391.25
31 December 2023	382.80	381.85
30 September 2023	389.50	381.76
Date	**Closing exchange rate RSD/EUR**	**Average exchange rate RSD/EUR for the 9-month period**
30 September 2024	117.084	117.1156
31 December 2023	117.174	117.245
30 September 2023	117.200	117.2762

d) Material accounting policies

The accounting policies applied by the Company in these interim condensed consolidated financial statements are the same as those applied by the Company in its annual consolidated financial statements as at and for the year ended 31 December 2023.

3. Operating environment

Operating environment of the Group

The Group currently operates in Romania, Moldova, Hungary, Bulgaria, Serbia, Cyprus and Greece through its investments in subsidiaries and associates. Consequently, the Group is exposed to risks that originate from the operating and economic environments in these jurisdictions.

The Group's four core business sectors are comprised of: the generation and management of renewable energy and supply of renewable electricity in Romania to non-household clients, the distribution and the supply of natural gas to household and non-household customers in Romania, the distribution and the supply of electricity to household and non-household consumers in Moldova, and the supply of Energy in Romania to household and non-household customers.

Generation, distribution, management and supply of electricity activities and distribution and supply of natural gas are regulated both in Romania and Moldova, with rules for, among others, limits for end-prices, regulated tariffs, fixed permitted return on investments, mandatory network investment requirements, regulated size of the distribution networks, public services obligation, and access to end-consumers.

In Romania, while the natural gas supply market operates on free market principles, allowing the Group to determine its end prices (subject to certain limits) and purchase its own gas from producers or intermediaries throughout the SEE region, the Romanian natural gas distribution market is regulated, with Group returns depending on a regulated target for return on investment as applied to a regulated asset base ("RAB") comprising the Group's recognised permitted investments. Also, due to market volatility, the Romanian government has introduced price caps for final consumers up to 31 March 2025. In addition, as a measure to ensure the continuity and safety of gas supply, every licensed supplier which has final consumers in its own portfolio, as well as every thermal energy producer in cogeneration plants and in thermal plants for consumption intended for the population as direct customers of natural gas producers has the obligation to maintain a minimum stock of gas. Romanian ANRE will publish on a yearly basis the level of minimum stock that needs to be reached on a national level for the respective year.

In Moldova both the supply and distribution markets are currently fully regulated, with yearly regulated return on investment rates on the RAB covered by regulated tariffs for distribution services and yearly regulated tariffs for supply services. Moldova's economic outlook indicates robust growth, with a pro-European government driving integration with the EU, as evidenced by the commencement of accession negotiations. Inflation rates have seen volatility, with a sharp increase in recent times, reflecting global economic pressures. The EU's support remains steadfast, particularly in light of challenges posed by the conflict involving Russia and Ukraine, with Moldova receiving significant aid to bolster its economic stability and structural reforms, including energy security. Since 2022 the Moldovan electricity system has been synchronised with the European Network of Transmission System Operators for Electricity ("ENTSO-E") system, allowing for imports both from Ukraine and Romania. The interconnection capacity of the Moldovan system with its neighbours has been increased since 2022.

4. Operating segments

The Group has applied the criteria of IFRS 8, 'Operating Segments' to determine the number and type of operating segments. According to this standard, an operating segment is a component carrying out business operations whose operating income is evaluated regularly by the Group's highest executive decision makers and about which separate financial information is available. The Group's operating segments were determined in connection with the nature of the business and how the operations are managed by the Group's operating decision makers. The Group reports five operating segments based on geographical segmentation and revenue streams: Romania Renewable Energy, Natural Gas, Moldova Electricity, Romania Energy Supply and Corporate.

The information is monitored by management based on the Group's goals and strategies. Management monitors the revenue generated and the profitability of each operating segment. This involves comparing revenue, costs and profits across segments to identify areas of strengths and weakness.

The operating segments are determined based on the Group's management and internal reporting structure. As required by IFRS 8, the Group provides information on the business activities in which the Group engages.

The Group operates in Romania, Moldova, Hungary, Serbia, Bulgaria, Greece and Cyprus. Romanian entities operate in the area of renewable energy generation, management and sale as well as in the sale and distribution of natural gas. Moldovan entities operate in the area of sale and distribution of electricity and in the area of renewable energy generation, management and sale. The Group also operates an energy supply business in Hungary and Serbia with energy licenses in Bulgaria and Greece. The Corporate entities are primarily based in Cyprus and are intended for management of the Group, including financing and investing activities. Details for revenue streams are included in Note 22. Revenues and expenses relate to core operations.

4. Operating segments (continued)

The following tables provide the information about the reportable segments for the nine months ended 30 September 2024 and 2023, respectively:

Nine months ended 30 September 2024 TEUR	**Renewable energy**	**Natural Gas**	**Moldova Electricity**	**Romania Energy Supply**	**Corporate**	**Eliminations**	**Total**
Revenues	**145,614**	**223,764**	**265,258**	**181,134**	--	--	**815,770**
Intersegment Revenues	10,316	1,966	1,220	--	--	13,502	--
Cost of Sales	**(136,554)**	**(181,082)**	**(234,398)**	**(235,206)**	--	--	**(787,240)**
Intersegment Cost of Sales	(1,845)	(1,227)	(81)	(10,349)	--	(13,502)	--
Profit/(Loss) from operations	7,163	16,037	(3,704)	29,072	(4,595)	--	**43,973**
Out of which material non-cash items:							
Gain on bargain purchase	6,001	--	--	14,143	--	--	**20,144**
Depreciation and amortisation	(5,183)	(5,241)	(8,639)	--	--	--	**(19,063)**
Reversal of impairment losses on loans and receivables	15	427	27	(151)	5	--	**323**
Impairment losses on property, plant and equipment and intangibles	--	(73)	(6)	--	--	--	**(79)**
Loss on disposal of property, plant, equipment, and intangible assets	(18)	--	--	--	--	--	**(18)**
Impairment losses on other assets	--	--	(30)	--	--	--	**(30)**
Profit/(Loss) before tax	**4,610**	**14,690**	**(6,045)**	**27,022**	**(8,137)**	--	**32,140**
Out of which:							
Interest income	485	156	208	108	1,143	--	**2,100**
Interest expense	(2,938)	(952)	(1,749)	(1,341)	(4,685)	--	**(11,665)**
Profit/(loss) after tax	**3,732**	**11,470**	**(5,656)**	**25,048**	**(8,137)**	--	**26,457**
Out of which:							
Income tax	(878)	(3,220)	389	(1,974)	--	--	**(5,683)**
Assets	**305,915**	**264,114**	**263,270**	**157,135**	**57,079**	--	**1,047,513**
Liabilities	**(141,094)**	**(106,380)**	**(86,688)**	**(131,082)**	**(63,364)**	--	**(528,608)**
Capital expenditure*	3,243	14,758	23,648	63	8	--	41,720

*The capital expenditure within the Renewable Energy segment represents mainly investments into renewable energy generation assets in Romania. The total amount of TEUR 23,648 in Moldova electricity segment represents amounts invested into the electricity distribution network (and will become part of RAB) at the amount of TEUR 15,025 as well as into renewable energy generation assets in Moldova at the amount of TEUR 8,623. The TEUR 14,758 of capital expenditure within the Natural Gas segment represents primarily investments into the natural gas distribution network (and will become part of RAB).

4. Operating segments (continued)

Reconciliation of information on reportable segments to the amounts reported in the financial statements as at 30 September 2024

TEUR	Renewable energy	Natural Gas	Moldova Electricity	Romania Energy Supply	Corporate	Total
Profit/(loss) before tax as reported in consolidation	4,610	14,690	(6,045)	27,022	(8,137)	**32,140**
Elimination of inter-segment profit	8,471	739	1,139	(10,349)	--	--
Profit /(loss) before tax for reportable segments	**13,081**	**15,429**	**(4,906)**	**16,673**	**(8,137)**	32,140

TEUR	Renewable energy	Natural Gas	Moldova Electricity	Romania Energy Supply	Corporate	Total
Profit/(loss) from operations as reported in consolidation	7,163	16,037	(3,704)	29,072	(4,595)	**43,973**
Elimination of inter-segment profit	8,471	739	1,139	(10,349)	--	**--**
Profit/(loss) from operations for reportable segments	**15,634**	**16,776**	**(2,565)**	**18,723**	**(4,595)**	**43,973**

4. Operating segments (continued)

Nine months ended 30 September 2023 TEUR	Renewable energy	Natural Gas	Moldova Electricity	Corporate	Eliminations	Total
Revenues	**137,404**	**202,291**	**313,969**	**--**	**--**	**653,664**
Intersegment Revenues	**--**	**--**	1,385	**--**	1,385	**--**
Cost of Sales	**(99,284)**	**(198,114)**	**(227,803)**	**--**	**--**	**(525,201)**
Intersegment Cost of Sales	**--**	(1,385)	--	--	(1,385)	**--**
Profit/(Loss) from operations	33,853	3,397	55,776	(2,305)	**--**	**90,721**
Out of which material non-cash items:						
Gain on bargain purchase	4,037	--		--	**--**	**4,037**
Depreciation and amortisation	(3,009)	(3,796)	(7,687)	--	**--**	**(14,492)**
Impairment losses on loans and receivables	3	(311)	(167)	7	**--**	**(468)**
Impairment losses on property, plant and equipment and intangibles	--	490	--	--	**--**	**490**
Loss on disposal of property, plant, equipment, and intangible assets	(126)	--	(2)	--	**--**	**(128)**
Profit/(Loss) before tax	**32,596**	**2,196**	**54,373**	**(6,123)**	**--**	**83,042**
Out of which:						
Interest income	769	255	503	212	**--**	**1,739**
Interest expense	(2,011)	(677)	(1,116)	(4,030)	**--**	**(7,834)**
Profit/(loss) after tax	**19,276**	**423**	**48,907**	**(6,123)**	**--**	**62,483**
Out of which:						
Income tax	(13,320)	(1,773)	(5,466)	--	**--**	**(20,559)**
Assets as at 31.12.2023	**156,293**	**275,286**	**286,720**	**12,541**	**--**	**730,840**
Liabilities as at 31.12.2023	**(63,125)**	**(94,261)**	**(83,092)**	**(85,377)**	**--**	**(325,855)**
Capital expenditure*	12,604	21,159	25,718	--	**--**	59,481

*The capital expenditure within the Renewable Energy segment principally represents investments into renewable energy generation sources while the capital expenditure within the Natural Gas segment represents primarily investments into the natural gas distribution network (and will become part of RAB). The capital expenditure within the Moldova Electricity segment was predominantly invested into the electricity distribution network (and will become part of RAB).

Reconciliation of information on reportable segments to the amounts reported in the financial statements as at 30 September 2023

TEUR	Romania Renewable energy	Natural Gas	Moldova Electricity	Corporate	Total
Profit/(loss) before tax as reported in consolidation	32,596	2,196	54,373	(6,123)	**83,042**
Elimination of inter-segment profit	--	(1,385)	1,385	--	--
Profit/(loss) before tax for reportable segments	**32,596**	**811**	**55,758**	**(6,123)**	**83,042**

TEUR	Romania Renewable energy	Natural Gas	Moldova Electricity	Corporate	Total
Profit/(loss) from operations as reported in consolidation	33,853	3,397	55,776	(2,305)	**90,721**
Elimination of inter-segment profit	--	(1,385)	1,385	--	--
Profit/(loss) from operations for reportable segments	**33,853**	**2,012**	**57,161**	**(2,305)**	**90,721**

5. Intangible assets

	Goodwill	Software	Trademarks	Right-of-use asset	Other intangible assets	Total
	TEUR	**TEUR**	**TEUR**	**TEUR**	**TEUR**	**TEUR**
Acquisition cost						
31 December 2023						
Balance as at 1 January 2023	**17,176**	**4,372**	**--**	**--**	**21,353**	**42,901**
Acquisitions through business combinations	1,893	262	--	217	4,534	**6,906**
Acquisitions through asset deal	--	--	--	--	82	**82**
Additions	--	1,510	2	222	29	**1,763**
Additions through internal development	--	--	--	--	1	**1**
Translation difference	(46)	103	--	(4)	(118)	**(65)**
Balance as at 31 December 2023	**19,023**	**6,247**	**2**	**435**	**25,881**	**51,588**
30 September 2024						
Balance as at 1 January 2024	**19,023**	**6,247**	**2**	**435**	**25,881**	**51,588**
Acquisitions through business combinations	--	271	--	2,991	--	**3,262**
Other adjustments	--	1,536	--	--	--	**1,536**
Additions	--	1,373	--	--	24	**1,397**
Disposals	--	(212)	--	--	--	**(212)**
Transfers	--	(252)	--	--	223	**(29)**
Translation difference	--	(25)	--	(1)	(1)	**(27)**
Balance as at 30 September 2024	**19,023**	**8,938**	**2**	**3,425**	**26,127**	**57,515**
Accumulated amortization						
31 December 2023						
Balance as at 1 January 2023	**--**	**(630)**	**--**	**--**	**(1,172)**	**(1,802)**
Charge for the year	--	(661)	--	(6)	(1,406)	**(2,073)**
Translation difference	--	26	--	--	20	**46**
Balance as at 31 December 2023	**--**	**(1,265)**	**--**	**(6)**	**(2,558)**	**(3,829)**
30 September 2024						
Balance as at 1 January 2024	**--**	**(1,265)**	**--**	**(6)**	**(2,558)**	**(3,829)**
Charge for the period	--	(776)	--	(43)	(1,493)	**(2,312)**
Disposals	--	212	--	--	--	**212**
Other adjustments	--	(1,536)	--	--	--	**(1,536)**
Transfers	--	6	--	--	(6)	**--**
Translation difference	--	3	--	6	14	**23**
Balance as at 30 September 2024	**--**	**(3,356)**	**--**	**(43)**	**(4,043)**	**(7,442)**
Carrying amounts						
As at 31 December 2023	**19,023**	**4,982**	**2**	**429**	**23,323**	**47,759**
As at 30 September 2024	**19,023**	**5,582**	**2**	**3,382**	**22,084**	**50,073**

5. Intangible assets (continued)

During the nine months ended 30 September 2024, acquisition of intangible assets through business combination relates to the acquisition of the Romanian subsidiaries PREMIER ENERGY FURNIZARE S.A. (former CEZ Vanzare S.A.) and PREMIER WIND 80 S.R.L. as described in Note 1.

In 2023, the goodwill of TEUR 1,893 was recognised as a result of the business combinations (refer to Note 1) and is comprised of:

- Goodwill of TEUR 560 resulting from the acquisition of DA VINCI NEW PROJECT S.R.L.
- Goodwill of TEUR 1,333 resulting from the acquisition of PROGAZ P&D S.A.

In 2023, acquisition of intangible assets through business combination relates to the acquisitions in Romania described in Note 1. The acquired intangible assets are comprised mainly of project rights related to DA VINCI NEW PROJECT S.R.L. of TEUR 4,533 with finite useful life of 25 years (the amortization is expected to start in the third quarter of 2025), right-of-use assets in total amount of TEUR 217 and software in total amount of TEUR 262.

For the periods ended 30 September 2024 and 30 September 2023, amortisation amount of TEUR 2,312 and TEUR 1,610 was recognised in profit or loss.

6. Property, plant and equipment

	Land and buildings	Vehicles and Other tangible assets and equipment	Right-of-use asset	Tangible assets under construction	Electricity distribution network	Gas distribution networks	Advance payments	Total
	TEUR	TEUR	TEUR	TEUR	TEUR	TEUR	TEUR	TEUR
31 December 2023								
Balance as at 1 January 2023	**13,567**	**44,803**	**5,185**	**21,322**	**194,349**	**75,502**	**219**	**354,947**
Acquisitions through business combinations	7,527	12,683	422	1,550	--	2,032	--	**24,214**
Acquisitions through asset deals	1,616	1,215	--	--	--	--	--	**2,831**
Additions	60	969	1,353	29,288	12,868	4,700	8,480	**57,718**
Disposals	(64)	(4,082)	(14)	(1,683)	(1,855)	--	(227)	**(7,925)**
Transfers	873	518	--	(16,559)	5,666	9,502	--	**--**
Revaluation	--	--	--	--	--	10,295	--	**10,295**
Translation differences	61	(21)	(36)	(34)	10,794	(1,586)	37	**9,215**
Balance as at 31 December 2023	**23,640**	**56,085**	**6,910**	**33,884**	**221,822**	**100,446**	**8,509**	**451,296**
30 September 2024								
Balance as at 1 January 2024	**23,640**	**56,085**	**6,910**	**33,884**	**221,822**	**100,446**	**8,509**	**451,296**
Acquisitions through business combinations	14,688	65,794	388	192	--	--	--	**81,062**
Acquisitions through asset deals	100	16,942	94	2,506	--	--	--	**19,642**
Other adjustments	288	1,141	--	--	5,910	--	--	**7,339**
Additions	388	1,790	72	33,499	2,000	41	2,533	**40,323**
Disposals	(70)	(367)	--	(1,441)	(1,041)	--	(4,710)	**(7,629)**
Transfers	(7,409)	17,931	115	(37,278)	10,537	16,133	--	**29**
Translation differences	(79)	(37)	--	(111)	(1,244)	2	(44)	**(1,513)**
Balance as at 30 September 2024	**31,546**	**159,279**	**7,579**	**31,251**	**237,984**	**116,622**	**6,288**	**590,549**

6. Property, plant and equipment (continued)

	Land and buildings TEUR	Vehicles and Other tangible assets and equipment TEUR	Right-of-use asset TEUR	Tangible assets under construction TEUR	Electricity distribution network TEUR	Gas distribution networks	Advance payments TEUR	Total TEUR
Accumulated depreciation and impairment								
31 December 2023								
Balance as at 1 January 2023	**(1,002)**	**(6,078)**	**(1,738)**	**(1,820)**	**(21,198)**	**(7,802)**	**--**	**(39,638)**
Charge for the year	(723)	(3,131)	(237)	--	(9,051)	(3,894)	--	**(17,036)**
Reversal of impairment loss	--	--	--	188	--	--	--	**188**
Revaluation	--	--	--	--	--	309	--	**309**
Disposals	--	2,932	--	--	1,832	--	--	**4,764**
Transfers	--	--	--	--	--	--	--	**--**
Translation difference	329	116	11	110	(1,514)	198	--	**(750)**
Balance as at 31 December 2023	**(1,396)**	**(6,161)**	**(1,964)**	**(1,522)**	**(29,931)**	**(11,190)**	**--**	**(52,164)**
30 September 2024								
Balance as at 1 January 2024	**(1,396)**	**(6,161)**	**(1,964)**	**(1,522)**	**(29,931)**	**(11,190)**	**--**	**(52,164)**
Other adjustments	(288)	(1,141)	--	--	(5,910)	--	--	**(7,339)**
Charge for the period	(486)	(4,087)	(537)	--	(7,373)	(4,268)	--	**(16,751)**
Impairment loss	--	--	--	(6)	--	(73)	--	**(79)**
Disposals	53	212	--	--	1,032	--	--	**1,297**
Transfers	329	(329)	--	--	--	--	--	**--**
Translation difference	12	22	1	--	271	40	--	**346**
Balance as at 30 September 2024	**(1,776)**	**(11,484)**	**(2,500)**	**(1,528)**	**(41,911)**	**(15,491)**	**--**	**(74,690)**
Carrying amount								
As at 31 December 2023	**22,244**	**49,924**	**4,946**	**32,362**	**191,891**	**89,256**	**8,509**	**399,132**
As at 30 September 2024	**29,770**	**147,795**	**5,079**	**29,723**	**196,073**	**101,131**	**6,288**	**515,859**

During the nine-months ended 30 September 2024, acquisition through business combination relates to the acquisition of the Romanian subsidiaries PREMIER ENERGY FURNIZARE S.A. (former CEZ Vanzare S.A.) (TEUR 390) and PREMIER WIND 80 S.R.L. (TEUR 80,675) as described in Note 1. The assets acquired relate mainly to the entire structure of the wind turbines, infrastructure, substation, transformers, underground cables as well as the connection costs to the grid.

Acquisitions through asset deals is attributable to ALIVE WIND POWER ONE S.R.L (Refer to Note 1).

In 2023, acquisitions through business combinations and asset deals amounted to TEUR 27,045. Acquisitions comprise of ENEX NALBANT RENEWABLE S.R.L., a wind electricity generation plant in Romania near the town of Nalbant (TEUR 19,044), solar plants in Romania (TEUR 5,872) and a gas distribution network in Romania (TEUR 2,129) described in Note 1.

For the nine months period ended 30 September 2024 and 30 September 2023, depreciation amount of TEUR 16,751 and TEUR 12,882 was recognised in profit or loss.

For pledges on property, refer to Note 16, Loans and borrowings.

6. Property, plant and equipment (continued)

Fair value hierarchy

Due to the specialized nature of the gas distribution sector (regulated sector), the assets subject to valuation can only produce economic value associated with the natural gas distribution license held by the operator and with the concession contract related to the location where they are located. These conditions lead to the conclusion that these assets are specialised assets and can only produce economic value associated with certain economic entities that meet certain regulatory requirements. The assets were valued taking into account the existing regulatory framework.

The valued assets are used in a regulated sector, where operating tariffs are set and implicitly determine a certain profitability of the activity and a certain return on assets. Changes in specific regulatory legislation may occur periodically in accordance with government strategy. These changes in specific legislation may have an important impact on the estimated value of assets**.** The fair value measurement for all the gas distribution network has been categorised as a Level 3 fair value based on the inputs to the valuation technique used.

The fair value of the gas distribution network was determined by external, independent property values, having appropriate recognised professional qualifications and experience in the location and category of assets being valued. It was considered that the most appropriate approach for the intended purpose is the cost approach, especially due to the fact the assets subject to valuation are assets that cannot move to other locations, represent specialised assets and a relevant trading market could not be identified.

The vast majority of assets are gas distribution networks grouped in approximately 28 locations. The asset valuation involved the Replacement Cost, Net technique. For this purpose, the gross replacement cost was first estimated using one of the following techniques:

- multiplication of the physical dimensions of these assets with the estimated unit values specific to each fixed asset (value/cubic meter, value/sqm, value/length, etc.) for the Reference Date. For example, for buildings the estimated unit cost (lei/sqm) was multiplied by the built area and for pipes and connections the estimated unit cost (lei/meter) was multiplied by its length.
- multiplication of the indexation base (consisting of the acquisition value or replacement value resulted from the last revaluation), with industrial sector specific price indexes related to the period elapsed from the moment of determining the indexation base to the Reference Date (applicable especially in the case of special constructions).

The net replacement cost (and thus the estimate of fair value) was determined by applying a degree of physical, functional and/or economic impairment to gross replacement value.

As regards economic obsolescence, the estimation process takes into account the ability of these assets to recover value by generating sufficient future economic benefits. In this respect, for fixed assets such as pipes and connections, a depreciation test was carried out on the initially estimated value (net replacement cost) by reference to potential future cash flows. This analysis was carried out starting from the regulatory basis in force, the operating costs accepted by ANRE, the regulated assets base (RAB) existing at the Reference Date

Leases

The right-of-use tangible assets are recognised in accordance with IFRS 16 and are mainly represented by leased premises of Romanian offices and leased land for renewable production assets. As at 30 September 2024, the Group recorded lease liabilities related to right-of-use assets) for the total amount of TEUR 8,386 (31 December 2023: TEUR 5,216).

The leases typically run for a period of 1 to 20 years, except for lease of land acquired in business combination in 2022 that runs for 49 years in Romania.

Some leases provide for additional rent payments that are based on a development of inflation rate in the following years and some of them are defined in EUR, although payable in RON.

7. Cash and cash equivalents

Cash and cash equivalents	30 September 2024 TEUR	31 December 2023 TEUR
Current accounts	56,495	79,431
Cash on hand	76	41
Other cash equivalents	3,231	1,493
Demand deposits	50,218	307
Cash and cash equivalents in the statement of financial position	**110,020**	**81,272**
Bank overdrafts	(44,956)	--
Cash and cash equivalents in the statement of cash flows	**65,064**	**81,272**

As of 30 September 2024, the increase in cash and cash equivalents is mainly attributable to the proceeds from the IPO with most of the proceeds held in short-term bank deposits with the Group having access to these funds at any time.

Bank overdrafts are mainly attributable to the acquisition of PREMIER ENERGY FURNIZARE S.A (formerly CEZ Vanzare S.A.). Bank overdrafts are pledged on bank current accounts.

In 2021, the Group's natural gas business opened an escrow account at the Romanian Commodities Exchange (BRM) for settlement of gas transactions. It covers the next month's estimated gas purchases of the business via BRM. The contractual restriction relates only to the use of the funds, while the Group has access and can withdraw these funds at any time. The balance of this account amounted to TEUR 1,879 as at 30 September 2024 (31 December 2023: TEUR 1,408).

8. Trade receivables

	30 September 2024 TEUR	31 December 2023 TEUR
Current	203,068	87,240
Non-current	1,423	1,146
Total	**204,491**	**88,386**

The trade receivables refer mainly to the sale of electricity and natural gas and related distribution and works by the Romanian and Moldovan companies.

While there was a decrease in trade receivables of approximately TEUR 19,000 in the natural gas business, the significant increase in trade receivables is mainly due to the acquisition of PREMIER ENERGY FURNIZARE S.A. (formerly CEZ Vanzare S.A.) which had a fair value of trade receivable balance as at 30 September 2024 of TEUR 134,624. Out of this amount, TEUR 95,338 comprises receivables from the Romanian state for sales in 2024 related to the state support scheme and the remaining relates to receivables from electricity customers and from gas customers. During July and August 2024, the Group collected TEUR 76,000 from the state receivables.

The credit terms are generally between 30 days and 60 days.

As of 30 September 2024 and 31 December 2023 all trade receivables are measured at amortised cost under IFRS 9. Loss allowances were calculated based on a lifetime expected credit loss (ECL).

9. Inventories

	30 September 2024 TEUR	31 December 2023 TEUR
Raw materials and consumables	763	751
Auxiliary materials	310	338
Natural gas stored held at third parties	49,943	25,099
Other	3,873	9,236
Total	**54,889**	**35,424**

The increase in natural gas stored at third parties is attributable to an increase in the quantity of natural gas stored in Romania as a result of the business taking advantage of relatively low natural gas prices during the nine months ended 30 September 2024.

The Romanian natural gas entities pledged gas in storage as security for liabilities in the amount TEUR 49,943 as of 30 September 2024 and TEUR 25,099 as of 31 December 2023.

The Group fulfilled all the legal obligations of gas stocked in underground storage so far in 2024 and in all of 2023.

As at 30 September 2024 and 31 December 2023, the Group considered there was no indication of impairment of the gas inventory: on the regulated market, the cost of gas is recognized in the final selling price of the gas according to the ANRE regulations, while on the free market the pricing scheme fully covers these costs.

During the first nine months of year 2024, the Romanian and Moldovan entities recognised raw materials and consumables used as an expense of TEUR 3,378 (30 September 2023: TEUR 3,451).

10. Financial assets

Financial assets at amortised cost – other deposits

Restricted deposits

	30 September 2024 TEUR	31 December 2023 TEUR
Term deposits – current	497	--
Deposits with restricted access – current	12,527	5,638
Deposits with restricted access – non-current	362	2,303
Total	**13,386**	**7,941**

Restricted deposits are used as cash collateral for guarantees for electricity supply contracts with customers, as collateral for letters of guarantees, or as bank loan collateral. Main increase as at 30 September 2024 is attributable to the Group's renewable energy business in Romania.

11. Loans receivable

The Group has provided loans receivable from its related parties as of 30 September 2024 TEUR 371 (31 December 2023: TEUR 305) and third parties as of 30 September 2024 TEUR 3,927 (31 December 2023: TEUR 4,751) which are repayable as follows:

30 September 2024	Average interest rate	Less than 3 months	3 months to 1 year	1 to 5 years	More than 5	Non-specified	Total TEUR
Loans receivable	4.14 %	73	112	456	3,657	--	**4,298**

31 December 2023	Average interest rate	Less than 3 months	3 months to 1 year	1 to 5 years	More than 5	Non-specified	Total TEUR
Loans receivable	4.14 %	54	147	1,736	3,119	--	**5,056**

During the nine months ended 30 September 2024, the Group provided TEUR 572 new loans to related and third parties and received repayments at the total amount of TEUR 1.320.

Loans receivable are measured at amortised cost under IFRS 9. Loss allowances were calculated based on a 12-month or a lifetime expected credit loss (ECL). As at 30 September 2024, loss allowances related to loans receivable amounted to TEUR 5 (31 December 2023: TEUR 7).

As at 30 September 2024 and 31 December 2023 loan receivable balances from third parties of TEUR 3,927 and TEUR 4,751 were secured over shares held by minority shareholders of a Cypriot subsidiary in favour of the Company under the Deed of Pledge Agreements between the Company and the minority shareholders of the Cypriot subsidiary.

12. Other assets

	30 September 2024 TEUR	31 December 2023 TEUR
Financial assets		
Other assets	18,259	23,096
Subtotal financial assets	**18,259**	**23,096**
Non-financial assets		
Advances to suppliers	222	44
Other tax receivables	12,750	3,278
Deferred expenses and prepayments	36,857	20,927
Other assets – non-financial	4,846	12,098
Subtotal non-financial assets	**54,675**	**36,347**
Total	**72,934**	**59,443**
Current	63,109	45,386
Non-current	9,825	14,057
Total	**72,934**	**59,443**

Other assets mainly include gas delivery prepayments and guarantees for payment retained by the gas suppliers.

12. Other assets (continued)

The increase in other assets is mainly attributable to the increase in deferred expenses and prepayments as well as to other tax receivables. Deferred expenses and prepayments represent mainly advances paid to energy suppliers. The increase in other tax receivables is attributable to the acquisition of PREMIER WIND 80 S.R.L. as described in Note 1. At the acquisition date, the Group recognised other tax receivables at the amount of TEUR 10,911.

13. Green certificates

	30 September 2024 TEUR	31 December 2023 TEUR
Current	5,232	3,895
Non-current	9,820	1,090
Green certificates total	**15,052**	**4,985**

The increase in the value of green certificates is primarily attributable to the acquisition of PREMIER WIND 80 S.R.L. as described in Note 1. At the acquisition date, the Group recognised green certificates at the amount of TEUR 12,705.

14. Investments in equity-accounted investees

The Group has the following investments which were accounted for using the equity method:

	Type of equity method investment	Country of incorporation	Ownership interest (%)		Carrying amount TEUR	
			30 September 2024	31 December 2023	30 September 2024	31 December 2023
BRASOV RENEWABLES S.R.L.[1)]	Associate	Romania	20.40	20.40	199	199
					199	**199**

1) On 7 June 2023 the ownership interest of 40% in BRASOV RENEWABLES S.R.L. was purchased by the entity ALIVE CAPITAL S.A. The Company holds a 50.99% interest in ALIVE CAPITAL S.A.

The financial information relating to investments in equity-accounted investees is summarised below:

TEUR	BRASOV RENEWABLES S.R.L.	
	Associate (20.40%)	Associate (20.40%)
	30 September 2024	31 December 2023
Summarised balance sheet		
Non-current assets	471	471
Current assets	28	28
Non-current liabilities	--	--
Current liabilities	(1)	(1)
Net assets (100%)	**498**	**498**
NCI on net assets	**--**	**--**
Net assets attributable to equity holders	**199**	**199**
Group's share on net assets	199	199
Goodwill	--	--
Carrying amount of investments in equity-accounted investees	**199**	**199**

15. Provisions

	30 September 2024 TEUR	31 December 2023 TEUR
Provisions for litigations and claims	1,543	1,018
Untaken holiday	2,681	1,572
Decommissioning provision	5,229	1,358
Tax risks	--	3,940
Other	18,840	1,037
Provisions total	**28,293**	**8,925**
Non-current provisions	13,892	6,227
Current provisions	14,401	2,698
Provisions total	**28,293**	**8,925**

For description of contingencies and commitments, refer to Note 31 and Note 32.

The significant increase in provisions is mainly attributable to the new acquisition of the Romanian subsidiary PREMIER ENERGY FURNIZARE S.A. (formerly CEZ Vanzare S.A.) (refer to Note 1). It mainly includes provisions for compensation according to GEO 27/2022 as well as provision for the obligation of purchasing green certificates.

As an electricity supplier, the Group has the legal obligation to purchase a number of green certificates calculated by multiplying the mandatory annual quota established by the regulator with the quantity of energy supplied to final consumers. ANRE sets the annual level of the mandatory quota for the purchase of green certificates. The annual quota provided for 2024 is of 0.4944765 green certificates per MWh (quota applicable 2023: 0.4946974 green certificates per MWh).

Starting with April 2022, GEO 27/2022 entered into force, which provides for the application of a price capping scheme to the final customers of electricity and natural gas, thus starting with April 2022, the price capping scheme is applied according to the provisions of GEO 27 /2022 with the subsequent amendments and additions, electricity and natural gas supplements being granted to final customers based on the provisions of Law no. 226/2021 regarding the establishment of social protection measures for vulnerable energy consumers. PREMIER ENERGY FURNIZARE S.A. (formerly CEZ Vanzare S.A.) received subsidies from the State according to the support schemes implemented by GEO 27/2022 with the subsequent amendments. The Group recognised a provision for possible amounts to be returned related to the compensations collected based on GEO 27/2022.

In addition, the Group recognizes provision from legal claims made against the operating companies by their customers in the normal course of business. Litigation provisions are recognized when management estimates that the Group is exposed to a cash outflow as a result of an unfavourable court ruling. During the nine months ended 30 September 2024, management recognized a provision of TEUR 1,543 in respect to these claims, after considering legal advice and it believes that the outcome of these legal claims will not give rise to any significant loss beyond the amounts provided as at 30 September 2024.

During the nine months ended 30 September 2024, the Group recognized a provision of TEUR 2,681 in respect to untaken holiday from its employees. The provision is made based on the employment contracts. The Group expects to settle the majority of this liability over the next year.

During the nine months ended 30 September 2024, the Group reversed the tax risk provision of TEUR 3,940, which was recognised during the year 2023 in respect to energy taxation in Romania.

16. Loans and borrowings

Liabilities due to non-banks

The contractual terms of the Group's non-bank loans are summarised below.

	30 September 2024 TEUR	31 December 2023 TEUR
Loans from related parties	--	547
Loans from third parties	139	771
	139	**1,318**

Non-bank loans are payable as follows:

TEUR	Amount as at 30 September 2024	Payable in 1 year	Payable in more than 1 year
Loans from related parties	--	--	--
Loans from third parties	139	139	--
	139	**139**	--

TEUR	Amount as at 31 December 2023	Payable in 1 year	Payable in more than 1 year
Loans from related parties	547	547	--
Loans from third parties	771	771	--
	1,318	**1,318**	--

	Currency	Maturity	Interest rate	Outstanding principal and interest 30 September 2024 TEUR	Outstanding principal and interest TEUR 31 December 2023 TEUR
A. Loan from related party	EUR	2024	6.65%	--	547
				--	**547**
A. Loan from third party	EUR	2024	0.00%	15	652
B. Loan from third party	RON	2024	11.44%	124	119
				139	**771**

During the nine months ended 30 September 2024, the Group repaid the entire amount of the loan from the related party. The loan bore interest at an annual rate of 6.65% and had a maturity date in 2024.

As at 30 September 2024 and 31 December 2023, the Group's non-bank loans were unsecured.

16. Loans and borrowings (continued)

Liabilities due to banks and other financial institutions

The Group's liabilities due to banks and other financial institutions as of 30 September 2024 amount to TEUR 202,102 (2023: TEUR 153,475). The details are described below.

	30 September 2024 TEUR	31 December 2023 TEUR
Non-current bank loans	150,040	100,379
Current bank loans	52,062	53,096
	202,102	**153,475**

30 September 2024	Currency	Maturity	Outstanding principal and interest TEUR
A Secured bank loan	EUR	31.12.2024	30,670
B Secured bank loan	USD	03.03.2031	12,840
C Secured bank loan	USD	02.03.2031	11,952
D Secured bank loan	MDL	31.01.2028	479
E Secured bank loan	EUR	29.06.2029	61,121
F Secured bank loan	EUR	05.12.2030	945
G Secured bank loan	EUR	15.04.2034	13,255
H Secured bank loan	EUR	10.01.2034	2,085
I Secured bank loan	RON	31.12.2024	1,599
J Secured bank loan	MDL	30.12.2033	7,275
K Secured bank loan	EUR	17.07.2034	16,145
L Secured bank loan	EUR	17.07.2034	43,542
M Secured bank loan	EUR	31.12.2024	194
			202,102

31 December 2023	Currency	Maturity	Outstanding principal and interest TEUR
A Secured bank loan	EUR	31.12.2024	31,804
B Secured bank loan	MDL	17.05.2024	1,618
C Secured bank loan	USD	03.03.2031	5,711
D Secured bank loan	USD	02.03.2031	5,776
E Secured bank loan	MDL	31.01.2028	580
F Secured bank loan	EUR	17.03.2029	16,293
G Secured bank loan	EUR	30.06.2027	83,643
H Secured bank loan	EUR	05.12.2030	238
I Secured bank loan	EUR	28.02.2023	7,812
			153,475

The interest rates on the above bank loans are variable and all rates are market-based. For the nine months ended 30 September 2024, the effective interest rate was 7.22% (31 December 2023: 8.06%). The interest rates of these loans ranged from 5.43% to 10.46% for the nine months ended 30 September 2024 (31 December 2023: ranged from 5.96% to 10.46%).

16. Loans and borrowings (continued)

Liabilities due to banks and other financial institutions (continued)

During the nine months ended 30 September 2024, the Group received a total principal amount of bank loans of TEUR 138,827, from which an amount of TEUR 87,980 represents new bank loans both in Romania and Moldova. At the same time the Group made principal repayments at the total amount of TEUR 88,217.

There are covenants to be fulfilled related to secured bank loans. As at 30 September 2024 and 31 December 2023, there were no breaches of covenant conditions.

As at 30 September 2024, the Group's bank loans were secured as follows:

- Bank loan A is secured by pledge on receivables and bank accounts, pledge on gas in storage (refer to Note 9, Inventories) and pledge on 3,634,094 shares of Romania subsidiary, representing a share of 51.23% of the total number of shares of this subsidiary.
- Bank loan E was secured by pledge on Company's shares held by EMMA ALPHA HOLDING LTD. On 21 March 2024, the Company's shares were irrevocably and unconditionally released and discharged from the security pledge. On 11 July 2024, the loan was secured by pledge on the shares held by the Company over the Cypriot subsidiaries LIGATNE LIMITED and JOSECO HOLDINGS CO. LIMITED.
- Bank loans B, C, D, F, G, H, I, J, K, L and M are secured by pledge on receivables and bank accounts, pledge on defined immovable assets, equipment and first rank movable mortgage on the shares of the respective subsidiaries.

As at 31 December 2023, the Group's bank loans were secured as follows:

- Bank loan A is secured by pledge on receivables and bank accounts, pledge on gas in storage (refer to Note 9, Inventories) and pledge on 3,634,094 shares of Romania subsidiary, representing a share of 51.23% of the total number of shares of this subsidiary.
- Bank loan G is secured by pledge on 99.994 shares of the Company representing a share of 99.994% of the total number of shares of the Company. In addition, the loan is secured over a corporate guarantee provided by EMMA ALPHA HOLDING LTD.
- Bank loans B, C, D, E, F, H and I are secured by pledge on receivables and bank accounts, pledge on defined immovable assets, equipment and first rank movable mortgage on the shares of the respective subsidiaries. F Bank loan is also attached with a corporate guarantee provided by parent company.

Financial Covenants

The Group's financing agreements include a range of undertakings and restrictions related to different legal entities (subject to many certain exceptions and carve-outs) including, inter alia, restrictions on the ability to provide security or guarantees, restrictions on investments and disposals of assets, restrictions on declaring or paying dividends or any other distributions, restrictions on entering into any amalgamation, merger, demerger or other corporate reconstruction, and restrictions on incurring or allowing to remain outstanding any financial indebtedness. The finance documents in some cases also include, among others, undertakings to observe certain financial covenants and a variety of events of default, including cross default provisions. The Group currently fully complies with all such covenants and undertakings.

17. Trade payables

The Group's trade payables consist mainly of payables to gas and electricity suppliers.

	30 September 2024 **TEUR**	**31 December 2023** **TEUR**
Current	46,526	46,740
Non-current	36	38
Total	**46,562**	**46,778**

Trade payables are non-interest bearing and are normally settled between 30 days and 60 days.

18. Other liabilities

	30 September 2024 TEUR	31 December 2023 TEUR
Financial liabilities		
Accrued expenses	59,539	11,064
Other liabilities	38,846	7,921
Subtotal financial liabilities	**98,385**	**18,985**
Non-financial liabilities		
Deferred income	37,616	37,184
Other tax payable	7,635	8,034
Wages and salaries	2,102	1,430
Social security and health insurance	1,005	411
Subtotal non-financial liabilities	**48,358**	**47,059**
Total	**146,743**	**66,044**
Current	86,983	28,004
Non-current	59,760	38,040
Total	**146,743**	**66,044**

As at 30 September 2024, the significant increase in other liabilities is due to increase in accrued expenses.

Accrued expenses are represented notably by liabilities related to the electricity purchases by the Moldovan subsidiaries and to natural gas and renewable energy purchases by the Romanian subsidiaries. During the nine months period ended 30 September 2024, the increase is mainly attributable to Romanian gas business as well as to the new acquisition of the Romanian subsidiary PREMIER ENERGY FURNIZARE S.A. (former CEZ Vanzare S.A.).

The increase in other liabilities is mainly attributable to the new acquisitions, PREMIER ENERGY FURNIZARE S.A., which mainly include prepayments received by the company during the normal activity as higher payments than invoices as well as to PREMIER WIND 80 S.R.L. At the acquisition date of PREMIER WIND 80 S.R.L, the Group recognised other liabilities at the amount of TEUR 3,391. Furthermore, an amount of TEUR 8,545 was also recognised in connection with the consideration payable for the acquisition of the subsidiary in relation to the potential windfall tax refund from the state, as explained in Note 1.

As at 30 September 2024 and 31 December 2023, the balance of deferred income is notably represented by liabilities related to the electricity activity of the Moldovan subsidiaries, and of natural gas by the Romanian subsidiaries.

19. Deferred tax liability and asset

Deferred income tax assets and liabilities are offset when there is a legally enforceable right to offset current income tax assets against current income tax liabilities and when the deferred income taxes relate to the same fiscal authority.

	30 September 2024 TEUR	31 December 2023 TEUR
Deferred tax assets	5,800	438
Deferred tax liabilities	(29,323)	(22,579)
Net deferred tax liabilities	**(23,523)**	**(22,141)**

19. Deferred tax liability and asset (continued)

The recognised deferred tax assets and liabilities are attributable mainly to property, plant and equipment and intangible assets. The detail is summarized in the table below:

	30 September 2024 TEUR	31 December 2023 TEUR
Property, plant and equipment	(24,028)	(20,130)
Intangible assets	(2,813)	(2,498)
Tax losses carried-forward	1,489	439
Provisions	3,653	--
Other items	(1,824)	48
Net deferred tax liabilities	**(23,523)**	**(22,141)**

	30 September 2024 TEUR	31 December 2023 TEUR
Deferred tax assets		
Expected to reverse within 12 months	--	--
Expected to reverse after 12 months	5,800	438
Subtotal deferred tax assets	**5,800**	**438**
Deferred tax liabilities		
Expected to reverse within 12 months	--	--
Expected to reverse after 12 months	(29,323)	(22,579)
Subtotal deferred tax liabilities	**(29,323)**	**(22,579)**
Net deferred tax liabilities		
Expected to reverse within 12 months		--
Expected to reverse after 12 months	(23,523)	(22,141)
Net deferred tax liabilities	**(23,523)**	**(22,141)**

As at 30 September 2024, unrecognised deferred tax assets of TEUR 1,715 (2023: TEUR 1,348) resulting from tax losses carried-forward in total amount of TEUR 13,581 (2023: TEUR 10,726) are attributable mainly to Cypriot entities (refer also to Note 29).

Deferred tax assets and liabilities are generally expected to be reversed after 12 months as they result mainly from non-current assets and their reversal or settlement within the next 12 months are not certain.

19. Deferred tax liability and asset (continued)

Movements in temporary differences during the nine months ended 30 September 2024 were as follows:

TEUR	Balance at 1 January 2024	Recognized in profit or loss (Note 29)	Additions resulting from business combinations (Note 1)	Recognized in OCI	Recognized directly in equity	Effect of movements in foreign exchange rate	Balance at 30 September 2024
Property, plant and equipment	(20,130)	(926)	(3,019)	--	--	47	(24,028)
Intangible assets	(2,498)	(311)	--	--	--	(4)	(2,813)
Tax losses carried-forward	439	1,069	--	--	--	(19)	1,489
Provisions	--	3,655	--	--	--	(2)	3,653
Other items	48	(1,867)	--	--	--	(5)	(1,824)
Total	**(22,141)**	**1,620**	**(3,019)**	**--**	**--**	**17**	**(23,523)**

Movements in temporary differences during the year 2023 were as follows:

TEUR	Balance at 1 January 2023	Recognized in profit or loss (Note 19)	Additions resulting from business combinations (Note 1)	Recognized in OCI	Recognized directly in equity	Effect of movements in foreign exchange rate	Balance at 31 December 2023
Property, plant and equipment	(11,542)	(4,484)	(1,923)	(1,697)	--	(484)	(20,130)
Intangible assets	(6,723)	4,905	(690)	--	--	10	(2,498)
Tax losses carried-forward	1,250	(854)	--	--	--	43	439
Derivative financial instruments	641	(641)	--	--	--	--	--
Other items	(1,203)	1,283	--	--	--	(32)	48
Total	**(17,577)**	**209**	**(2,613)**	**(1,697)**	**--**	**(463)**	**(22,141)**

20. Equity

	30 September 2024 Number of shares	30 September 2024 EUR	31 December 2023 Number of shares	31 December 2023 EUR
Authorised				
Balance at 1 January	100,001	100,001	100,001	100,001
Issue of shares (Ordinary shares of EUR 1 each)	40,000	40,000	--	--
Balance at 9 April 2024 (before share split)	140,001	140,001	--	--
Share split (Ordinary shares from EUR 1 to EUR 0.001)	140,001,000	140,001	--	--
Balance as at 30 September	140,001,000	140,001	100,001	100,001

	30 September 2024 Number of shares	30 September 2024 EUR	31 December 2023 Number of shares	31 December 2023 EUR
Issued and fully paid				
Balance at 1 January	100,001	100,001	100,001	100,001
Share split (Ordinary shares from EUR 1 to EUR 0.001)	100,001,000	100,001	--	--
Issue of shares (Ordinary shares of EUR 0.001 each)	25,000,250	25,000	--	--
Balance as at 30 September	125,001,250	125,001	100,001	100,001

Share capital

Authorised capital

As at 31 December 2023, the Company's authorised share capital of EUR 100,001 was composed of 100,001 authorised ordinary shares with a nominal value of EUR 1 each. The Company's issued and fully paid share capital of EUR 100,001 was composed of 100,001 issued ordinary shares with a nominal value of EUR 1 each.

On 9 April 2024, the Company increased its authorized share capital from EUR 100,001 divided into 100,001 ordinary shares of EUR 1 each to EUR 140,001 divided into 140,001 ordinary shares of nominal value of EUR 1 each by the issue of 40,000 additional authorized shares with a nominal value of EUR 1 each. On the same day, the Company subdivided its authorized share capital into shares of a smaller amount via a 1 to 1,000 stock split. The Company's authorized share capital was therefore subdivided into 140,001,000 ordinary shares of nominal value of EUR 0.001 each.

Issued capital

On 9 April 2024, the Company's issued share capital was subdivided from EUR 100,001 divided into 100,001 ordinary shares of EUR 1 each to 100,001,000 ordinary shares of nominal value EUR 0.001 each.

On 28 May 2024, PREMIER ENERGY PLC completed an IPO on the Bucharest Stock Exchange (BVB) by raising both primary and secondary proceeds. The offering was carried out between 8 and 15 May and it was the first mixed IPO on BVB, meaning that out of the 35.9 million shares sold, 25 million were newly issued shares, 6.25 million shares were sold by the sole shareholder, EMMA ALPHA HOLDING LTD, while 4.7 million shares were overallocated and sold by the sole shareholder.

The holders of ordinary shares are entitled to receive dividends as approved in the general meeting from time to time and are entitled to one vote per share at meetings of the Company.

20. Equity (continued)

The ordinary shares shall confer on their holders the following rights:

a) The right to receive notice, attend and vote at any proposed General Meeting and/or proposed resolution of the General Meeting and/or any proposed unanimous written resolution of the General Meeting.

b) The right to receive dividends in accordance with Regulations 112-114A.

c) On a return of assets on liquidation of the Company, reduction of capital or otherwise, the right to receive assets corresponding to (i) the nominal value of the ordinary shares and (ii) to the amount remaining payable as provided for in Regulation 114A (c).

Share premium

As at 30 September 2024, the Company's share premium amounted to TEUR 112,772 (31 December 2023: TEUR 22,457) due to the IPO.

Common control transaction reserve

The common control transaction reserve balance as at 30 September 2024 and at 31 December 2023, of negative TEUR (5,018) resulted from the 2020 transfer of shares in LIGATNE LIMITED from EMMA ALPHA HOLDING LTD to the Company under common control.

Revaluation reserve

The revaluation reserve arises on the revaluation of Gas distribution networks to fair value. The revaluation reserve balance as at 30 September 2024 of TEUR 46,790 (31 December 2023: TEUR 46,790) represents total revaluation of TEUR 55,703 and tax effect TEUR (8,913) for both 30 September 2024 and 31 December 2023.

Translation reserve

The translation reserve balance as at 30 September 2024 of TEUR (598) (31 December 2023: TEUR (18)) represents notably foreign exchange differences arising from the translation of the financial statements of the subsidiaries with a functional currency other than EUR.

Legal reserve

The legal reserve balance as at 30 September 2024 of TEUR 3,429 (31 December 2023: TEUR 3,434) represents the amount required by the Romanian and Moldovan states to protect the Group against future financial losses. The Group is in compliance with the specific requirements.

Dividends paid

During the nine months ended 30 September 2024, the Group did not distribute any dividends to the Group's shareholders (30 September 2023: TEUR 18,000). Interim dividends in the total amount of TEUR 1,833 (30 September 2023: TEUR 10,327) were distributed to minority shareholders of subsidiaries.

As at 31 December 2023, the Group distributed dividends to the Group's parent company in total amount of TEUR 18,000. Interim dividends in the total amount of TEUR 10,748 were distributed to minority shareholders of subsidiaries.

Dividends per share

Dividends paid to the Group's shareholders

	30 September 2024 TEUR	30 September 2023 TEUR
Total dividends paid to the Group's shareholders	--	18,000
Total dividends paid to the shareholder	**--**	**18,000**
Weighted average number of ordinary shares issued	--	100,001
Dividends per ordinary share attributable to the shareholders of the Company, basic and diluted (in TEUR per share)	**--**	**0.180**

20. Equity (continued)

Earnings per share

Basic and diluted earnings per share 2024 and 2023

The calculation of basic EPS has been adjusted to include the effect of the stock split which occurred in April 2024. All share and earnings per share information have been retrospectively adjusted to reflect the stock split.

Profit attributable to ordinary shareholders

	30 September 2024 TEUR	30 September 2023 TEUR	31 December 2023 TEUR
Profit for the year attributable to ordinary shareholders	23,631	51,022	65,871
Profit attributable to ordinary shareholders	**23,631**	**51,022**	**65,871**
Weighted average number of ordinary shares issued (in thousands)	125,001	100,001	100,001
Earnings per ordinary share attributable to the owners of the Company, basic and diluted (in EUR per share)	**0.213**	**0.510**	**0.659**

Weighted average number of ordinary shares 30 September 2024

In pieces of shares	**Ordinary shares**	**Weight**	**Weighted average**
Issued ordinary shares at 1 January 2024	100,001,000	270	100,001,000
Effect of ordinary shares issued on IPO	25,000,250	120	11,111,222
Weighted average number of ordinary shares as at 30 September 2024			111,112,222

Weighted average number of ordinary shares as at 30 September 2023

In pieces of shares	**Ordinary shares**	**Weight**	**Weighted average**
Issued ordinary shares at 1 January 2023	100,001,000	270	100,001,000
Restated Weighted average number of ordinary shares as at 30 September 2023			100,001,000

Weighted average number of ordinary shares as at 31 December 2023

In pieces of shares	**Ordinary shares**	**Weight**	**Weighted average**
Issued ordinary shares at 1 January 2023	100,001,000	360	100,001,000
Restated Weighted average number of ordinary shares as at 31 December 2023			100,001,000

21. Non-controlling interest

The following table summarises the information relating to each of the Group's subsidiaries that has material NCI in the nine months ended 30.09.2024.

TEUR	TRUE ENERGY MANAGEMENT S.R.L.	ECOENERGIA S.R.L.	*Subtotal*	*TOTAL*
NCI percentage	**25.00%**	**20.00%**		
Non-current assets	11,258	30,952		
Current assets	1,776	3,748		
Non-current liabilities	--	(666)		
Current liabilities	(8,333)	(9,201)		
Net assets	**4,701**	**24,833**		
Net assets attributable to NCI	**1,175**	**4,967**	***6,142***	***40,711***
Revenue	2,594	10,671		
Profit / (loss)	(621)	1,263		
OCI	60	(15)		
Total comprehensive income	**(561)**	**1,248**		
Profit / (loss) allocated to NCI	**(238)**	**253**	***15***	***2,826***
OCI allocated to NCI	**15**	**(3)**	***12***	***(39)***

TEUR	ALIVE CAPITAL S.A.	ENERGIA MILENIULUI III S.A.	JOSECO HOLDINGS Group	*Subtotal*
NCI percentage	**49.00%**	**33.36%**	**7.26%**	
Non-current assets	25,397	10,654	232,989	
Current assets	51,821	339	25,367	
Non-current liabilities	(5,707)	(1,659)	(56,329)	
Current liabilities	(36,050)	(4,745)	(26,602)	
Net assets	**35,461**	**4,589**	**175,425**	
Net assets attributable to NCI	**17,376**	**1,531**	**12,736**	***31,643***
Revenue	150,617	--	343,923	
Profit / (loss)	6,944	(185)	(5,347)	
OCI	(161)	3	(716)	
Total comprehensive income	**6,783**	**(182)**	**(6,063)**	
Profit / (loss) allocated to NCI	**3,403**	**(62)**	**(388)**	***2,953***
OCI allocated to NCI	**--**	**1**	**(52)**	***(51)***

TEUR	LIGATNE GAS S.R.L.	ENEX NALBANT RENEWABLE S.R.L.	ALIVE CAPITAL D.O.O. Beograd	*Subtotal*
NCI percentage	**0.04%**	**20.00%**	**49.01%**	
Non-current assets	3,115	17,989	10	
Current assets	3,856	958	1,291	
Non-current liabilities	(610)	(1,899)	0	
Current liabilities	(3,275)	(7,595)	(36)	
Net assets	**3,086**	**9,453**	**1,265**	
Net assets attributable to NCI	**--**	**1,891**	**620**	***2,511***
Revenue	5,138	2,094	27	
Profit / (loss)	(285)	318	(35)	
OCI	--	--	4	
Total comprehensive income	**(285)**	**318**	**(31)**	
Profit / (loss) allocated to NCI	**--**	**64**	**(17)**	***47***
OCI allocated to NCI	**--**	**--**	**2**	***2***

21. Non-controlling interest (continued)

TEUR	ALIVE CAPITAL Kft.	ALIVE RENEWABLE HOLDING LIMITED	ALIVE WIND POWER ONE S.R.L.	*Subtotal*
NCI percentage	**49.01%**	**49.00%**	**35.00%**	
Non-current assets	--	--	19,938	
Current assets	357	844	439	
Non-current liabilities	--	--	(11,990)	
Current liabilities	(5)	(1)	(8,876)	
Net assets	**352**	**843**	**(489)**	
Net assets attributable to NCI	**173**	**413**	**(171)**	***415***
Revenue	--	--	1,144	
Profit / (loss)	(28)	(8)	(490)	
OCI	(4)	--	--	
Total comprehensive income	**(32)**	**(8)**	**(490)**	
Profit / (loss) allocated to NCI	**(14)**	**(4)**	**(171)**	***(189)***
OCI allocated to NCI	**(2)**	**--**	**--**	***(2)***

The following table summarises the information relating to each of the Group's subsidiaries that has material NCI as at 31 December 2023.

TEUR	TRUE ENERGY MANAGEMENT S.R.L.	ECOENERGIA S.R.L.	*Subtotal*	*TOTAL*
NCI percentage	**40.00%**	**20.00%**		
Non-current assets	11,245	33,033		
Current assets	1,512	9,509		
Non-current liabilities	--	(14,074)		
Current liabilities	(7,433)	(4,884)		
Net assets	**5,324**	**23,584**		
Net assets attributable to NCI	**2,130**	**4,717**	***6,847***	***39,247***
Revenue	--	(8,017)		
Profit / (loss)	(645)	5,714		
OCI	(30)	(125)		
Total comprehensive income	**(675)**	**5,589**		
Profit / (loss) allocated to NCI	**(258)**	**1,143**	***885***	***13,091***
OCI allocated to NCI	**(12)**	**(25)**	***(37)***	***495***

TEUR	ALIVE CAPITAL S.A.	ENERGIA MILENIULUI III S.A.	JOSECO HOLDINGS Group	*Subtotal*
NCI percentage	**49.00%**	**20.00%**	**7.26%**	
Non-current assets	24,852	10,083	217,923	
Current assets	36,251	277	71,717	
Non-current liabilities	(7,836)	(1,738)	(35,856)	
Current liabilities	(24,750)	(3,847)	(47,043)	
Net assets	**28,517**	**4,775**	**206,741**	
Net assets attributable to NCI	**13,973**	**1,592**	**15,009**	***30,574***
Revenue	180,496	--	532,013	
Profit / (loss)	16,558	(126)	54,263	
OCI	(188)	(27)	8,967	
Total comprehensive income	**16,370**	**(153)**	**63,230**	
Profit / (loss) allocated to NCI	**8,112**	**(42)**	**3,940**	***12,010***
OCI allocated to NCI	**(92)**	**(9)**	**650**	***549***

21. Non-controlling interest (continued)

TEUR	LIGATNE GAS S.R.L.	ENEX NALBANT RENEWABLE S.R.L.	ALIVE CAPITAL D.O.O. Beograd	*Subtotal*
NCI percentage	**0.04%**	**20.00%**	**49.01%**	
Non-current assets	2,623	18,500	2	
Current assets	4,269	913	1,326	
Non-current liabilities	(544)	(6,964)		
Current liabilities	(4,003)	(3,312)	(1,331)	
Net assets	**2,345**	**9,137**	**(3)**	
Net assets attributable to NCI	**--**	**1,827**	**(1)**	***1,826***
Revenue	7,221	232	--	
Profit / (loss)	151	1,008	(13)	
OCI	--	(85)	--	
Total comprehensive income	**151**	**923**	**(13)**	
Profit / (loss) allocated to NCI	**--**	**202**	**(6)**	***196***
OCI allocated to NCI	**--**	**(17)**	**--**	***(17)***

22. Revenues and expenses related to core operations

Revenue streams and related expenses including

	For the nine months ended 30 September 2024 TEUR	30 September 2023 TEUR
Revenues from renewable energy	134,407	131,958
Revenues from sale of green certificates	26,919	5,444
Revenues from gas distribution and supply	215,424	200,030
Revenues from electricity distribution and supply	439,020	316,232
Revenues	**815,770**	**653,664**
Cost of renewable energy sold	(118,426)	(91,072)
Green certificates sold	(26,991)	(4,899)
Cost of gas sold	(176,210)	(204,553)
Cost of electricity sold	(348,332)	(202,785)
Transportation of electricity	(117,281)	(21,892)
Costs of electricity, gas and transportation	**(787,240)**	**(525,201)**

During the periods ended 30 September 2024 and 30 September 2023, the revenue from the distribution and supply of electricity is generated mainly by the Moldovan companies and, starting with April 2024, by the new acquisition of the Romanian entity PREMIER ENERGY FURNIZARE S.A. (formerly CEZ Vanzare S.A.). As such, the increase in both of revenues and cost of sales for the nine months ended 30 September 2024 is mainly attributable to this new acquisition.

As mentioned in Note 1, during 2023, the tariffs in the Moldovan distribution and supply of electricity business were higher than actual costs, causing the business to generate more revenue and profits than the regulatory framework allowed. During the nine months ended 30 September 2024, the Moldovan companies returned part of this 2023 regulatory outperformance, leading to significant decreases in reported revenues and profitability of this business during this period.

Revenues include other income related to core business.

For nine month ended September 2024 and 2023, the revenue from the distribution and supply of electricity comprises also revenues of TEUR 12,162 (30 September 2023: TEUR 2,259) from sales of electricity in Romania included in the reportable segment Natural Gas.

For information about the reportable segments, including geographic concentration, refer to Note 4.

22. Revenues and expenses related to core operations (continued)

Contract balances

The following table provides information about receivables, contract assets and contract liabilities from contracts with customers:

	30 September 2024 TEUR	**31 December 2023 TEUR**
Trade receivables	204,491	88,386
Contract assets	486	779
Contract liabilities	(18,744)	(17,574)

The total amount of contract assets as of 30 September 2024 TEUR 486 (30 September 2023: TEUR 779) relates to the Group's right to consideration from end users in relation to connection works in progress. There was no impact on contract asset as a result of an acquisition of subsidiary nor any impairment charge.

The contract liabilities primarily relate to the advance consideration received from customers, for which revenue is recognised over time. This will be recognized as revenue when the gas is actually delivered, in the case of gas advances, or when the works are completed, in the case of advances for network extensions/connections.

23. Services and material expenses

	For the nine months ended 30 September 2024 TEUR	**30 September 2023 TEUR**
Professional services	(5,236)	(2,223)
Independent auditor's remuneration	(1,225)	(959)
Advertising and marketing	(715)	(837)
Taxes, other than income tax	(5,864)	(2,237)
Rental, maintenance and repair expenses	(8,607)	(7,186)
Telecommunication and postage	(3,266)	(957)
Travel expenses	(341)	(256)
Information technologies	(2,689)	(1,144)
Distribution, transport and storage of goods	(2,743)	(4,399)
Energy consumption	(241)	(240)
Other	(9,890)	(10,446)
Services and material expenses	**(40,817)**	**(30,884)**

Professional services expenses represent administration expense, accounting services expense and advisory expense.

Amount recognised for audit services totals TEUR 350 (30 September 2023: TEUR 959) and other services provided by auditors TEUR 875 (30 September 2023: TEUR 0).

24. Personnel expenses

	For the nine months ended 30 September 2024 TEUR	**30 September 2023 TEUR**
Employee compensation	(25,015)	(19,320)
Payroll related taxes (including social and pension contribution)	(2,915)	(2,324)
Personnel expenses	**(27,930)**	**(21,644)**

The increase is mainly attributable to the new acquisition of the Romanian subsidiary PREMIER ENERGY FURNIZARE S.A. (former CEZ Vanzare S.A.). The average number of employees in the Group for the nine months ending 30 September 2024 was 1,622 employees (30 September 2023: 1,325 employees).

25. Impairment losses on loans and receivables and other assets

	For the nine months ended	
	30 September 2024	**30 September 2023**
	TEUR	**TEUR**
Net impairment losses on loans	5	7
Net impairment losses on trade receivables	318	(475)
	323	**(468)**

Net impairment losses on trade receivables were recognized in the gas segment in Romania and electricity infrastructure segment in Moldova.

Based on IFRS 9 requirements, net impairment losses on loans and receivables have been disclosed in a separate line item in profit or loss.

26. Other operating income

	For the nine months ended	
	30 September 2024	**30 September 2023**
	TEUR	**TEUR**
Rental income	753	577
Gain on sale of property, plant, equipment, and intangible assets	29	--
Reversal on property, plant and equipment recognized	--	490
Other income	87,556	29,923
	88,338	**30,990**

The increase in other income is mainly attributable to the Romanian subsidiary PREMIER ENERGY FURNIZARE S.A. (formerly CEZ Vanzare S.A.) and represents mainly income from the Romanian State subsidy for price caps that are in place and that are recoverable from the Ministry of Energy.

27. Other operating expenses

	For the nine months ended	
	30 September 2024	**30 September 2023**
	TEUR	**TEUR**
Loss on sale of property, plant and equipment	(18)	(128)
Net impairment losses on property, plant and equipment recognized (Note 6)	(79)	--
Net impairment losses on other assets	(30)	--
Net foreign currency losses	(2,047)	(1,702)
	(2,174)	**(1,830)**

28. Net finance income/expenses

	For the nine months ended	
	30 September 2024	**30 September 2023**
	TEUR	**TEUR**
Interest income	2,100	1,739
Total finance income	**2,100**	**1,739**
Interest expense	(11,665)	(7,834)
Fee and commission expense	(2,221)	(1,569)
Other finance expenses	(47)	(15)
Total finance expense	**(13,933)**	**(9,418)**
Net finance expenses	**(11,833)**	**(7,679)**

28. Net finance income/expenses (continued)

	For the nine months ended	
	30 September 2024	30 September 2023
	TEUR	TEUR
Interest income		
Due from banks and other financial institutions	1,979	1,620
Loans to corporations and other loans	121	119
Total finance income	**2,100**	**1,739**

	For the nine months ended	
	30 September 2024	30 September 2023
	TEUR	TEUR
Interest expense		
Due to non-banks	(5)	(109)
Due to banks and other financial institutions	(11,042)	(7,362)
Debt securities	--	(32)
Interest on lease liabilities	(125)	(89)
Other	(493)	(242)
	(11,665)	**(7,834)**

29. Income tax expense

	For the nine months ended	
	30 September 2024	30 September 2023
	TEUR	TEUR
Current tax expense		
Current year	(7,303)	(21,260)
	(7,303)	(21,260)
Deferred tax expense (Note 19)		
Origination and reversal of temporary differences	3,487	(1,022)
Other items	(1,867)	1,723
	1,620	701
Total income tax expense recognised in profit or loss	**(5,683)**	**(20,559)**

	30 September 2024	31 December 2023
	TEUR	TEUR
Current income tax assets	26	26
Current income tax liabilities	(3,360)	(3,946)
Net current income tax position	**(3,334)**	**(3,920)**

29. Income tax expense (continued)

Corporate income tax rates for tax domiciles of entities in consolidated Group for fiscal years 2024 and 2023 can be summarized as follows:

	2024	**2023**
Cyprus	12.5%	12.5%
Romania	16%	16%
Moldova	12%	12%
Hungary	9%	9%
Serbia	15%	15%

In Cyprus and Moldova, tax losses may be carried forward for five years. In Romania tax losses may be carried forward for seven years. Group companies may deduct losses against profits arising during the same tax year. The balance of tax losses which is available for offset against future taxable profits amounts to TEUR 13,313 for which no deferred tax asset is recognized in the interim condensed consolidated statement of financial position because it is not probable that future taxable profit will arise. The above tax losses are mainly attributable to Cypriot entities and will be expiring in the years 2026-2029.

Under certain conditions, interest income in Cyprus may be subject to defence contribution at the rate of 30%. In such cases, this interest will be exempt from corporation tax. In certain cases, dividends received from abroad may be subject to defence contribution at the rate of 17%.

The Group operates mainly in Cyprus, Romania and Moldova. In Cyprus, the draft legislation to implement the global minimum top-up tax has not been enacted, thus there is no impact for current tax or for additional disclosures for Cyprus. The Group operates in Romania where the statutory tax rate is 16% and in Moldova, where the statutory tax rate is 12%. The Group expects to be subject to the top-up tax in relation to its operations in Moldova and it has been estimated that the effective tax rate is below 15%. There is no current tax impact for the nine months ended 30 September 2024. The impact for further periods is being estimated.

There are transactions and calculations for which the ultimate tax determination is uncertain during the ordinary course of business. The Company recognizes liabilities for anticipated tax audit issues based on estimates of whether additional taxes will be due. Where the final tax outcome of these matters is different from the amounts that were initially recorded, such differences will impact the income tax and deferred tax provisions in the period in which such determination is made.

30. Related party transactions

The Group's parent company is EMMA ALPHA HOLDING LTD and the ultimate controlling party is Mr. Šmejc. Parent company of EMMA ALPHA HOLDING LTD is MEF HOLDINGS LIMITED.

(a) Transactions and balances with the parent company and the ultimate owner

In the first nine months period ended 30 September 2024 and as at 31 December 2023, no loans were provided to the Group's parent company.

30. Related party transactions (continued)

(b) Transactions and balances with other related parties

	30 September 2024 TEUR	31 December 2023 TEUR
Bank balances (including demand deposits)	53,124	7,844
Trade receivables	--	10
Provided loans	371	303
Loans received - due to non-banks	--	(547)
Total balances	**53,494**	**7,610**

	For the nine months ended 30 September 2024 TEUR	30 September 2023 TEUR
Interest income	--	**--**
Interest expense	--	(8)
Total transactions	**--**	**(8)**

As at 30 September 2024, provided loans comprise interest-free loans provided to personnel with maturity date as at 31 March 2026, 31 December 2029 and 31 October 2032. During the nine months ended 30 September 2024, the Group provided new loans in the total amount of TEUR 155 to employees and received repayments at the total amount of TEUR 167.

During the nine months ended 30 September 2024, the Group repaid the amount payable to related party of TEUR 547. No interest charged in respect to this loan (30 September 2023: TEUR 8).

(b) Transactions and balances with key management personnel

Amounts included in profit or loss in relation to transactions with members of key management and members of Board of Directors of the Company are as follows:

	30 September 2024 TEUR	30 September 2023 TEUR	31 December 2023 TEUR
Remuneration payable to members of Board of Directors	75	20	66
Remuneration payable to key management personnel	413	435	1,004
Total balances	**488**	**455**	**1,070**
Remuneration of members of Board of Directors	241	367	418
Remuneration of key management personnel	3,738	3,097	3,556
Total transactions	**3,979**	**3,464**	**3,974**

Loans provided to members of key management and members of Board of Directors of the Company are as follows:

	30 September 2024 TEUR	31 December 2023 TEUR
Loans provided to management	23	31
Total balances	**23**	**31**

The members of the Board of Directors of the Company and key management of its subsidiaries are considered as the key management of the Group. Loans provided to management comprise interest-free loans with maturity date as at 31 December 2026.

During the nine months ended 30 September 2024, repayment at the amount of TEUR 8 (31 December 2023: TEUR 13 was received by the Group.

31. Contingencies

Tax inspections are frequent in Romania, consisting of thorough examinations of taxpayers' accounting records. Such inspections sometimes take place months or even years after the establishment of payment obligations. In Romania, the fiscal year remains open to inspections for a period of 5 years. Consequently, companies may owe taxes and fines. Moreover, tax legislation undergoes frequent changes, and authorities often demonstrate inconsistency in interpreting the law. The Romanian subsidiaries have not undergone any tax inspection in the past 5 years. The Group believes that it has timely and fully settled all taxes, duties, penalties, and punitive interest, as applicable. Management considers that it has appropriately recorded tax obligations in the special purpose consolidated financial statements; however, there remains a risk that tax authorities may adopt different positions regarding the interpretation of these issues.

32. Commitments

a) Capital commitments

According to ANRE decision No. 64 dated 22 February 2018 regarding the approval of methodology for electricity distribution tariff calculation, the Group carries out capital investments within the energy sector in order to improve or extend the infrastructure network in Moldova.

According to certain service concession contracts, the Group has investment commitments for gas network construction in Romania of approximately 162 km with an estimated value of EUR 12 million to be developed over the next few years. The Group has analysed the fulfilment of the obligations assumed by the concession contracts as at the date of these financial statements and considers that it has fulfilled its assumed obligations to date and there is no risk of penalties or termination of contracts.

b) Letters of guarantee

As at 30 September 2024 and 31 December 2023, the Group has issued letters of guarantee for payment, good execution and tender participation in total amount of TEUR 22,988 and TEUR 14,285, respectively.

33. Events after the reporting period

On 14 October 2024, the Group commenced the construction of a new solar power plant, developed through its subsidiary DA VINCI NEW PROJECT S.R.L., which was acquired on 20 November 2023. This project represents a significant step in the Group's commitment to advancing sustainable energy and contributing to a cleaner future. The estimated completion date for the plant, including its connection to the grid, is planned for the third quarter of 2025. The construction of the solar plant is partially financed through a loan agreement signed with Libra Bank on 3 September 2024. The loan amounts to EUR 7 million. As of the date of these interim condensed consolidated financial statements, no tranche of the loan has been drawn down. Pledge agreements on shares and immovable mortgages related to the financing were signed on 1 November 2024.

On 13 November 2024, the Board of Directors of PREMIER ENERGY PLC authorized these interim condensed consolidated financial statements for issue.