



2024 ANNUAL REPORT

ALERIONCLEANPOWER
THE WIND ENERGY COMPANY

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Explanation Added for Translation

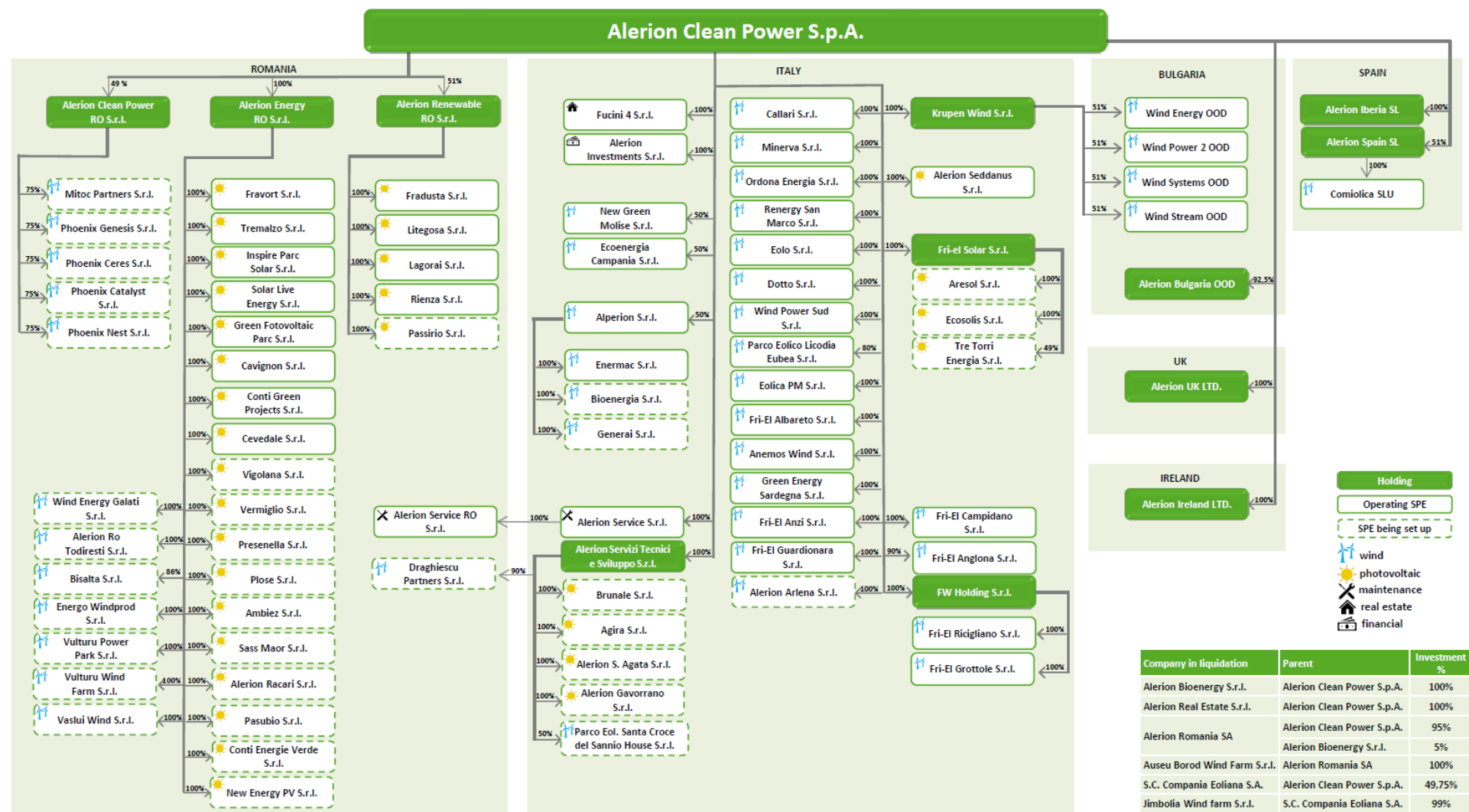
These financial statements are a free translation of the financial statements originally issued in Italian in accordance with International Financial Reporting Standards as adopted by the European Union. In the event of discrepancies, the Italian language version prevails.

CORPORATE BODIES

Corporate Bodies	
Board of directors*	
Josef Gostner	Chairman and chief executive officer ¹
Stefano Francavilla	Deputy chairman and chief executive officer ¹
Patrick Pircher	Director and chief executive officer ¹
Germana Cassar	Director ³
Antonia Coppola	Director ^{2 4}
Stefano D'Apolito	Director
Nadia Dapoz	Director ^{2 3 4}
Carlo Delladio	Director ^{2 3 4}
Elisabetta Salvani	Director ²
Pietro Mauriello	Director
¹ Directors with operating powers ² Members of the control, risks and sustainability committee ³ Members of remuneration and appointments committee ⁴ Members of the committee for related party transactions	
Board of statutory auditors	
Loredana Conidi	Chairman
Alessandro Cafarelli	Standing statutory auditor
Paolo Corti	Standing statutory auditor
Roger Demoro	Alternate statutory auditor
Alice Lubrano	Alternate statutory auditor
Manager in charge of financial reporting (Law no. 262/05)	
Stefano Francavilla	
Independent auditors	
KPMG S.p.A.	
Via Vittor Pisani 25	
20124 Milan	

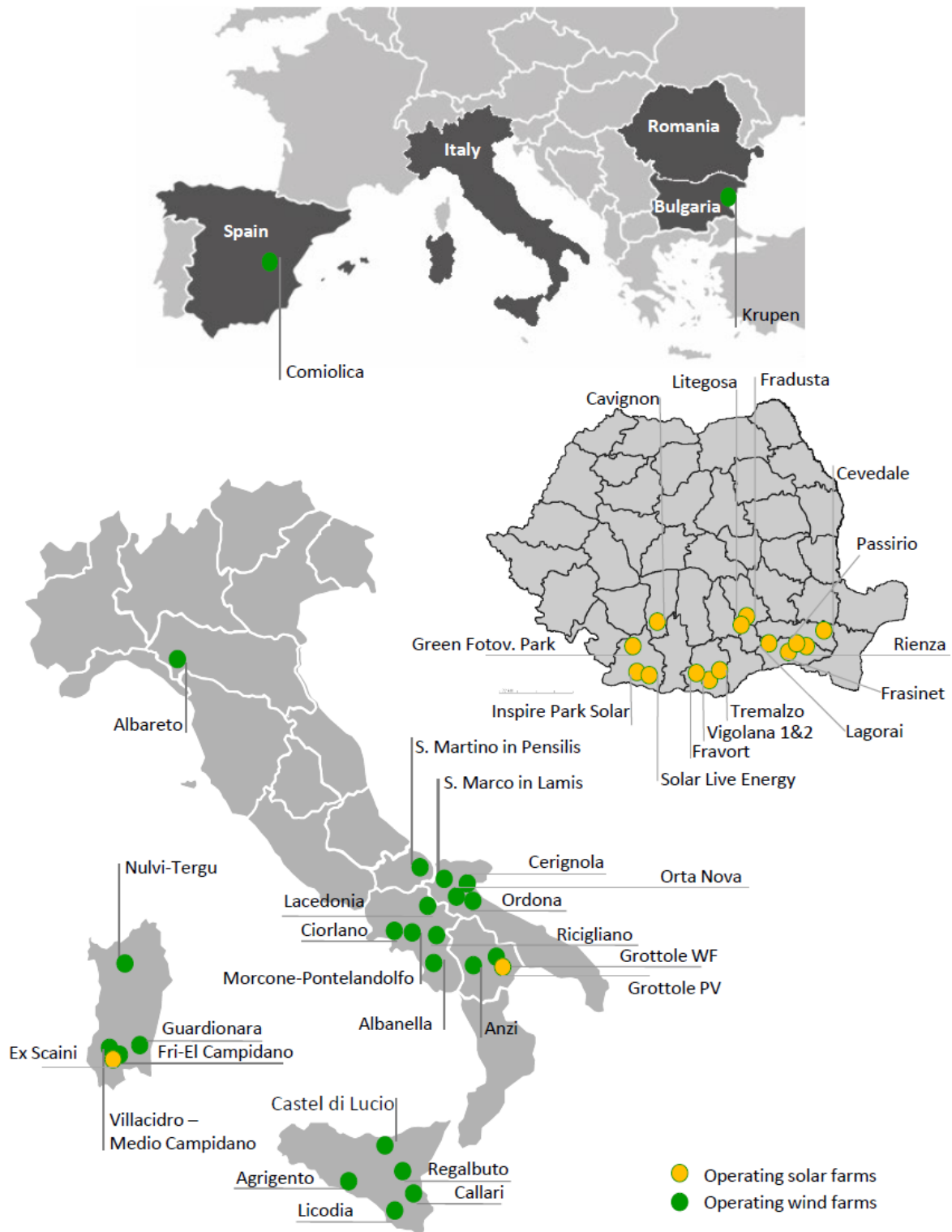
*In office since 20 April 2023

ALERION GROUP STRUCTURE



DIRECTORS' REPORT

LOCATION OF OPERATIONAL FACILITIES



FOREWORD

The parent company Alerion Clean Power S.p.A. (hereinafter "Parent" or "Alerion" or "Issuer") is a legal entity organised under the laws of the Italian Republic. The ordinary shares of Alerion are listed on the electronic circuit of the Milan Stock Exchange - EURONEXT MILAN. The registered office of the Alerion Group (hereinafter referred to as "Group" or "Alerion Group") is in Milan, at Via Renato Fucini 4.

This Annual Report for the year ended 31 December 2024 has been prepared in accordance with International Financial Reporting Standards (hereinafter referred to as "IFRS" or "International Financial Reporting Standards") endorsed by the European Commission, in force as of 31 December 2024.

This Annual Report as at 31 December 2024 was approved by resolution of the Board of Directors on 13 March 2025.

SIGNIFICANT EVENTS DURING THE FINANCIAL YEAR

The main events that took place during 2024 are described below:

ITALY:

Construction and start of production of the Group's first photovoltaic plant in Italy

In April, Alerion completed the construction and started production of a new photovoltaic plant in Italy. Specifically, construction was completed and production started in Villacidro, Sardinia, on the Group's first photovoltaic plant in Italy with an installed capacity of 13.5 MW and an estimated output of around 24 GWh when fully operational.

It is also pointed out that Alerion Arlena S.r.l., the holder of a project for the construction of a wind farm with a 29.4 MW capacity in Viterbo covered by the purchase contract with Fri-el S.p.A., has signed a supply contract for the purchase of 7 GW155-4.2 wind turbines with Goldwind Energy Italy S.r.l., an Italian company within the Goldwind Group, a world leader in wind turbine production. The parties also signed a medium-term operation and maintenance contract. Construction of the civil engineering and electrical works began in 2024 and the turbines should be delivered to the site in the first quarter of 2025. The plant is expected to be commissioned in the second half of 2025.

Bioenergia - Supply contract for the purchase of 7 wind turbines

On 26 July 2024, Alerion Clean Power S.p.A., acting through the company Bionenergia S.r.l., in charge of a project for the construction of a 29.4 MW wind power plant in the province of Foggia, signed a supply contract for the purchase of 7 GW155-4.2 wind turbines with Goldwind Energy Italia S.r.l., an Italian company within the Goldwind Group, a world leader in wind turbine production. The parties also signed a medium-term operation and maintenance contract. Construction of the civil and electrical works will begin shortly and the plant is expected to be commissioned in the second half of 2025.

Project for the construction and operation of a 200 MW pumped storage hydroelectric plant

On 21 October, Alerion Clean Power S.p.A. and Fri-el S.p.A., a subsidiary of Fri-el Green Power S.p.A., entered into an agreement to submit a bid to purchase a project for the construction and operation of a 200 MW pumped storage hydroelectric plant, thus ensuring the former's strategic entry into the energy storage sector, particularly the pumped storage hydroelectric sector. The project, located in Basilicata and with a storage capacity of about 1,200 MWh, has recently obtained the environmental impact assessment approval and is thus one of the first projects to reach the implementation stage, supporting national power grid upgrading. It should be underlined that Alerion may submit its bid for the project only after completion of the relevant authorisation process and once the remuneration method for this type of plant has been defined at national level. The Company's exercise of the right of first offer - and thus the purchase of the SPV that owns the project - is conditional upon the successful outcome of due diligence activities and upon

compliance with the requirements laid down by the laws, including regulations, on related party transactions. This new project represents a key step in the diversification of the Group's business portfolio and strengthens Alerion's position as a key operator in the renewable energy sector in Italy.

Equity recycling transaction with Alperia

On 12 November 2024 Alerion Clean Power S.p.A. signed with Alperia Greenpower S.r.l. ("Alperia"), a fully owned subsidiary of Alperia S.p.A., a sale agreement concerning a peer joint venture for the development and running of a portfolio of wind plants in Apulia, with a total capacity of about 120 MW, of which 62 MW already running and 58 MW being built. This initiative represents the first equity recycling operation of Alerion implementing the guidelines of its Business Plan and will enable the Company to support the expansion of its business portfolio both in Italy and abroad. Specifically, Alerion sold to Alperia a 50% stake in Naonis Wind S.r.l., fully owned until then by Alerion. Naonis, which has now become "Aperion" as a result of the operation, is the owner of an 11 MW wind farm in the municipality of Cerignola and, in turn, owns 100% of the share capital of the following companies: Enermac S.r.l., the owner of a 51 MW running plant, Bioenergia S.r.l., the owner of a 29 MW plant being built, and Generai S.r.l., the owner of a 29 MW plant being built. The price for the sale of the 50% stake in Naonis was EUR 49.7 million. Alperia also bought 50% of the receivables deriving from shareholders' loans between Alerion, Naonis and their subsidiaries for a total price of EUR 13.4 million.

Issue of a senior, non-convertible bond (Green Bond) approved

On 29 November 2024 the public offering of the green bonds known as "Alerion Clean Power S.p.A. Senior Unsecured Fixed Rate Notes due 2030" was closed early after fully reaching the amount of the Offer covered by the Upsize Option, with simultaneous exercise of the option to increase the total amount offered by up to EUR 50 million. The Bond issue date, coinciding with the payment date and the date from which interest becomes payable, is set for December 11, 2024, and the corresponding maturity date is set for December 11, 2030. The Bond interest rate is 4.75% per annum.

ROMANIA:

Alerion Racari project

On 4 April 2024, Alerion Clean Power S.p.A., through its indirect subsidiary Alerion Racari S.r.l., signed with Sunnerg Renewable Service S.r.l., a Sunnerg group company, an EPC contract for the construction of a photovoltaic plant with an installed capacity of about 51.5 MW in Racari, Romania. Production of the photovoltaic plant is expected to start by the second quarter of 2025 and the plant will have an estimated annual EBITDA (Gross Operating Profit) of about EUR 5.5 million when fully operational. The total investment value for plant construction is expected to be about EUR 35 million.

In addition, in April Alerion completed the construction and started production of a new photovoltaic plant. In Romania, energisation of the photovoltaic plant in Ileana (Calarasi), with an installed capacity of about 4 MW and an annual output of about 6 GWh when fully operational, began. With the Ileana plant, the installed capacity of Alerion in the photovoltaic sector in Romania is of about 94 MW.

Entry into production of new solar installed capacity

In May, Alerion completed the construction and started production of two new photovoltaic plants in Romania. Specifically, the construction of two new plants was completed and production started at the sites, which are located in the municipality of Peris (Province of Ilfov) and each of which has an installed capacity of about 6 MWp and an estimated total annual production of about 19 GWh when fully operational. With the commissioning of these plants, the installed capacity of Alerion in the photovoltaic sector in Romania exceeds 100 MWp.

Vulturu project

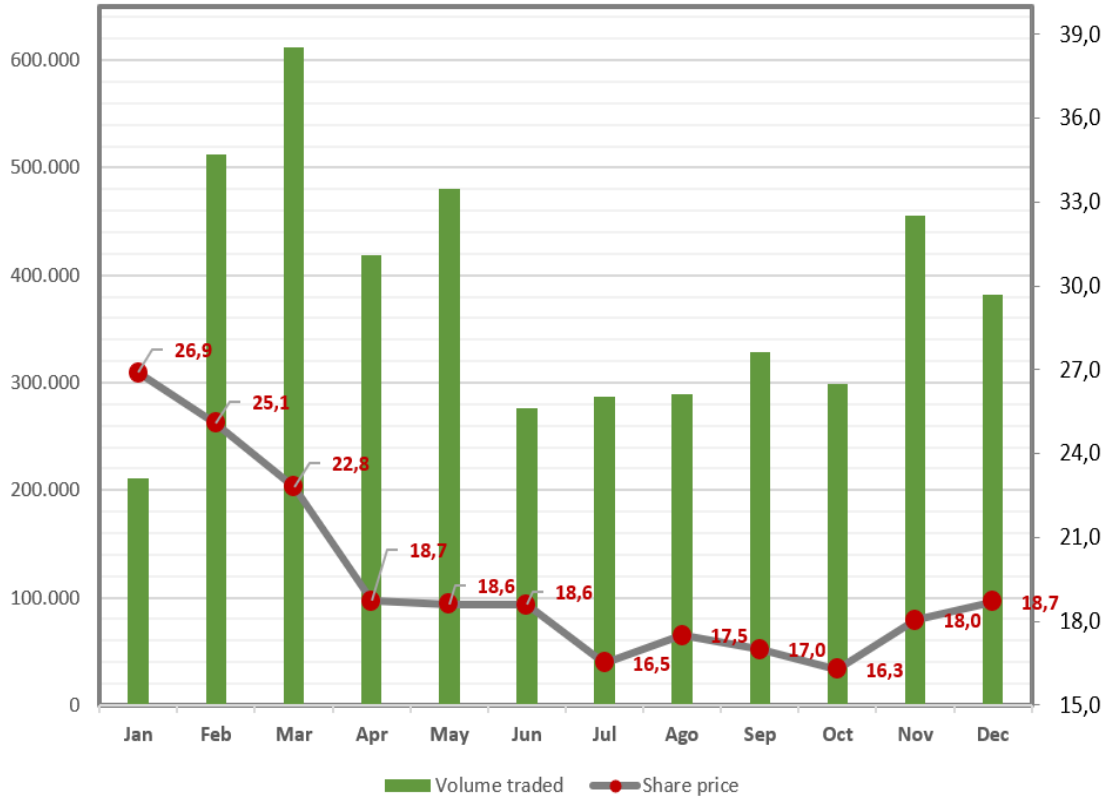
In the second quarter of 2024, through its direct subsidiaries Vulturu Power Park S.r.l., Vulturu Wind Farm S.r.l. and Energo Windprod S.r.l., Alerion was authorised to build three wind farms, of 114 MW, 108 MW and 114 MW, respectively, in the municipalities of Crucea, Saraiu and Vulturu in the Dobrogea region, Romania. The project includes three neighbouring wind farms with a total capacity of about 336 MW. After obtaining the authorisations for the construction of the three wind farms, the companies started the executive design of the production plants and the executive design of the 400/110 kV grid station, with its

corresponding connections, which will serve the connection of the plants and will lead to the upgrading of the electricity grid of the entire region.

ALERION CLEAN POWER ON THE STOCK EXCHANGE

As of 31 December 2024, the reference price of ALERION shares was EUR 16, a decrease (-40%) compared to 31 December 2023, when it was EUR 26.60, after having distributed a dividend of EUR 0.61 per share on 8 May 2024.

During the period under examination, the entire 2024 financial year, Alerion's share price fluctuated between a low of EUR 13.90 on 5 August 2024 and a high of EUR 27.15 on 9 January 2024, as shown in the chart below regarding the average monthly data recorded by the share during the year under examination:



Below are some price and volume figures for the ALERION share for the financial year 2024.

Share price	Euro
Price as at 31/12/2024	16.00
Maximum price (09/01/2024)	27.15
Minimum price (05/08/2024)	13.90
Average price	18.34

Volumes traded	No. of shares
Maximum volume (12/11/2024)	135,282
Minimum volume (08/08/2024)	1,845
Average volume	18,064

Market capitalisation as at 31 December 2024 amounted to approximately EUR 868 million (EUR 1,443 million at the end of 2023).

The average number of shares outstanding during the period was 53,557,919.

BASIS OF PREPARATION OF THE RECLASSIFIED CONSOLIDATED FINANCIAL STATEMENTS

In compliance with Consob Resolution No. 15519 of 27 July 2006, the following is a description of the criteria adopted in the preparation of the reclassified consolidated statement of financial position and consolidated income statement as of 31 December 2024, as commented on in the section "The Group's Economic and Financial Performance", and the reconciliation of the Group's result for the period and equity with the Parent Company's parallel figures as of 31 December 2024.

This annual report contains certain Alternative Performance Measures (APMs) that differ from the financial measures expressly provided for in the IAS/IFRS adopted by the Group. In addition, to facilitate the understanding of operating performance, economic results are shown excluding given income components that are regarded as unusual, defined internally as 'special items': such results, net of 'special items' are indicated as 'Adjusted results'. For the definition of such measures and the reconciliation of the relevant amounts, please refer to the specific section "Alternative Performance Measures".

Reclassified consolidated statement of financial position as at 31 December 2024

The items have been reclassified and aggregated as follows:

Non-current assets, this item is subdivided into the following sub-items:

- **Intangible assets:** this item includes: i) "Rights and concessions" in the amount of EUR 241 million, ii) "Development costs" in the amount of EUR 15.4 million, iii) "Patents and intellectual property rights", "Start-up and expansion costs" and "Other intangible assets", which amounted to a total of EUR 0.2 million, iv) "Intangible assets in progress" in the amount of EUR 9.7 million (Note 4).
- **Property, plant and equipment:** this item includes: i) "Land and Buildings" in the amount of EUR 34.4 million, ii) "Plant and Machinery" in the amount of EUR 420.5 million, iii) "Assets under construction" in the amount of EUR 133 million, relating to investments in wind farms and photovoltaic plants, and iv) "Other Assets" and "Industrial and Commercial Equipment" in the amount of EUR 2.5 million (Note 6).

- **Financial assets:** this item amounting to EUR 72 million includes the value of equity investments recorded under non-current financial assets in the item "Investments accounted for using the equity method" (Note 7).
- **Non-Current Financial Receivables;** this item includes the value of Financial Receivables and Other Non-Current Financial Assets, in the amount of EUR 43.1 million (Notes 19 and 24).

Other non-financial assets and liabilities, the item refers to i) "Trade receivables" from both affiliated and other companies totalling EUR 22.6 million (note 10), ii) "Deferred tax assets" totalling EUR 27.4 million (note 34) iii) "Current tax assets" (note 11) and "Other current assets" (note 12) totalling EUR 64.8 million, iv) "Trade payables" totalling EUR 65.2 million (note 14), v) "Post-employment benefits and other employee benefits" totalling EUR 1,6 million (note 25), vi) "Deferred tax liabilities" in the amount of EUR 47 million (note 34), vii) "Provisions for future risks and charges" in the amount of EUR 10.3 million (note 26), viii) "Other non-current liabilities" in the amount of EUR 20.3 million (note 13), ix) "Current tax liabilities" of EUR 40.7 million (note 15), x) "Other current liabilities" of EUR 13.2 million (note 16) xi) "Inventories" totalling EUR 17.4 million (note 9), "Other non-current assets" of EUR 1.1 million (note 8).

Cash includes "Cash and cash equivalents" in the amount of EUR 515.9 million (Note 21).

Other financial assets and liabilities, the item includes: i) "Financial receivables and other current financial assets" of EUR 70.7 million (Note 20); ii) "Non-current financial liabilities" of EUR 873.1 million (Note 22); iii) "Current financial liabilities" of EUR 241 million (Note 23); and iv) Derivative financial instruments (Note 24), classified under current assets for EUR 0.7 million, under non-current assets for EUR 2.7 million, under current liabilities for EUR 6.8 million and under non-current liabilities for EUR 0.3 million.

Reclassified consolidated income statement as at 31 December 2024

The items have been reclassified and aggregated as follows:

Revenue, this item includes i) revenue from "Energy sales", from "Feed-in tariff sales" and "Other operating revenue" in the amount of EUR 223.5 million, ii) "Other revenue and income" in the amount of EUR 20.1 million (Notes 28 and 29).

Net financial costs this item includes i) the net negative balance from "Net financial costs" of EUR 24.9 million, and ii) the positive item "Net gains on equity investments and other financial assets" of EUR 0.5 million (notes 32 and 33).

Income taxes this item includes i) the net balance from "Current" of EUR 9.6 million and, ii) positive "Deferred" of EUR 5.3 million (note 34).

KEY RESULTS

Statement of adjusted profit or loss** (Millions of Euro)	2024	2023
Adjusted Revenues	243.6	187.8
Adjusted Gross Operating Profit (EBITDA)	188.4	138.3
Adjusted Profit for the year	96.2	49.5
Adjusted Profit attributable to the owners of the parent	95.7	48.3
Statement of financial position (Millions of Euro)	31.12.2024	31.12.2023
Equity	372.6	326.7
Financial Indebtedness*	533.8	458.7
Financial Indebtedness* (excluding derivatives)	527.5	467.8
Operating figures	2024	2023
Gross capacity (MW)	946.4	876.2
Electricity production (GWh) ⁽¹⁾	1,377	1,409
Electricity production (GWh) - Consolidated plants	1,307	1,335

⁽¹⁾ Plants consolidated on a full basis and investments accounted for using the equity method

(*) Financial indebtedness calculated as per Guideline ESMA32-382-1138

(**) The adjusted economic measures do not include special items and the corresponding theoretical taxes.

Special items include significant non-recurring income components, among which:

- income and expenses relating to non-recurrent events, i.e. transactions that are not repeated in the usual course of business;
- income and expenses related to events that are not typical of ordinary business operations, such as restructuring and environmental costs;
- capital gains and losses from the disposal of assets that do not expressly belong to business strategies implemented by management;
- significant write-downs recognized on assets as a result of the impairment test;
- income and expenses related to the ineffective portion of interest rate derivatives classified as hedges.

Special Items (Millions of Euro)	2024	2023
Other revenues - capital gain from asset disposals		(13.9) a
Amortisation, depreciation - impairment losses from impairment test		25.1 b
Net financial costs - income from revaluation under IFRS 3		(22.9) c
Net financial costs - ineffective portion of interest rate derivatives	(0.1)	0.1 d
Corrective tax effect	0.0	(6.9)
Total Special Items	(0.1)	(18.5)

- a **Other revenues** in 2023 included the capital gain realised on the sale of the minority stake in the investee Andromeda Wind S.r.l., equal to about EUR 13.9 million;
- b **Amortisation, depreciation and impairment losses** in 2023 included the adjustment of the valuation of the net assets, recognised following the acquisition completed with RWE in the first quarter of 2023, totalling EUR 25.1 million, following the impairment test procedures in the course of 2023;
- c **Net financial costs** includes the effects of the acquisition completed with RWE during the first quarter of 2023, in which income totalling EUR 22.9 million was recognised for the revaluation of the net assets already attributable to the Group at the fair value determined at the time of the acquisition of the residual 51%;
- d **Net financial costs** includes the ineffective portion of derivatives on interest rates classified as hedges, equal to EUR 0.1 million in the year 2024.

Income taxes

The above effects also implied the recognition of the related tax effects.

THE GROUP'S PERFORMANCE

The financial year 2024 was influenced by a persistently complex geopolitical and economic environment. The energy market remains volatile and uncertain, though is gradually stabilizing. During 2024, average electricity selling prices decreased compared to 2023: indeed, average revenue for group plants, including also the GRIN incentive, was equal to EUR 112.2 per MWh vs. the average of EUR 122.8 per MWh in the previous year. The 2024 financial year closed with electricity production from the consolidated plants amounting to 1,307 GWh, down compared to production of 1,335 GWh in the previous year (2023), despite the increase in new installed capacity in 2024 as a result of the commissioning of photovoltaic plants in Romania and Italy.

The year 2024 also saw the launch of a peer joint venture with Alperia for the development and running of wind plants with a total capacity of about 120 MW. On 12 November 2024 Alerion signed with Alperia Greenpower S.r.l. ("Alperia"), a fully owned subsidiary of Alperia S.p.A., a sale agreement concerning a joint venture for the development and running of a portfolio of wind plants in Apulia (the "**Transaction**"), with a total capacity of about 120 MW, of which 62 MW already running and 58 MW being built. This operation was the first equity recycling transaction carried out by Alerion to support the expansion of its business portfolio both in Italy and abroad. The price for the sale of the 50% stake in Naonis was EUR 49.7 million. In accordance with the relevant international accounting standards (IFRS 10), the Transaction led to the recognition of income of approximately EUR 77 million under the Group's operating revenue. Such income was determined considering: i) the gain from the derecognition of the assets and liabilities of former subsidiaries at the date of loss of control, ii) and the recognition of the non-controlling interest at its fair value at the date of loss of control."

ALERION GROUP - Reclassified Income Statement	2024	2023
(Values in Millions of Euro)		
Operating Revenues	223.5	163.9
Other Adjusted Revenues and Income	20.1	23.9
Total Adjusted Revenues and Income	243.6	187.8
Personnel expenses	(12.9)	(10.2)
Other operating costs	(44.3)	(42.2)
Accruals to provisions for risks	(0.1)	(0.1)
Operating costs	(57.3)	(52.5)
Share of profits of investments accounted for using the equity method	2.1	3.0
Adjusted Gross Operating Profit (EBITDA)	188.4	138.3
Amortisation, depreciation and impairment losses	(52.9)	(51.3)
Adjusted Operating Profit (EBIT)	135.5	87.0
Net financial costs	(24.5)	(16.1)
Adjusted profit before tax (EBT)	111.0	70.9
Adjusted taxes	(14.8)	(21.4)
Adjusted Profit for the year	96.2	49.5
Profit attributable to non-controlling interests	0.5	1.2
Adjusted Profit attributable to the owners of the parent	95.7	48.3

Group **Adjusted Revenues and Income** in the year 2024 totalled EUR 243.6 million, up on the EUR 187.8 million recorded in 2023. Such increase is mainly due to the Equity recycling transaction completed by the Group in the last quarter of 2024 which led to the recognition of income totalling EUR 77 million as a result of: i) the sale of 50% of the shares in Naonis at the aforesaid price, ii) and the revaluation at fair value - determined at the time of the sale - of 50% of the remaining net assets of the Group.

Operating revenues from the sale of electricity and feed-in tariff, excluding income from the equity recycling transaction, stood at EUR 146.6 million, down from EUR 163.9 million in 2023. This reduction reflects both lower electricity selling prices in 2024 and lower consolidated electricity production (28 GWh) due to lower windiness during the last months of the year, despite the coming into operation of new installed capacity in Italy and Romania.

Revenue also reflects the effects of hedges on electricity price trends taken out by Alerion in order to reduce the risk of price volatility. These hedging contracts resulted in a positive adjustment effect directly recognised in the item "revenues from the sale of electricity" in the amount of approximately EUR 5.4 million, for which please refer to Note 28 for a more detailed analysis.

Below is a breakdown of the average zone prices and the Single National Price for 2024 and 2023:

Price Scenario (Euro/Mwh)	12M 2024	12M 2023	Δ	Δ %
National Single Price - (PUN) - Italian electricity reference price	108.5	127.2	(18.7)	-15%
Electricity price North Zone	107.4	127.8	(20.4)	-16%
Electricity price Central North	109.4	128.5	(19.1)	-15%
Electricity price Centre-South	109.8	126.4	(16.6)	-13%
Electricity price South	109.1	125.1	(15.9)	-13%
Electricity price Sardinia	106.2	123.2	(17.0)	-14%
Electricity price Sicily	112.2	126.1	(13.9)	-11%
Feed-in Premium (former Green Certificates) Italy	42.2	-	42.2	100%
Electricity price Spain	62.9	87.4	(24.5)	-28%
Electricity price Romania	103.5	106.0	(2.5)	-2%

With its Resolution 14/2024/R/efr of 30 January 2024, the Italian Regulatory Authority for Energy, Networks and Environment ("Arera") announced, for the purpose of determining the value of the 2024 Feed-in Premium (FIP 2024), the average annual value recorded in 2023 of the electricity selling price, equal to 125.96 EUR/MWh. Therefore, the value of the 2024 Feed-in Premium, i.e. 78% of the difference between 180 Euro/MWh and the average annual value of the electricity selling price of the previous year, is 42.15 EUR/MWh. According to the GSE's procedures, these Feed-in Premium are paid by the GSE on a monthly basis by the second month following the month of accrual. Below is the summary table of the average Feed-in Premiums for the years 2022, 2023 and 2024.

In 2024, the average selling price from sale for fully consolidated wind power plants incentivised according to the Feed-in Tariff (FIP), formerly "green certificates", was EUR 141.9 per MWh, compared to EUR 128.8 per MWh in the same period in 2023. In particular:

Scenario Prices per feed-in premium (Euro/Mwh)	2024	2023	2022
Feed-in Premium (former Green Certificates) - Italy	42.2	0.0	42.9

- the average electricity selling price in 2024 for fully consolidated plants was EUR 99.7 per MWh, compared to EUR 128.8 per MWh in the same period of 2023;
- the average Feed-in tariff in 2024 was 42.2 (null in the same period of 2023).

The Villacidro, Morcone-Pontelandolfo and Albareto wind farms, on the other hand, benefit from a guaranteed minimum auction price (under Ministerial Decree 23/06/2016) amounting to EUR 66 per MWh.

Other Adjusted Revenues amounted to EUR 20.1 million (EUR 23.9 million in 2023) and mainly related to: i) insurance indemnities received during the year, ii) public grants recognised during the construction of wind farms and issued to the income statement over the residual life of the wind farms, iii) releases of provisions set aside in previous years, and iv) administrative and technical consulting services rendered to third-party companies and consolidated companies using the equity method. In 2023 income from the release of funds previously recorded in the amount of EUR 3,688 thousand was recognised, mainly related to the the resetting of taxes calculated on the cadastral rents of wind farms.

Below are the Group's installed capacity and electricity production figures valid for 2024:

- The following table shows **the Group's installed capacity detailed by sector and geographical area** for the years 2024 and 2023:

Alerion Plants Installed Capacity	Gross capacity (MW)		Ownership (%)	Consolidated Capacity (MW)	
Subsidiaries (Fully consolidated Plants)	31 Dec 23	31 Dec 24		31 Dec 2023	31 Dec 2024
Operating wind power plants in Italy					
North	19.8	19.8	100%	19.8	19.8
Centre-South	116.2	116.3	100%	116.2	116.3
South	210.2	148.2	100%	210.2	148.2
Sicily	164.2	164.2	100%	164.2	164.2
Sardinia	155.2	155.2	100%	155.2	155.2
Total	665.6	603.7		665.6	603.7
Photovoltaic systems Italy					
Sardinia	0.0	13.5	100%	0.0	13.5
South	0.0	16.0	100%	0.0	16.0
Total	0.0	29.5		0.0	29.5
Wind Power Plants Abroad					
Spain	36.0	36.0	100%	36.0	36.0
Bulgaria	12.0	12.0	51%	12.0	12.0
Total	48.0	48.0		48.0	48.0
Photovoltaic systems Abroad					
Romania	89.6	130.2	100%	89.6	130.2
Total	89.6	130.2		89.6	130.2
Total Subsidiaries plants	803.2	811.4		803.2	811.4
Wind power plants in companies whose shareholding is consolidated using the equity method (1)					
Operating wind power plants in Italy					
Centre-South	15.0	15.0	50%	7.5	7.5
South	58.0	120.0	50%	29.0	60.0
Sardinia	0.0	0.0	49%	0.0	0.0
Total	73.0	135.0		36.5	67.5
Total	876.2	946.4		839.7	878.9
(1) Installations held by investments consolidated using the equity method in accordance with IFRS 11					

- The following table shows **the Group's electricity production by sector and geographical area** for the years 2024 and 2023:

Alerion Plant Production		Consolidated production (MWh)
Subsidiaries (Fully consolidated Plants)	31 Dec 2023	31 Dec 2024
Operating wind farms in Italy by zone		
North	51,924	44,462
Centre-South	239,626	196,331
South	366,422	338,398
Sicily	225,354	212,987
Sardinia	265,432	278,265
Total	1,148,758	1,070,443
Photovoltaic systems Italy		
Sardinia	0	16,884
South	0	1,222
Total	0	18,106
Wind power plants operating abroad		
Spain	94,780	66,508
Bulgaria	29,516	25,241
Total	124,296	91,749
Photovoltaic plants operating abroad		
Romania	61,646	126,568
Total	61,646	126,568
Total Subsidiaries plants	1,334,700	1,306,866
Wind power plants in companies whose shareholding is consolidated using the equity method (1)		
Operating wind farms in Italy by zone		
Centre-South	13,040	11,342
South	61,723	59,063
Sardinia	0	0
Total	74,763	70,405
Total	1,409,463	1,377,271
(1) Installations held by investments consolidated using the equity method in accordance with IFRS 11		

Adjusted Gross Operating Profit (EBITDA) in 2024, net of special items, was EUR 188.4 million, compared with EUR 138.3 million in the same period of 2023. EBITDA in 2024 reflects the effects of the equity recycling operation, the decrease in electricity selling prices and in consolidated electricity production volumes by about 28 GWh compared to last year, despite the availability of new installed capacity. The ratio between EBITDA and Operating Revenue for the period is 84.3%.

The **Share of profits of investments accounted for using the equity method**, included in the EBITDA, was EUR 2.1 million, down from the result in 2023 when it was EUR 3 million. The decrease over 2023 is mainly due to the aforesaid price reduction throughout 2024.

It should also be noted that the Group's organisational structure continued to develop in 2024, with a consequent increase in personnel expenses. Specifically, the Group's workforce as at 31 December 2024 consisted of 204 employees, of which about 17.6% were employed in Group companies based abroad, registering a net increase of 35 employees compared to 31 December 2023. Growth in the Group's organisational structure is mainly due to the constant expansion of its business both in Italy and abroad.

Other operating costs of EUR 44.3 million were substantially in line with last year.

The 2024 **Adjusted Operating Profit** amounted to EUR 135.5 million, up from EUR 87 million in 2023, after amortisation, depreciation and impairment losses of EUR 52.9 million (EUR 51.3 million in 2023). The change mainly reflects the greater weight in 2024 than in 2023 of the depreciation of the photovoltaic parks in Romania that have gradually come into operation.

Adjusted Profit before tax was equal to EUR 111 million, up from EUR 70.9 million in 2023, mainly as a result of the aforesaid equity recycling transaction, partially offset by lower energy prices during the year and higher financial costs in 2024 compared to the previous year due to: i) the Group's new bond issue, "2024-2030 Bond Loan", completed on 11 December 2024 for EUR 250 million and ii) the full contribution to the income statement of the costs relating to the "2023-2029 Bond Loan" issued on 12 December 2023.

Adjusted Profit for the year 2024 amounted to EUR 96.2 million, up from last year's figure (EUR 49.5 million in 2023), after taxes of about EUR 14.8 million (EUR 21.4 million in 2023).

Adjusted Profit attributable to the owners of the parent was equal to EUR 95.7 million (EUR 48.3 million in 2023).

Profit attributable to non-controlling interests was EUR 0.5 million (down from the 2023 figure of EUR 1.2 million).

Statement of Financial Position and Financial Results

ALERION GROUP

Reclassified Statement of Financial Position (amounts in Millions of Euro)

	31.12.2024	31.12.2023
Intangible assets	266.1	265.0
Property, plant and equipment	590.3	591.8
Financial assets	72.0	33.2
Non-current financial receivables	43.1	18.8
Non-current assets	971.5	908.8
Other non-financial assets and liabilities	(65.1)	(123.4)
NET INVESTED CAPITAL	906.4	785.4
Equity attributable to the owners of the parent	366.7	320.8
Equity attributable to non-controlling interests	5.9	5.9
Equity	372.6	326.7
Cash and cash equivalents	515.9	343.2
Other financial assets and liabilities	(1,049.7)	(801.9)
Financial indebtedness*	(533.8)	(458.7)
EQUITY + FINANCIAL INDEBTEDNESS*	906.4	785.4

* Financial indebtedness calculated as per Guideline ESMA32-382-1138

Change in the Scope of Consolidation in the Period

The changes in the full scope of consolidation during 2024 compared to 31 December 2023 which significantly influenced the Group's Financial Position mainly refer to the aforementioned transaction with Alperia, involving the sale of 50% and the ensuing deconsolidation of the operating net assets of Naonis

and its subsidiaries Enermac, Bioenergia and Generali. The remaining net assets of Naonis (50%) held by the Group are recognised under Investments in joint ventures and associates.

For more information on changes in the scope of consolidation, please refer to Note "3. CONSOLIDATION SCOPE". It should also be pointed out that in 2024 the Group continued to pursue development in Italy and Romania.

Property, plant and equipment and Intangible assets as at 31 December 2024 amounted to EUR 856.4 million (EUR 856.8 million as at 31 December 2023). Non-current assets decreased by EUR 0.4 million compared to the value as at 31 December 2023 after amortisation, depreciation and impairment losses totalling EUR 53.2 million and net impairment loss reversals of EUR 0.3 million. The item includes increases for investments made in the course of 2024 essentially in Italy and Romania totalling EUR 93.3 million, net of the change in the scope of consolidation for EUR 49.5 million.

It should be noted that the item "**Other non-financial assets and liabilities**" includes receivables for the sale of electricity and feed-in tariffs totalling EUR 17.8 million as at 31 December 2024 (EUR 18.9 million as at 31 December 2023). In particular, feed-in tariff receivables from the Gestore dei Servizi Energetici (GSE), amounted to EUR 4.5 million (EUR 0.2 million as of 31 December 2023).

Equity attributable to the owners of the parent as at 31 December 2024 amounted to EUR 366.7 million, an increase of EUR 45.9 million compared to 31 December 2023, when it amounted to EUR 320.8 million. The change was mainly due to: i) the Group's share of the profit for the year of EUR 95.8 million; ii) the reduction in the hedging reserve due to the negative change in the fair value of derivative financial instruments on project financing bank loans and commodity swaps on the selling price of electricity, net of the tax effect, totalling EUR 12.1 million; iii) the negative change in the fair value of bonds, net of the tax effect, for EUR 1.5 million; iv) purchases of treasury shares for EUR 4.3 million, and v) the distribution of dividends for EUR 32.7 million, as per resolution of 22 April 2024.

Financial indebtedness as of 31 December 2024 was EUR 533.8 million, an increase of EUR 75.1 million compared to 31 December 2023 when it was EUR 458.7 million, the change being affected by capital expenditure mainly in Romania and Italy, despite the positive performance in terms of operating cash flow generated during the year.

Details of financial indebtedness as of 31 December 2024 and 31 December 2023 are provided below:

The following table shows the structure of the Group's financial indebtedness determined in accordance with the indications of ESMA contained in paragraph 175 of the "Guidelines on Disclosure Requirements under the Prospectus Regulation" (04/03/2021 | ESMA32-382-1138); it also shows the financial parameters subject to the covenants provided for in the regulations of the bonds issued by the company and currently on the regulated market, specifically the "2019-2025 bond loan", the "2021-2027 bond loan" issued in 2021, the "2022-2028 bond loan" issued in 2022, the "2023-2029 bond loan" issued in 2023 and the "2024-2030 bond loan" issued during the last financial year, all classified as "Green Bonds". It should be noted that as of 31 December 2024, the covenants had been met. It is underlined that the 2019-2025 bond loan was repaid early on 30 January 2025 after the company's exercise, on 19 December 2024, of the right to repay the said loan.

ALERION GROUP - Financial indebtedness

	31.12.2024	31.12.2023
(Values in Millions of Euro)		
Cash and cash equivalents		
Cash equivalents	515.9	343.2
Total cash and cash equivalents	515.9	343.2
Financial receivables and other current financial assets	71.5	77.6
Liquidity	587.4	420.8
Current financial liabilities		
Bank facilities	(32.6)	(0.1)
Derivative financial instruments	(6.7)	0
Current financial debt	(39.3)	(0.1)
Bank loans and borrowings and projects financing	(20.4)	(29.7)
Lease liabilities	(1.1)	(1.1)
Derivative financial instruments	(0.1)	0
Bonds issued	(186.5)	(3.7)
Other loans and borrowings	(0.4)	(0.4)
Current portion of non-current financial debt	(208.5)	(34.9)
Current financial indebtedness	(247.8)	(35.0)
NET CURRENT FINANCIAL INDEBTEDNESS	339.6	385.8
Non-current financial liabilities		
Bank loans and borrowings and project financing	(124.3)	(146.9)
Other loans and borrowings	(22.9)	(17.5)
Lease liabilities	(12.6)	(15.6)
Derivative financial instruments	(0.3)	(0.3)
Non-current financial debt	(160.1)	(180.3)
Bonds issued	(713.3)	(664.2)
Debt instruments	(713.3)	(664.2)
NON-CURRENT FINANCIAL INDEBTEDNESS	(873.4)	(844.5)
FINANCIAL INDEBTEDNESS*	(533.8)	(458.7)
FINANCIAL INDEBTEDNESS (excluding Derivatives)	(527.5)	(467.8)
Financial receivables and other non-current financial assets	40.5	15.0
Derivative financial instruments	2.6	3.8
ACCOUNTING FINANCIAL INDEBTEDNESS	(490.7)	(439.9)

(*) Financial indebtedness calculated as per Guideline ESMA32-382-1138

FINANCIAL COVENANTS provided for in current bond regulations

ACCOUNTING FINANCIAL INDEBTEDNESS net of Derivatives	(487.0)	(452.8)
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For the statement of financial indebtedness presented on the basis of the new schedule provided for in ESMA Guideline 32-232-1138 of 4 March 2021, please refer to Note 18 instead.

The change in Financial Indebtedness thus mainly reflects: i) cash flows generated by operations amounting to about EUR 95 million, partially offset by the cash flows absorbed for the settlement on derivative contracts for EUR 36 million; ii) cash flows absorbed by investing activities totalling about EUR 77.5 million, mainly relating to investments made in Romania and Italy; iii) net financial costs for the period and the change in the fair value of derivative financial instruments totalling EUR 30.7 million; iv) dividends received from investee companies valued using the equity method, equal to EUR 7.4 million, and v) dividends paid in the period totalling EUR 33.3 million.

<i>(values in Millions of Euro)</i>	2024	2023
Cash flows generated by operations	59.0	73.9
Cash flows absorbed by investments	(77.5)	(86.4)
Net financial costs for the period and the change in the fair value of derivative financial instruments	(30.7)	(28.4)
Dividends received from companies whose investments are accounted for using the equity method	7.4	3.2
Dividends paid	(33.3)	(35.5)
Change in Financial Indebtedness*	(75.1)	(73.2)
Financial Indebtedness* at start of period	(458.7)	(385.5)
FINANCIAL INDEBTEDNESS* AT END OF PERIOD	(533.8)	(458.7)

(*) Financial indebtedness calculated as per Guideline ESMA32-382-1138

Leverage, expressed as the ratio of net financial indebtedness to net invested capital, was 58.9% at 31 December 2024 (54.8% at 31 December 2023).

Financial indebtedness excluding derivatives at 31 December 2024 was EUR 527.5 million, (EUR 467.8 million at 31 December 2023).

The **Group's cash and cash equivalents** amounted to EUR 515.9 million as of 31 December 2024, an increase of EUR 172.7 million compared to 31 December 2023, when they amounted to EUR 343.2 million. The main changes in the period mainly included the net effects of the issuance on 11 December 2024 of a new bond in the nominal amount of EUR 250 million maturing in 2030 at a fixed nominal rate of 4.75%. It is pointed out that the "2019-2025 Bond loan" was reimbursed on 30 January 2025, partially using proceeds from the last issue in accordance with the "Use of proceeds" regulation of the loan.

Current financial debt as of 31 December 2024, including payables for derivative instruments for the current portion, was EUR 247.8 million, significantly up from the 31 December 2023 figure of EUR 35 million. The change is mainly due to the posting, under current financial liabilities, of the "2019-2025" bond loan for the residual nominal portion of EUR 182.5 million plus interest, following the planned early repayment communicated by the Group on 19 December 2024 and completed on 30 January 2025.

Non-current financial indebtedness as of 31 December 2024, including payables for derivative instruments for the non-current portion, amounted to EUR 873.4 million (EUR 844.5 million as of 31 December 2023) and included (i) the bonds issued in the amount of EUR 713,3 million, comprising: the "2021-2027 Bond Loan" subscribed on 3 November 2021 in the amount of EUR 200 million, net of residual ancillary costs of EUR 1.1 million, the "2022-2028 Bond Loan" subscribed on 17 May 2022 in the amount of EUR 100 million, net of ancillary costs of EUR 0.8 million, the "2023-2029 Bond Loan" subscribed on 12 December 2023, equal to EUR 170 million net of accessory costs of EUR 1.9 million, and the "2024-2030 Bond Loan" subscribed on 11 December 2024, equal to EUR 250 million net of ancillary costs of EUR 2.9 million, (ii) the medium-/long-term portions of project financing, amounting to EUR 124.3 million, which decreased because of the instalments that expired on 30 June 2024 and 31 December 2024, and (iii) the medium-/long-term portion of lease liabilities in line with the provisions of accounting standard "IFRS 16 - LEASES", in the amount of EUR 12.6 million.

Financial receivables and other non-current financial assets as of 31 December 2024 amounted to EUR 43.1 million, an increase of EUR 24.3 million compared to 31 December 2023, and mainly refer to financial receivables from companies accounted for using the equity method and derivative financial instruments recognised in the amount of EUR 2.6 million whose fair value change during the year was negative by EUR 1.2 million.

For terms and conditions for related party transactions, please refer to the note "Details of related party and intragroup transactions as at 31 December 2024".

Reconciliation of the profit for the year and equity attributable to the owners of the parent with the values of the parent company as at 31 December 2024:

	Equity as at 31 December 2024 attributable to owners of the parent	Profit for the year 2024 attributable to owners of the parent
Values in thousands of Euro		
Alerion Clean Power S.p.A.	326,967	50,527
Difference between book value and the corresponding portions of equity of subsidiaries	(107,386)	37,201
Recognition of intangible assets with a finite life arising from the development of wind farm projects - IAS 38 (implicit gain on permits and construction rights)	57,458	(1,238)
Recognition at fair value of finite-life intangible assets following business combinations - as required by International Financial Reporting Standard - IFRS3	106,930	(6,642)
Effects of derivative instruments - IAS 39	(2)	10,106
Adjustment of investments accounted for using the equity method to the corresponding equity value IFRS 11	15,542	2,947
Effects of the reversal of intra-group margins	(1,737)	180
Other consolidation adjustments	(31,052)	2,705
Consolidated values	366,720	95,786

It should be noted that the item "other consolidation adjustments" includes adjustments to neutralise the higher values created in the statutory financial statements as a result of the application of revaluation.

THE PARENT'S PERFORMANCE

The following is a commentary on the main captions of Alerion Clean Power S.p.A.'s Income Statement and Statement of Financial Position.

Reclassified Income Statement - Separate Financial Statements of the Parent Company		
<i>(Values in millions of euro)</i>	2024	2023
Financial income	17.5	11.7
Dividends and realised gains	60.5	62.8
Results of subsidiaries	10.7	9.7
Net gains from equity investments	88.7	84.2
Revenues from consulting activities	4.6	5.0
Other revenue and income	0.1	1.8
Other revenue and income	4.7	6.8
Operating revenue	93.4	91.0
Personnel expenses	(3.3)	(3.0)
Other operating costs	(12.0)	(17.6)
Provisions for risks	-	(1.0)
Operating costs	(15.3)	(21.6)
Gross Operating Profit (EBITDA)	78.1	69.4
Amortisation, depreciation and impairment losses	(0.4)	(0.4)
Operating profit (EBIT)	77.7	69.0
Financial (costs) income	(32.7)	(2.2)
Profit before tax (EBT)	45.0	66.8
Income taxes	5.4	0.2
Profit for the year	50.5	67.0

Net gains on equity investments in 2024 amounted to EUR 88.7 million (EUR 84.2 million in 2023) and consisted mainly of dividends resolved by subsidiaries in 2024 amounting to approximately EUR 32.6 million, the capital gain realised on the sale of 50% of the equity investment in Naonis Wind S.r.l. (now Alperion S.r.l.) amounting to about EUR 38.7 million, as well as net interest income accrued during the year from investee companies, amounting to about EUR 17.9 million.

Other revenue and income in 2024 amounted to EUR 4.7 million (EUR 6.8 million in 2023) and mainly consisted of services rendered to subsidiaries.

The **Operating Profit** 2024 was EUR 77.7 million (EUR 69 million in 2023), after operating costs of about EUR 15.3 million (EUR 21.6 million in 2023).

The **Profit for the year** 2024 was about EUR 50.5 million, down from last year by about EUR 16.5 million. The Profit for the year includes net financial costs totalling EUR 32.7 million. The increase, compared to EUR 2.2 million in 2023, is attributable to i) higher financial income due to the remuneration of cash investments in time deposit contracts and bond instruments receivable for EUR 4.6 million; ii) higher costs of EUR 4.5 million for Commodity Swap derivative positions, entered into by the Company during 2024, and not yet due; iii) costs of EUR 6,6 million from commodity derivative instruments settled during the year; iv) net of higher interest on outstanding bonds totalling EUR 28.1 million in 2024 compared to EUR 16 million in 2023, following the issuance on 11 December 2024 of the new "2024-2030 bond loan" and the full contribution for the entire year of the previous issue on 12 May 2023, the "2023-2029 bond loan".

Reclassified Statement of Financial Position		
<i>(values in millions of Euro)</i>	31.12.2024	31.12.2023
Property, plant and equipment	3.3	3.6
Financial assets	435.9	404.9
Non-current assets	439.2	408.5
Other non-financial assets and liabilities	56.5	20.7
NET INVESTED CAPITAL	495.7	429.2
Equity	327.0	314.2
Equity	327.0	314.2
Cash and cash equivalents	279.9	127.3
Other financial assets and liabilities	(448.8)	(242.3)
Accounting Financial Indebtedness	(168.9)	(115.0)
EQUITY + ACCOUNTING FINANCIAL INDEBTEDNESS	495.9	429.2

Non-current assets as at 31 December 2024 amounted to EUR 439.2 million, an increase of EUR 30.7 million compared to 31 December 2023. The net increase refers to financial assets and is mainly attributable to the transaction with Alperia that involved subsidiaries Naonis and Enermac.

The item "**Other non-financial assets and liabilities**" as at 31 December 2024 amounted to a net positive balance of EUR 56.5 million, (EUR 20.7 million as at 31 December 2023) and related in particular to:

- **Non-financial assets** as at 31 December 2024 amounted to EUR 94.8 million, an increase of EUR 6.1 million compared to 31 December 2023, and mainly comprised: i) deferred tax assets of EUR 6.7 million (EUR 9.4 million as of 31 December 2023), ii) trade receivables of EUR 6.8 million (EUR 7.6 million as of 31 December 2023), iii) current tax assets of EUR 3.6 million (EUR 4 million as of 31 December 2023), and iv) other current assets of EUR 77.7 million (EUR 67.8 million as of 31 December 2023).
- **Non-financial liabilities** as at 31 December 2024 amounted to EUR 38.3 million, a decrease of EUR 29.9 million compared to 31 December 2023, and mainly comprised: i) provisions for future risks and charges of EUR 0.5 million (EUR 0.2 million as of 31 December 2023), ii) post-employment benefits of EUR 0.9 million (EUR 0.8 million as of 31 December 2023), iii) trade payables of EUR 9.8 million (EUR 49.9 million as of 31 December 2023) iv) other current and non-current liabilities of EUR 26.5 million (EUR 16 million as at 31 December 2023), v) deferred tax liabilities of EUR 0.6 million (EUR 1.4 million as at 31 December 2023), and vi) nil tax liabilities (nil also at 31 December 2023).
- **Equity** of the Company as at 31 December 2024 amounted to EUR 327 million, up from EUR 314.2 million as at 31 December 2023, mainly due to the combined effect of the profit for the year of EUR 50.5 million, the distribution of the dividend of EUR 32.7 million net of the purchase of treasury shares for EUR 4.3 million.

- **Accounting financial indebtedness** as of 31 December 2024 was negative for EUR 168.9 million, up EUR 53.9 million from 31 December 2023.
- **Financial assets** as of 31 December 2024 amounted to EUR 626.1 million, an increase of EUR 123.2 million compared to 31 December 2023, and mainly included: i) non-current intra-group financial receivables of EUR 528.9 million (EUR 418.3 million as of 31 December 2023), ii) current intra-group financial receivables of EUR 32 million (EUR 10.1 million as of 31 December 2023).
- **Financial liabilities** as of 31 December 2024 amounted to EUR 1,074.9 million (31 December 2023: EUR 745.2 million), an increase of EUR 329.7 million compared to 31 December 2023, and mainly included: i) non-current payables to bondholders and other loans and borrowings of EUR 775.7 million (EUR 690.6 million as of 31 December 2023), ii) current payables to bondholders and other loans and borrowings of EUR 231.5 million (EUR 8.7 million as of 31 December 2023), iii) financial payables to subsidiaries totalling EUR 87.7 million (EUR 45.9 million as of 31 December 2023).

LEGISLATIVE FRAMEWORK

Below are the most significant measures that characterised the regulatory framework for the sector during 2024.

Feed-in tariff (FIP), former "green certificates"

With its Resolution 14/2024/R/EFR of 30 January 2024, the Italian Regulatory Authority for Energy, Networks and Environment ("Arera") announced, for the purpose of determining the value of the 2024 Feed-in Premium (FIP 2024), the average annual value recorded in 2023 of the electricity selling price, equal to 125.96 EUR/MWh. Therefore, the value of the 2024 Feed-in Premium, i.e. 78% of the difference between 180 Euro/MWh and the average annual value of the electricity selling price of the previous year, is 42.15 EUR/MWh. According to the GSE's procedures, these Feed-in Premium are paid by the GSE on a monthly basis by the second month following the month of accrual.

New European 2030 targets for renewables and energy efficiency

During 2018, the new European targets for renewables and energy efficiency to 2030 were defined. These principles, which will have to be transposed into new EU directives, set a target of at least a 40% reduction in greenhouse gas emissions (compared to 1990 levels) by 2030, a second target of 32% (compared to 27% originally proposed by the European Commission) by 2030 in final consumption for renewables, with an obligation of 1.3% per year on thermal renewables and an obligation of 14% in the transport sector. For energy efficiency, the new target for 2030 has been set at 32.5%. An update of these directives is being prepared by the European Community in order to implement the proposal to increase the net greenhouse gas emission reduction target to at least 55%.

Measures to counter "high energy prices" launched in the last financial year 2022.

In the previous year, 2022, the Italian government had enacted a series of measures aimed at containing electricity prices, which had led to i) a reduction in revenues and ii) an increase in the tax burden on companies in the energy sector, the measures that also had an effect in 2023 are shown below. Please refer to the note on Legal Disputes for the positions taken by the company:

"Two-way" compensation contribution - Law Decree 4/2022

With the publication of Law 25 of 28 March 2022, which converts Decree-Law No. 4 of 27 January 2022 into law, as of 1 February 2022 and until 31 December 2022, a two-way compensation mechanism on the price of energy will be applied on electricity produced by plants with a power output of more than 20 kW fuelled by solar, hydroelectric, geothermal and wind power that do not qualify for feed-on tariffs, and that came into operation before 1 January 2010. This mechanism is equal to the difference between the reference price of the relevant market zone and a market price equal

to the hourly zonal market price of electricity, or, for supply contracts entered into before 27 January 2022 that are not excluded from the scope of application, the price indicated in those contracts.

One-way compensation mechanism or price cap - L. 197/2022

Paragraphs 30-38 of Article 1 of Law 127 of 29 December 2022 provide that, in implementation of Council Regulation (EU) 2022/1854 of 6 October 2022, as of 1 December 2022 and until 30 June 2023, a cap will be applied on market revenues obtained from the production of electricity through a one-way compensation mechanism. It is envisaged that the Gestore dei Servizi Elettrici (GSE) will collect from producers the difference between the pre-established reference price of EUR 180 per MW/h and the market price, which is equal to the monthly average of the hourly zone market price, calculated as a weighted average for non-programmable plants on the basis of the individual plant's production profile.

Spain legal framework

Spanish legislation on electricity from renewable sources is governed by the framework for the generation and promotion of renewable energy established by the European Union, in particular Directive 2009/28/EC of the European Parliament and of the Council of 23 April 2009 on the promotion of the use of energy from renewable sources and amending and subsequently repealing Directives 2001/77/EC and 2003/30/EC. As per Spanish legislation, the basic legal regime is established in Law 24/2013 of 26 December 2013 on the Electricity Sector (the "ESL"), implemented through: (i) Royal Decree 413/2014 of 6 June, which regulates the production of electricity from renewable sources, cogeneration and waste; (ii) Royal Decree 1955/2000 of 1 December, which regulates the production, transmission, distribution, marketing and supply of electricity and the authorisation procedures for electrical installations; and (iii) Royal Decree 2019/1997 of 26 September, which organises and regulates the electricity generation market.

Together with the regulations issued at state level: (i) most autonomous communities (Comunidades Autónomas) have also approved specific regulations (e.g. Aragon: decree of 25 June 2004); (ii) municipalities also have their own regulations on the licensing of works and activities; and (iii) environmental and urban planning regulations (developed mainly at the level of autonomous communities and municipalities) must also be taken into account when developing a renewable energy project.

Although according to ESL the generation of electricity is classified as an unregulated activity (as opposed to the transmission and distribution of energy), and therefore does not require a licence per se, certain construction and operating permits must be obtained prior to the commencement of electricity generation activity.

The remuneration of renewable energy producers in a liberalised market consists mainly of the revenues they receive from their sales in the wholesale market. In addition, the Spanish government promotes the development of renewable projects by launching auctions from time to time in order to grant the so-called specific remuneration system (*régimen de retribución específico*) to bidders that offer renewable energy capacity at the lowest price (e.g. by requesting a lower feed-in tariff). Nevertheless, any entity can develop a renewable plant independently of such auction processes (or without a feed-in tariff), being completely exposed to fluctuations in the market price of electricity.

Romanian legal framework

Considering the recent international increases in electricity and gas prices, the Romanian Government has decided to put in place a compensation mechanism so that the current electricity and natural gas prices for domestic consumption do not exacerbate the level of energy poverty.

On 29 October 2021, the Romanian Government had approved Law 259/2021, which had introduced an extra tax at a rate of 80% for the period 1 November 2021 - 31 March 2022, levied on the "additional revenue" generated by producers of electricity (including renewable generation units but excluding thermal generation units) as a result of the difference between the average monthly electricity selling price and RON 450/MWh (approximately EUR 91/MWh).

Following the previous mechanism, the Government published a new Emergency Government Ordinance No. 27/2022, which was activated on 22 March 2022, with the aim of extending the imposition of the so-called "windfall tax" for the period from 1 April 2022 to 31 March 2023, but still including some positive improvements on the rules. The 80% tax will now be levied on profits rather than revenues, for sales above RON 450/MWh (EUR 91/MWh), thus reducing the burden on generators. The new tax does not affect production units commissioned after the entry into force of the new law.

MAIN RISKS AND UNCERTAINTIES

Risks related to the legal and regulatory environment

The Group operates in a highly-regulated industry and, therefore, Group companies are required to comply with a large number of laws and regulations.

In particular, the Group and the plants through which it operates are subject to national and local regulations concerning multiple aspects of its business, which affect the entire electricity generation chain. These regulations concern, among other things, both the construction of facilities (as regards obtaining building permits and other administrative authorisations), their operation and the protection of the surrounding environment, thus affecting the way in which the Group conducts its business.

The enactment of new regulatory provisions applicable to the Group or to the electricity generation business or any changes in the current Italian legislative framework, including tax regulations, could have a negative impact on Alerion's and the Group's operations. Furthermore, the implementation of these changes may require specific and additional burdens on the Group. In particular, the costs of complying with any changes in existing regulatory provisions, including compliance costs in the areas of business requirements, personnel licensing and occupational safety, could be particularly high. Similarly, adapting to the changes in legislation described above can take a long time to implement. The occurrence of such events could have an adverse effect on the Group's results, prospects and financial position.

In addition, the high degree of complexity and fragmentation of national and local regulations in the sector of energy production from renewable sources, together with their not always uniform interpretation by the competent Authorities, could generate situations of uncertainty and legal disputes, with consequent negative effects on the Group's results, prospects and financial position.

The Group contains this risk by constantly monitoring the legislative framework in order to implement potential changes in a timely manner, operating in such a way as to minimise any resulting economic impact.

Risks related to production cyclicity

The characteristics of the energy sources used imply both a production characterised by high variability, linked to the climatic conditions of the sites where the wind farms are located, and production forecasts based on time series and probabilistic estimates.

In particular, electricity production from wind power, being linked to non-programmable climatic factors, is characterised throughout the year by seasonal phenomena that make energy production discontinuous.

Any adverse weather conditions and, in particular, any continuation of a situation of low windiness for wind farms, even with respect to the measurements made during the development stage (concerning the availability of the source and forecasts of weather conditions), could lead to time lags and the reduction or interruption of plant operations, resulting in a decrease or increase in the volumes of electricity produced, with consequent short-term effects on the Group's business and economic, equity and/or financial position.

The Alerion Group mitigates this risk by planning the installation of new sites in diversified geographical areas, monitoring the trend of anemometric data to improve meteorological forecasting, and scheduling plant shutdowns according to periods of lower windiness.

The Alerion Group mitigates any risks of damage to plants due to adverse weather events that cannot be controlled or planned by taking out insurance policies and maintenance contracts.

Climate change risks

The **climate change** risk identifies the possibility that short-term and long-term climate changes may impact the Group's business with consequences on its economic and financial results. In particular, there is evidence of a decrease in resource availability (wind and solar production) and consequent increases in maintenance and insurance costs against adverse weather events.

The Group contains the potential impacts of climate risk by adopting appropriate measures such as (i) planning the installation of new sites in diversified geographical areas, monitoring the trend of anemometric data to improve meteorological forecasting and scheduling plant shutdowns according to periods of less windy weather, and (ii) limiting the potential risks of damage to plants due to adverse weather events that cannot be controlled or planned through insurance policies and maintenance contracts. It should also be noted that in preparing the impairment test, the potential impacts of climate risk were reflected in the determination of the prospective cash flows, taking into account, primarily, the possible lower yields associated with reduced electricity production due to the adverse weather conditions experienced (basing these projections, inter alia, on the historical productivity averages of the individual wind farms) and the operating costs associated with the stipulation of insurance policies.

Furthermore, while climate disasters may have an adverse effect on the group's production, a consequence of the ongoing climate change is also the increasing interest of institutions in renewable energy companies. In particular, the European Union has developed an Action Plan to finance sustainable growth (EU Action Plan) and help link finance to the specific needs of the European and global economy. The Group, whose core business is the production of energy from renewable sources, is particularly involved in projects of this scale.

Energy production from wind and solar sources is included within the European Taxonomy as a sector actively contributing to "Climate mitigation", contributing, for the purpose of decarbonisation, to the binding national 2030 target of a 33% reduction in CO2 emissions in non-ETS sectors, compared to 2005.

In addition, companies with a core business expressly characterised by sustainable initiatives can access specific financing and investment instruments, such as green bonds. In this regard, Alerion has resorted since 19 December 2019, when the first bond issue, the so-called "Green Bond", took place, to financial instruments whose terms of use must meet the criteria set out in the Green Bond Framework adopted by the Company.

Risks associated with financing contracts

The Group has a high level of financial and bond debt, for which it incurs financial costs. Moreover, if the Group were required to refinance existing debt before its maturity date, it might not be able to complete the investments underway or provided for in the Plan.

In light of the foregoing, the indebtedness incurred or to be incurred for the activities necessary for the construction and commissioning of the Wind Farms has entailed and/or will entail (as the case may be) an increase in the Group's financial indebtedness and, therefore, notwithstanding the increase in revenues generated, after the testing period, by the operation of the new Wind Farms, the Group may encounter difficulties in sustaining the financial commitments arising from its debt structure and in meeting its financial commitments, also in consideration of the gradual expiry of the feed-in tariffs enjoyed by the plants owned by the Group.

The projects implemented by the Group are financed through project financing and corporate financing through bond issues that meet the criteria of the Green Bond Framework adopted by the Company.

The regulations of the Group's various bond issues and financing contracts, particularly project financing, contain a series of clauses that are customary for these types of documents, such as obligations and prohibitions, negative pledge clauses, restrictions on the distribution of dividends, reports on results and financial statements, obligations to maintain financial ratios subject to periodic verification, and default events. Some project financing loans also contain cross-default clauses, pursuant to which the occurrence of defaults by parties other than the beneficiary companies may render the residual amount of the loan immediately due.

It should be noted that the 2024 macroeconomic context had a strong impact on interest rates, affecting their volatility, with such volatility not having a significant impact on the Group thanks to its policy of entering into hedging contracts, interest rate swaps, on project financing and thanks to the use of fixed-rate bond issues. The recent bond issue of 11 December 2024 shows that the Group was not affected by the current macroeconomic environment.

Financial Parameters and Covenants:

"2019-2025 Bond Loan"

With reference to the 2019 - 2025 Bond, it should be noted that if, on each Calculation Date, the ratio between the Accounting Financial Indebtedness net of derivatives and the Equity net of derivatives is higher than 2.5, the Company undertakes not to take on any further Accounting Financial Indebtedness net of derivatives unless on the following Calculation Date this ratio is equal to or lower than 2.5. "Calculation Date" means the date of 31 December of each year of the term of the Loan, commencing on 31 December 2019. The Company periodically monitors compliance with the

agreed indices and clauses. The parameter as at 31 December 2024 has been met. The bond loan was fully repaid on 30 January 2025.

"2021-2027 Bond Loan"

With reference to the "2021 - 2027 Bond" it should be noted that if on each Calculation Date, the ratio of Accounting Financial Indebtedness net of derivatives to Equity net of derivatives is greater than 3, the Company undertakes not to take on any further Accounting Financial Indebtedness net of derivatives unless on the following Calculation Date, this ratio is equal to or less than 3. "Calculation Date" means the date of 31 December of each year of the term of the Loan, commencing on 31 December 2021. The Company periodically monitors compliance with the agreed indices and clauses. The parameter as at 31 December 2024 has been met.

"2022-2028 Bond Loan"

With reference to the "2022 - 2028 Bond" it should be noted that if on each Calculation Date, the ratio of Accounting Financial Indebtedness net of derivatives to Equity net of derivatives is greater than 3, the Company undertakes not to take on any further Accounting Financial Indebtedness net of derivatives unless on the following Calculation Date, this ratio is equal to or less than 3. "Calculation Date" means the date of 31 December of each year of the term of the Loan, commencing on 31 December 2022. The Company periodically monitors compliance with the agreed indices and clauses. The parameter as at 31 December 2024 has been met.

"2023-2029 Bond Loan"

With reference to the "2023 - 2029 Bond" it should be noted that if on each Calculation Date, the ratio of Accounting Financial Indebtedness net of derivatives to Equity net of derivatives is greater than 3, the Company undertakes not to take on any further Accounting Financial Indebtedness net of derivatives unless on the following Calculation Date, this ratio is equal to or less than 3. "Calculation Date" means the date of 31 December of each year of the term of the Loan, commencing on 31 December 2023. The Company periodically monitors compliance with the agreed indices and clauses. The parameter as at 31 December 2024 has been met.

"2024-2030 Bond Loan"

With reference to the "2024 - 2030 Bond" it should be noted that if on each Calculation Date, the ratio of Accounting Financial Indebtedness net of derivatives to Equity net of derivatives is greater than 3, the Company undertakes not to take on any further Accounting Financial Indebtedness net of derivatives unless on the following Calculation Date, this ratio is equal to or less than 3. "Calculation Date" means the date of 31 December of each year of the term of the Loan, commencing on 31 December 2024. The Company periodically monitors compliance with the agreed indices and clauses. The parameter as at 31 December 2024 has been met.

Project Financing

With reference to the Project Financing loans, please refer to Note 22 "NON-CURRENT FINANCIAL LIABILITIES" in which the details of the financial parameters to be met as at 31 December 2024 relating to these loans are presented.

Interest rate risks

Following the issuance of the recent bond issues, as described above, the Group is only marginally exposed to the risk of interest rate fluctuations.

The financing of projects implemented by the Group involved recourse to bank loans, also by means of project financing. In this context, a significant increase in interest rates could have a negative impact on the return on the Group's future investment projects.

In order to limit this risk, the Group has implemented a policy of hedging risks arising from interest rate fluctuations through the use of Interest Rate Swap (IRS) contracts to manage the balance between fixed-rate and floating-rate debt.

More information on risks arising from financial instruments required by IFRS 7 is provided in paragraph 37 "Financial Risk Management Policy" of the Notes to the Financial Statements.

Risks associated with electricity sales receivables

The energy produced by the Group's wind farms is purchased by trading companies with which the Issuer has special contractual agreements, which pass it on to the energy market. In light of the foregoing, the Group is exposed to the risk that the trading companies to which the electricity generated by wind farms owned by the SPVs is sold do not pay

the amounts due on time or in a timely manner; receivables from the trading companies through which the Group operates amount to EUR 13.3 million as of 31 December 2024 and EUR 18.4 million as of 31 December 2023.

The occurrence of the events subject to these risks, which is considered by the Issuer to have a low probability of occurrence, could have a negative impact on the Issuer's and the Group's economic and financial situation and assets.

The Group performs the sale of electricity produced by all Wind Farms through yearly bilateral contracts, with no automatic renewal, entered into by the SPVs owning the producing Wind Farms with trading companies.

The Group is exposed to the risk that its counterparties may not honour the receivables accrued by the Group companies; and any delayed or non-payment of the amounts due could lead to a liquidity crisis for the Group with consequent difficulties for the Group to meet the charges, including financial charges, due and significant negative effects on the Group's results, prospects and financial position.

In addition, should existing relations with trading companies deteriorate, the Group may have to decide to terminate existing electricity sales contracts. Should this occur, the Group may encounter difficulties in identifying counterparties with adequate standing as well as in negotiating terms and conditions that are equally advantageous to the agreements to which it is a party, with consequent negative effects on the Group's results, prospects and financial position.

Exchange rate risks

The risk of fluctuations related to the exchange rate of currencies other than the euro with which the Alerion Group operates may impact the Group's results.

Transactions in currencies other than the functional currency are accounted for on initial recognition at the spot exchange rate prevailing on the date of the transaction. Subsequently, monetary assets and liabilities denominated in currencies other than the functional currency are converted using the closing exchange rate, at a different time than when the contractual terms underlying the transactions were defined.

Non-monetary assets and liabilities in foreign currencies that are recognised at fair value are converted using the exchange rate at the date the fair value was determined. Any exchange differences arising are recognised in the Income Statement.

The group operates with foreign currencies in some markets within its business scope, namely in Romania and the United Kingdom, which have historically shown contained fluctuations, limiting the Group's exposure to the foreign exchange risk. In addition, constant monitoring ensures that any exchange rate fluctuations can be promptly anticipated.

Health, safety and environmental risks

The Group is exposed to the risk of incurring sanctions for non-compliance with health, safety and environmental regulations.

In particular, the Alerion Group is required to comply with laws and regulations (by way of example, Legislative Decree No. 106 of 3 August 2009 and Legislative Decree No. 81 of 9 April 2008) relating to health and safety in the workplace, as the activities performed by the Group are subject to the potential occurrence of accidents that may affect the employees and/or the environment.

With reference to health and safety in the workplace, Alerion operates in compliance with the provisions of Legislative Decree 81/08, Legislative Decree 106/09 and in particular with the ISO 45001:2018 standard, certified for "Production of electricity from wind power. Operation and maintenance services through third party contractors of wind power plants". Compliance Certificate No. 9192.ALEN was renewed on 21/12/2023.

Information & Communication Technology Risks

The main ICT risks are of different types and are constantly evolving, both from a cybersecurity perspective (Data Breaches, Malware, Phishing, DDoS Attacks, software and hardware vulnerabilities) and from an operational perspective (Service interruption or data loss). To mitigate ICT risks, proactive measures have been adopted that are based on an ongoing risk assessment. The measures taken include: i) Implementation of sound cybersecurity policies; ii) Staff training and awareness; iii) Use of advanced security technologies (firewalls, antivirus, intrusion detection systems, etc.); vi) Regular data backups and disaster recovery plan.

Risks associated with national incentive schemes from which the Group benefits

All of the Group's wind farms, with the exception of the Albanella, Agrigento, Ricigliano, Anglona, Dotto, Enermac and Naonis wind farms, benefit from incentive schemes and, for the twelve months ended 31 December 2024, 8% of the

Group's revenues in 2024 are attributable to national incentive schemes (the ratio was 3% in 2023); the reduced contribution is attributable to the increase in electricity sale prices that occurred particularly in 2021 and 2022, which consequently reduced the contribution of incentive revenues; in 2024 the energy market saw prices fall compared to 2023: in fact, the unit value recognised for the year 2024 for the so-called "GRIN" incentive was determined by the Authority to be equal to 42.2, up compared to the nil value of 2023.

If, for any reason, one or more of the Group's wind farms is subject to a forfeiture or curtailment of incentives by the GSE, or if, for any reason whatsoever, there is a delay by the GSE in the payment of the amounts due, the Group may suffer decreases in its revenues, even significant ones. Delayed payment, ceasing or reduction of incentives, also for reasons external to the Group, could also give rise to the Issuer's obligation to make contributions, also of a significant amount, to its subsidiaries, so as to avoid the breach of financial parameters and other provisions contained in the financing agreements to which they are party.

The occurrence of the events subject to these risks, which is considered by the Issuer to have a low probability of occurrence, could have an extremely significant negative impact on the Issuer's and the Group's economic and financial situation and assets.

All of the Group's Italian wind farms already in operation have benefited from the so-called "green certificates" that allowed them to obtain a number of green certificates proportional to the electricity generated, which they then sold to the GSE at a price based on a percentage of the market price of wholesale electricity on the Italian market. Following a legislative amendment passed in 2011 pursuant to Legislative Decree No. 28/2011 and the Ministerial Decree of 6 July 2012, the green certificate incentive scheme ended as of 1 January 2016 and, consequently, the Wind Farms that benefited from the green certificate incentive scheme switched, following the stipulation of a special agreement with the GSE, to a system of feed-in tariffs for the remaining life of the Wind Farm, between one and eight years depending on the Park.

Commodity price risk

The Group is primarily exposed to the price volatility risk related to electricity, i.e. the price risk related to the variability of future revenues from electricity sales due to fluctuations in the sales prices of this commodity.

Generally speaking, the risk management strategy pursued by the Group with reference to energy risk management is aimed at containing the volatility induced by variations in electricity market prices on its margins and the consequent stabilisation of the related cash flows generated by the sale of the electricity produced by its generation plants from renewable sources.

The Group trades commodity derivatives ("commodity swaps") in order to mitigate the price risk attributable to a specific risk component embedded in the sale prices of the electricity generated. The underlying risk management objective is, therefore, to protect the value of future electricity sales from unfavourable movements in the risk component embedded in the sales prices contracted with its customer base.

Ultimately, the objective of the Group's accounting-designated hedging relationships is to set the value of the risk component associated with highly probable revenues from electricity sales, through commodity swap trading.

Credit risk

Credit risk represents the Group's exposure to potential losses deriving from the failure of counterparties to meet their commercial obligations.

To date, there have been no significant cases of non-compliance by counterparties. In fact, it should be noted that, although most of the Group's receivables are due from a limited number of counterparties, there is no risk of default related to credit concentration due to the primary reliability of the counterparties.

For a more detailed analysis of this risk, please refer to paragraph 37 "FINANCIAL RISK MANAGEMENT POLICY" of the explanatory notes.

Liquidity risk

Liquidity risk is the risk that, due to an inability to raise new financial funds, the company will not be able to meet its financial and commercial obligations on the agreed terms and deadlines. The Group's objective is to put in place a financial structure that, consistent with its operational objectives, always guarantees an adequate level of cash.

For a more detailed analysis of this risk, please refer to paragraph 37 "FINANCIAL RISK MANAGEMENT POLICY" of the explanatory notes.

The consolidated financial statements are prepared on a going concern basis. In fact, the Group has assessed that, despite the general uncertainty and volatility of financial markets, influenced both by the conflict between Ukraine and Russia and the Middle Eastern crisis, and despite the difficulty in understanding the geopolitical dynamics currently under way, there are no significant uncertainties (as defined by para. 24 of IAS 1) on the Group's ability to continue as a going concern, as the Group's operations have not been affected by such phenomena, and as the production of electricity is a public utility activity, for this reason not subject to a reduction in operations.

The Group assessed the applicability of the going concern assumption in preparing the financial statements and concluded that, despite the difficult economic and financial environment, there are no doubts about the Group's ability to continue as a going concern.

For financial risk management, please refer to section 37 "FINANCIAL RISK MANAGEMENT POLICY" in the Notes to the Financial Statements, where the Group's financial risk management is described.

ALTERNATIVE PERFORMANCE MEASURES

The Group uses a number of Alternative Performance Measures to (i) monitor the Group's economic and financial performance, (ii) anticipate any business trends in order to take promptly any corrective action, and (iii) define investment and management strategies and the most effective allocation of resources. The Alternative Performance Measures are considered to be another important parameter for assessing the Group's performance, as they allow for a more analytical monitoring of the Group's economic and financial performance. For the purpose of a correct reading of the Alternative Performance Measures presented in this Annual Report, please note that:

- the determination of the Alternative Performance Measures used by the Issuer is not governed by IFRS, and these measures should not be considered as alternative measures to those provided by the Group's financial statements for the assessment of the Group's economic performance and financial position;
- the Alternative Performance Measures must be read in conjunction with the Group's financial statements;
- the Alternative Performance Measures are determined (or derived) based on the Group's historical data, resulting from the Financial Statements, general and management accounting, and elaborations carried out by management, in accordance with the recommendations contained in the document prepared by ESMA, No. 1415 of 2015, as implemented by CONSOB Communication No. 0092543 of 3 December 2015;
- the Alternative Performance Measures have not been subject to any audit and should not be interpreted as an indicator of the Group's future performance;
- the method for determining the Alternative Performance Measures, as indicated above, is not regulated by the accounting principles for the preparation of the financial statements, and therefore the criteria applied by the Group for their determination may not be homogeneous with those adopted by other groups; therefore, the Alternative Performance Measures presented by the Issuer may not be comparable with those that may be presented by other groups.

Below are the Alternative Performance Measures contained in this annual report, along with the reconciliation of their amounts:

Adjusted Operating Revenue is operating revenue, as provided for in the financial statements, net of significant non-recurring income components (special items);

Other Adjusted Revenues are Other revenues, as provided for in the financial statements, net of significant non-recurring income components (special items);

The **Gross Operating Profit (EBITDA)** is the operating profit before amortisation, depreciation and impairment losses. EBITDA thus defined represents a measure used by management to monitor and evaluate its operational performance.

The **Adjusted Gross Operating Profit (EBITDA)** is the Gross Operating Profit, as defined above, net of significant non-recurring income components (special items);

The **EBITDA Margin** is an indicator of operating performance calculated by comparing the Adjusted Gross Operating Profit and the Revenues from operations of each business;

the **Adjusted Net Operating Profit (EBIT)** is the net operating profit, explicitly stated as a subtotal in the financial statements, net of significant non-recurring income components (special items) and with the reclassification of impacts related to the application of IFRS 16;

Financial indebtedness is determined in accordance with ESMA's guidance in paragraph 175 of the "Guidance on Disclosure Requirements under the Prospectus Regulation" (04/03/2021 | ESMA32-382-1138). Financial indebtedness is not identified as an accounting measure under IFRS.

Financial indebtedness (net of derivatives) is calculated as financial indebtedness, excluding the fair value of current and non-current hedging financial instruments.

Accounting financial indebtedness is calculated as the sum of cash and cash equivalents, current and non-current financial assets, financial receivables and other non-current financial assets, current and non-current financial liabilities, the fair value of hedging financial instruments and other non-current financial assets, net of financial indebtedness resulting from assets held for sale. Accounting financial indebtedness is not identified as an accounting measure under IFRS. The calculation criteria applied by Alerion may not be the same as that used by other groups, and therefore the balance obtained by Alerion may not be comparable to that calculated by them.

Accounting financial indebtedness (net of derivatives) is calculated as accounting financial indebtedness, excluding the fair value of current and non-current hedging financial instruments. Furthermore, it should be noted that financial indebtedness (excluding derivatives) is also reported as relevant to the determination of the financial covenants as provided for in the regulation of the four bonds issued by the Group on 19 December 2019, 3 November 2021, 17 May 2022, 12 December 2023 and 11 December 2024, respectively, in line with the criteria set forth in the "Green-Bond Framework" adopted by the Company.

Gross financial indebtedness is calculated as the sum of current and non-current financial liabilities and the fair value of financial instruments. Accounting financial indebtedness is not identified as an accounting measure under IFRS. The calculation criteria applied by Alerion may not be the same as that used by other groups, and therefore the balance obtained by Alerion may not be comparable to that calculated by them.

Net invested capital is calculated as the algebraic sum of non-current assets and non-financial assets and liabilities.

Special items include significant non-recurring income components. They include:

- income and expenses relating to non-recurrent events, i.e. transactions that are not repeated in the usual course of business;
- income and expenses related to events that are not typical of ordinary business operations, such as restructuring and environmental costs;
- capital gains and losses from the disposal of assets that do not expressly belong to business strategies implemented by management;
- significant write-downs recognized on assets as a result of the impairment test;
- income and expenses related to the ineffective portion of interest rate derivatives classified as hedges.

Special Items (Millions of Euro)	2024	2023
Other revenues - capital gain from asset disposals		(13.9) a
Amortisation, depreciation - impairment losses from impairment test		25.1 b
Net financial costs - income from revaluation under IFRS 3		(22.9) c
Net financial costs - ineffective portion of interest rate derivatives	(0.1)	0.1 d
Corrective tax effect	0.0	(6.9)
Total Special Items	(0.1)	(18.5)

- a **Other revenues** in 2023 included the capital gain realised on the sale of the minority stake in the investee Andromeda Wind S.r.l., equal to about EUR 13.9 million;
- b **Amortisation, depreciation and impairment losses** in 2023 included the adjustment of the valuation of the net assets, recognised following the acquisition completed with RWE in the first quarter of 2023, totalling EUR 25.1 million, following the impairment test procedures at the end of 2023;
- c **Net financial costs** includes the effects of the acquisition completed with RWE during the first quarter of 2023, in which income totalling EUR 22.9 million was recognised for the revaluation of the net assets already attributable to the Group at the fair value determined at the time of the acquisition of the residual 51%;
- d **Net financial costs** includes the ineffective portion of derivatives on interest rates classified as hedges.

Income taxes

The above effects also implied the recognition of the related tax effects.

ALERION GROUP - Reclassified Income Statement

	Reported		Adjusted
(Values in Millions of Euro)	2024	Special items	2024
Revenue	223.5	0	223.5
Other revenues and income	20.1	0	20.1
Total Revenues and Income	243.6	0	243.6
Personnel expenses	(12.9)	0	(12.9)
Other operating costs	(44.3)	0	(44.3)
Accruals to provisions for risks	(0.1)	0	(0.1)
Operating costs	(57.3)	0	(57.3)
Share of profits of investments accounted for using the equity method	2.1	0	2.1
Gross Operating Profit (EBITDA)	188.4	0	188.4
Amortisation, depreciation and impairment losses	(52.9)	0	(52.9)
Operating profit (EBIT)	135.5	0	135.5
Net financial costs	(24.4)	(0.1)	(24.5)
Profit before tax (EBT)	111.1	(0.1)	111.0
Income taxes	(14.8)	0	(14.8)
Profit for the year	96.3	(0.1)	96.2
Profit attributable to non-controlling interests	0.5	0	0.5
Profit attributable to the owners of the parent	95.8	(0.1)	95.7

ALERION GROUP - Reclassified Income Statement

	Reported		Adjusted
(Values in Millions of Euro)	2023	Special items	2023
Operating revenue	163.9	0	163.9
Other revenue and income	37.8	(13.9)	23.9
Total Revenues and Income	201.7	(13.9)	187.8
Personnel expenses	(10.2)	0	(10.2)
Other operating costs	(42.2)	0	(42.2)
Accruals to provisions for risks	(0.1)	0	(0.1)
Operating costs	(52.5)	0	(52.5)
Share of profits of investments accounted for using the equity method	3.0	0	3.0
Gross Operating Profit (EBITDA)	152.2	(13.9)	138.3
Amortisation, depreciation and impairment losses	(76.4)	25.1	(51.3)
Operating profit (EBIT)	75.8	11.2	87
Net financial costs	6.7	(22.8)	(16.1)
Profit before tax (EBT)	82.5	(11.6)	70.9
Income taxes	(14.5)	(6.9)	(21.4)
Profit for the year	68	(18.5)	49.5
Profit attributable to non-controlling interests	1.2	0	1.2
Profit attributable to the owners of the parent	66.8	(18.5)	48.3

CORPORATE EVENTS

Please refer to what is described in the section "Significant events during the financial year".

RELATED PARTY AND INTRA-GROUP TRANSACTIONS

The information on related party transactions required by Consob Communication No. DEM/6064293 of 28 July 2006 is presented in the relevant sections of this report.

In compliance with the Consob communications of 20 February 1997, 27 February 1998, 31 December 1998, 31 December 2002 and 27 July 2006, as well as the subsequent Related Party Transaction Regulation No. 17221 of 12 March 2010 and subsequent amendments, it is hereby specified that there are no related party transactions of an atypical or unusual nature, unrelated to normal business operations or such as to prejudice the Group's economic and financial situation.

Terms and conditions of intra-group transactions

As a holding company, Alerion Clean Power S.p.A. performs the role of coordinating administrative, managerial and commercial activities and optimising financial resources for the Group's companies. As part of these activities, services are exchanged with subsidiaries and affiliated companies. These relationships, with regard to subsidiaries, are eliminated in the consolidated financial statements. There are also financial relations between the companies of the Group. Relations with subsidiaries and investee companies are at arm's length, taking into account the nature of the services provided. Significant transactions with subsidiaries or investees that have an impact on the Group's consolidated financial statements include the subsidiaries' participation in the national tax consolidation scheme.

The Parent Company acts as the consolidating company. The option allows participating group companies to offset their respective tax results with a clear benefit not only for the companies, but also for the group as a whole.

The companies adhering to the national tax consolidation scheme have signed an agreement in order to regulate and specify the mutual fulfilments, obligations and responsibilities from adhering to this scheme. In particular, specific provisions are aimed at ensuring that participation in the national consolidation does not result in economic and financial disadvantages for the consolidated companies compared to the situation that those companies would have been in if they had not participated in that regime, or if, having met the requirements, they had exercised the option for group taxation with their subsidiaries.

SIGNIFICANT EVENTS OCCURRING AFTER THE CLOSE OF THE FINANCIAL YEAR AND BUSINESS OUTLOOK

Significant events occurring after the close of the financial year

Early repayment of the bond loan "Alerion Clean Power S.p.A. €200,000,000.00 Senior Unsecured Fixed Rate Notes due 2025"

On 30 January 2025 Alerion provided for the early repayment of the bond loan known as "Alerion Clean Power S.p.A. €200,000,000.00 Senior Unsecured Fixed Rate Notes due 2025" (ISIN: XS2083187059), for the residual amount of EUR 182.5 million. On 20 December 2024, an early repayment option had been exercised for the current notional amount, reduced by EUR 17.5 million as a result of a purchase made by the Group on 19 December 2024. Early repayment was made following completion of the issuance and settlement of the bond known as "Alerion Clean Power S.p.A. Senior Unsecured Fixed Rate Notes due 2030" (ISIN XS2932806065) with a total nominal amount of EUR 250,000,000.00, completed on 11 December 2024.

Early repayment of the project financing of Anemos wind S.r.l.

On 28 February 2025 Alerion provided for the early repayment of the project financing of Anemos Wind S.r.l. in the amount of EUR 7,979 thousand as at 31 December 2024.

Business Outlook

The transaction with Alperia was a fundamental step of the equity recycling strategy defined in the 2024-2028 Business Plan, allowing the Group to obtain as early as 2024 part of the economic-financial benefits expected for the year in progress and confirming the effectiveness of its strategy.

However, both international and domestic markets are undergoing significant changes, becoming increasingly complex and challenging. Several factors have recently contributed to a worsening of the baseline scenario, hindering the construction of new production facilities. One of the main obstacles to growth is bureaucratic and permit complexity, both in Italy and across Europe. Lengthy and uncertain approval processes for new plant construction cause delays in project implementation and slow down renewable capacity development. This is a real challenge for companies in the sector, which often have to deal with fragmented procedures and strict regulatory constraints.

Despite these issues, Alerion is always striving to maintain a leading role in the energy transition, focusing on optimizing its operational strategies.

During 2025, the investment programme for the construction of new wind and photovoltaic plants will continue, particularly in Romania and Italy. The development of new renewable capacity will also continue, in order to increase the pipeline of projects in the Group's various geographical areas of interest, not only in Italy and Romania, but also in Spain and the UK. It should also be noted that the Group does not foresee

any negative impact on the operational management of its business resulting from the current conflict in Ukraine and the Middle Eastern crisis.

OTHER INFORMATION

Corporate Governance

The Alerion Group adheres to and conforms to the Corporate Governance Code approved in January 2020 by the Corporate Governance Committee and promoted by Borsa Italiana S.p.A., with the additions and adjustments consequent to the Group's characteristics.

The "Report on Corporate Governance and Ownership" contains a general description of the corporate governance system adopted by the Group and provides information on the ownership structure and compliance with the Corporate Governance Code, including the main governance practices applied and the characteristics of the risk management and internal control system in relation to the financial reporting process. The above-mentioned Report is available at www.alerion.it.

Dividends distribution

It should be noted that Alerion's Shareholders' Meeting, held on 22 April 2024, approved the proposal to distribute a dividend to be paid starting from 8 May 2024 with detachment date on 6 May 2024 of coupon no. 13, through the partial use of reserves, of EUR 0.61 per outstanding ordinary share (net of treasury shares), gross or net of withholding taxes, depending on the applicable tax regime. The payment of the dividend, in the total amount of EUR 32.7 million, took place on the terms and in the manner decided by the Shareholders' Meeting.

Management and coordination activities

As of 7 May 2021, Fri-El Green Power S.p.A. will no longer exercise management and coordination activities pursuant to Article 2497 et seq. of the Italian Civil Code, and will therefore continue to exercise its prerogatives as controlling shareholder of the Company.

Information requirements relating to Law 124/2017 of 4 August 2017

Article 1, par. 125 of Law No. 124 of 4 August 2017 introduced the obligation for companies receiving financial contributions from public administrations to publish the amounts of contributions received during the financial year in the notes to the financial statements and in any consolidated financial statements. Awaiting a more general interpretation of the rule in question and given the significance of the potential consequences of non-compliance with the aforementioned publication obligation, the Group has decided to also indicate in these financial statements the economic contributions received from public administrations that are available to all companies and that fall within the general structure of the reference system defined by the State such as the "Feed-In Tariff" and "Energy Account". The reference amounts shown in the tables below are also included in the financial statements of the Group companies concerned.

Summary of incentives collected in 2024 pertaining to the Group	Feed-In Tariff	Energy account
<i>(Values in thousands of euros)</i>		
Gross incentives received	11,941	19
Disbursing entity: Gestore Servizi Energetici (GSE)		

Consolidated non-financial statement

It should be noted that the Company is exempt from the obligations arising from Legislative Decree No. 254 of 30 December 2016, which implemented in our legal system Directive 2014/95/EU on non-financial and diversity information, since, at individual and consolidated level, the average number of employees is under 500, therefore not falling by size among the listed public interest companies, banks and insurance companies subject to the obligation to prepare and publish a statement, of an individual or consolidated nature, containing a series of information relating to environmental, social, personnel-related topics, respect for human rights, and the fight against active and passive corruption. During the financial year, the company started preparatory activities to prepare the Sustainability Report, the obligation of which will start on 1 January 2025 pursuant to the CSRD - 2022/2464 (Corporate Sustainability Reporting Directive).

Treasury shares and parent company shares

As of 31 December 2024 the Company held 691,480 treasury shares. This represents an increase compared to the end of 2023 and corresponds to 1.2751% of the share capital. In the context of the authorisation to purchase resolved by the Shareholders' Meeting on 22 April 2024, as of 13 March 2025 no further treasury shares had been purchased.

More information on the treasury shares held by the company as at 31 December 2024 and on the change from 31 December 2023 is provided in section 17 "EQUITY" of the Notes to the Financial Statements.

Investments held by directors, statutory auditors, general managers and executives with strategic responsibilities

Following Consob Resolution No. 18079 of 20 January 2012, which repealed Appendix 3C, information on the shareholdings held by the management and control bodies, general managers and executives with strategic responsibilities is contained in the Report on Remuneration, pursuant to Article 123 ter T.U.F. (Consolidated Law on Finance).

Exercise of the option to waive disclosure requirements in connection with significant extraordinary transactions

It should be noted that on 30 January 2013, the Board of Directors of Alerion Clean Power S.p.A. resolved to avail itself of the right to waive the obligations to publish prescribed disclosure documents in connection with significant mergers, demergers, capital increases through the contribution of assets in kind, acquisitions and disposals.

Environment, health and safety

The Alerion Group is active in the development, construction and management of plants for the production of electricity from renewable sources, thus contributing directly to the reduction of polluting emissions and to the promotion of a sustainable development system in local areas.

Alerion's commitment to the enhancement of environmental resources is part of an integrated system to assess and manage the impacts of its production activities on the environment.

The Italian companies of Alerion have been UNI EN ISO 45001:2023 certified for the following activities: *Electricity production from wind and solar power. Operation and maintenance services through third party contractors of wind and solar power plants. Energy-related development services.*"

In addition, Alerion Clean Power SpA and the active Italian SPVs have been ISO 14001:2015 certified for "Electricity production from wind and solar power". It should also be noted that in 2024 there was only one accident at work involving Alerion Group personnel. In addition, a commuting injury took place in 2024 which is still being investigated.

Information on personnel

The Group's employees as at 31 December 2024 were 204, a net increase of 35 compared to the end of the previous year, mainly attributable to the strengthening of the operating structure engaged by the Group in operating plants and developing new initiatives; a breakdown is provided below:

	As at 31.12.2023	Increases	Decreases	As at 31.12.2024	Average number of the period
Executives	4	0	0	4	4
Middle managers and Office workers	98	45	(17)	126	119
Blue-collar employees	67	25	(18)	74	73
Total employees	169	70	(35)	204	196

Information on the average age of staff and their training is given below:

	Average age		Graduates	
	As at 31.12.2023	As at 31.12.2024	As at 31.12.2023	As at 31.12.2024
Executives	51	52	4	4
Middle managers and Office workers	38	37	71	92
Blue-collar employees	34	34	0	0
Mean value	36.5	36.3	75	96

Secondary offices

Alerion Clean Power S.p.A. has its registered office in Milan, via Renato Fucini 4 and a branch office in Potenza, via del Gallitello 221.

- It should be noted that on 15 March 2022 an additional Local Unit of the subsidiary Alerion Servizi Tecnici e Sviluppo S.r.l. was opened in Bolzano at Via Museo 33.
- Please note that as of 1 August 2022 the company moved its registered office and offices to Via Renato Fucini 4 - 20133 Milan.

PROPOSED ALLOCATION OF THE PROFIT FOR THE YEAR

Dear Shareholders,

If you agree with what the Directors have set out, we invite you to adopt the following resolution:

- *having examined the draft financial statements as at 31 December 2024 of Alerion Clean Power S.p.A., which closed with a profit for the year of EUR 50,526,894;*
- *having examined the consolidated financial statements of Alerion Clean Power S.p.A. as of 31 December 2024, which closed with a profit for the year attributable to the Group of EUR 95,786 thousand;*

resolve:

1. *to approve the Directors' Report;*
2. *to approve the separate financial statements of Alerion Clean Power S.p.A. as of 31 December 2024, consisting of the statement of financial position, the income statement, the statement of comprehensive income, the statement of changes in equity, the statement of cash flows and the related notes, as well as the criteria followed in preparing them and the related annexes, as presented by the Board of Directors, in their entirety and in their individual entries;*
3. *to approve the allocation of Alerion Clean Power S.p.A.'s profit for the year ended 31 December 2024, amounting to EUR 50,526,894, of which EUR 48,000,549 to the Profit Reserve and EUR 2,526,345 to the Legal Reserve;*
4. *to approve the distribution of a dividend equal to Euro 0.61 gross per ordinary share (net of treasury shares), outstanding at the payment date, allocating part of the Profit Reserves for this purpose, with payment starting on 7 May 2025 (detachment date 5 May 2025 coupon no. 14).*

The Board of Directors

CONSOLIDATED FINANCIAL STATEMENTS

2024

CONSOLIDATED STATEMENT OF FINANCIAL POSITION

ASSETS

(values in Thousands of Euro)	Notes	31.12.2024	of which Related parties	31.12.2023	of which Related Parties
NON-CURRENT ASSETS:					
Intangible assets	4	266,102		265,019	
Property, plant and equipment	6	590,270		591,771	
Investments accounted for using the equity method	7	71,989		33,246	
Financial receivables and other non-current financial assets	19	40,498	38,701	14,994	12,868
Derivative financial instruments	24	2,663		3,812	
Other non-current assets	8	1,116		1,246	
Deferred tax assets	34	27,428		31,651	
TOTAL NON-CURRENT ASSETS		1,000,066		941,739	
CURRENT ASSETS:					
Inventories	9	17,416		10,561	
Trade receivables	10	22,574	7,647	22,575	2,532
Current tax assets	11	9,350	1,086	6,092	
Other current assets	12	55,404	2,715	33,087	5,791
Financial receivables and other current financial assets	20	70,685	500	68,218	230
Derivative financial instruments	24	751		9,439	
Cash and cash equivalents	21	515,871		343,162	
TOTAL CURRENT ASSETS		692,051		493,134	
TOTAL ASSETS		1,692,117		1,434,873	

CONSOLIDATED STATEMENT OF FINANCIAL POSITION

LIABILITIES AND EQUITY

(values in Thousands of Euro)	Notes	31.12.2024	of which Related Parties	31.12.2023	of which Related Parties
EQUITY ATTRIBUTABLE TO THE OWNERS OF THE PARENT	17	366,720		320,840	
EQUITY ATTRIBUTABLE TO NON-CONTROLLING INTERESTS	17	5,938		5,885	
NON-CURRENT LIABILITIES:					
Non-current financial liabilities	22	873,061	22,814	844,191	17,412
Derivative financial instruments	24	323		352	
Post-employment benefits and other employee benefits	25	1,565		1,390	
Deferred tax liabilities	34	46,977		50,909	
Provisions for future risks and charges	26	10,328		13,839	
Other non-current liabilities	13	20,268		15,849	1,440
TOTAL NON-CURRENT LIABILITIES		952,522		926,530	
CURRENT LIABILITIES:					
Current financial liabilities	23	240,996	255	35,006	213
Derivative financial instruments	24	6,759		0	
Trade payables	14	65,269	1,368	95,689	248
Current tax liabilities	15	40,745	7,737	34,446	0
Other current liabilities	16	13,168	87	16,477	4,101
TOTAL CURRENT LIABILITIES		366,937		181,618	
TOTAL LIABILITIES		1,319,459		1,108,148	
TOTAL EQUITY AND LIABILITIES		1,692,117		1,434,873	

CONSOLIDATED INCOME STATEMENT

(values in Thousands of Euro)	Notes	2024	of which Related parties	2023	of which Related parties
Electricity sales		129,406	35,001	159,615	
Income from feed-in tariff		17,208		4,306	
Other operating revenue		76,860		0	
Operating revenue	28	223,474		163,921	
Other revenues and income	29	20,164	6,671	37,784	6,043
Total Revenues		243,638		201,705	
Operating costs					
Personnel expenses		12,954		10,248	
Other operating costs		44,314	3,161	42,151	2,431
Accruals to provisions for risks		60		145	
Total operating costs	30	57,328		52,544	
Share of profits of investments accounted for using the equity method	41	2,087		3,045	
Amortisation and depreciation		53,252		51,382	
Impairment losses/reversals of impairment losses		(346)		25,052	
Total amortisation, depreciation and impairment losses	31	52,906		76,434	
OPERATING PROFIT		135,491		75,772	
Financial income		15,947		11,770	
Financial costs		(40,854)		(28,749)	
Net financial costs	32	(24,907)	(1,199)	(16,979)	(513)
Net gains on equity investments and other financial assets	33	547	493	23,686	208
PROFIT (LOSS) BEFORE TAX		111,131		82,479	
Current		(9,572)		(24,070)	
Deferred		(5,263)		9,589	
Income taxes	34	(14,835)		(14,481)	
PROFIT FOR THE YEAR		96,296		67,998	
Attributable to:					
Owners of the parent	35	95,786		66,820	
Non-controlling interests		510		1,178	
EARNINGS PER SHARE (€ per share)					
Basic, considering the profit for the period attributable to the owners of the parent		1.79		1.24	
EARNINGS PER SHARE FROM CONTINUING OPERATIONS					
Basic, considering the profit from continuing operations attributable to the owners of the parent		1.79		1.24	

CONSOLIDATED COMPREHENSIVE INCOME STATEMENT

(values in Thousands of Euro)	2024	2023
PROFIT FOR THE YEAR (A)	96,296	67,998
Net gains (losses) from cash flow hedges	(16,806)	(7,154)
Related tax	4,584	1,771
Net gains (losses) from cash flow hedges related to investments accounted for using the equity method	153	(163)
Related tax	(37)	39
Net gains (losses) from fair value measurement of financial assets measured at fair value through other comprehensive income	(2,069)	4,137
Related tax	577	(1,154)
Total Other comprehensive income that could be reclassified to profit or loss, net of tax effect (b1)	(13,598)	(2,524)
Net actuarial gains (losses) on defined benefit plans (IAS 19)	(8)	(3)
Related tax	2	1
Total other comprehensive income not subsequently reclassified to profit or loss, net of tax effect (b2)	(6)	(2)
Total other comprehensive income net of tax effect (b1) + (b2) = (B)	(13,604)	(2,526)
COMPREHENSIVE INCOME (A) + (B)	82,692	65,472
Attributable to owners of the parent	82,182	64,294
Attributable to non-controlling interests	510	1,178
COMPREHENSIVE INCOME	82,692	65,472

CONSOLIDATED CASH FLOW STATEMENT

(values in Thousands of Euro)	Notes	2024	of which Related parties	2023	of which Related parties
A. Cash flows from operating activities					
Profit (loss) for the period attributable to:					
Owners of the parent		95,786		66,820	
Non-controlling interests		510		1,178	
Adjustments for:					
Amortisation, depreciation and impairment losses	31	52,906		76,434	
Financial (income)/expense and (gains)/losses on equity investments	32 33	24,360		(6,707)	
Current taxes for the period	34	9,572		24,070	
Share of profits of investments accounted for using the equity method		(2,087)		(3,045)	
Proceeds from the disposal of investments in subsidiaries and associates		(76,860)		(14,744)	
Share-based payments		699		572	
Increase (decrease) in post-employment benefits	25	167		207	
Increase (decrease) in provision for risks and charges	26	(3,615)		(42,954)	
Increase (decrease) in deferred tax liabilities	34	5,615		(9,289)	
Total cash flows from current operations		107,053		92,542	
(Increase) decrease in inventories	9	(6,855)		(2,786)	
(Increase) decrease in trade receivables and other assets	10 11 12	(15,372)	(1,541)	424	(2,856)
Increase (decrease) in trade payables and other liabilities	14 15 16	(21,350)	3,403	(53,335)	2,844
Income tax paid	34	(4,486)		49,362	
Total cash flows from changes in working capital		(48,063)		(6,335)	
Total cash flows from operating activities		58,990		86,207	
B. Cash flows from investing activities					
Cash acquired through business combinations		0		13,268	
Consideration transferred in business combinations		0		(44,296)	
Consideration transferred to acquire investments in subsidiaries		(5,617)		0	
Consideration received on the sale of investments in subsidiaries and associates		35,153		26,483	
(Investments) disposals of intangible assets	4	(15,435)		(25,973)	
(Investments) disposals of property, plant and equipment	6	(84,315)		(57,081)	
Change in payables related to investing		(7,268)		(9,207)	
Dividends received from investments accounted for using the equity method	7	7,382		3,201	
Total cash flows used in investing activities		(70,100)		(93,605)	
C. Cash flows from financing activities					
Net change in financial liabilities/assets	19 20 22 23	(14,745)		15,157	
Net Change in Liabilities for Lease	22 23	(1,980)		814	
Net change in derivative instruments	24	0		(8,377)	
Decrease in bank loans and borrowings	22 23	(33,566)		(27,245)	
Increase in bank loans and borrowings	22 23	70,128		32,900	
Increase (decrease) in bonds issued	22 23	229,615		168,243	
Purchase of Treasury Shares	17	(4,287)		(7,788)	
Dividends paid	17	(33,277)		(36,149)	
Financial expense paid	32	(28,069)		(13,604)	
Total cash flows generated by (used in) financing activities		183,819		123,951	
D. Cash flows for the period (A+B+C)		172,709		116,553	
E. Cash and cash equivalents at the beginning of the period	21	343,162		226,609	
F. Cash and cash equivalents at the end of the period (D+E)	21	515,871		343,162	

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

12-month period ending 31 December 2024

	Share capital	Treasury share reserve	Share premium	Retained earnings reserves	Hedging reserve	Equity attributable to the owners of the parent	Non-controlling interests	Total equity
Balance at 01 January 2024	161,137	(12,582)	21,400	141,249	9,636	320,840	5,885	326,725
Profit for the year	0	0	0	95,786	0	95,786	510	96,296
Other comprehensive income (loss)	0	0	0	(1,498)	(12,222)	(13,720)	0	(13,720)
Other comprehensive income (loss) from investments accounted for using the equity method	0	0	0	0	116	116	0	116
Comprehensive income	0	0	0	94,288	(12,106)	82,182	510	82,692
Dividends approved and/or distributed	0	0	0	(32,658)	0	(32,658)	(457)	(33,115)
Purchase of treasury shares	0	(4,287)	0	0	0	(4,287)	0	(4,287)
Allocation of treasury shares	0	267	0	(267)	0	0	0	0
Share-based incentive plan reserve	0	0	0	699	0	699	0	699
Other changes	0	0	0	(56)	0	(56)	0	(56)
Balance at December 31, 2024	161,137	(16,602)	21,400	203,255	(2,470)	366,720	5,938	372,658

For information on the individual items, see Note 17 'EQUITY'.

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

12-month period ending 31 December 2023

	Share capital	Treasury share reserve	Share premium	Retained earnings reserves	Hedging reserve	Equity attributable to the owners of the parent	Non-controlling interests	Total equity
Balance at January 01, 2023	161,137	(5,316)	21,400	106,422	15,143	298,786	6,212	304,998
Profit for the year	0	0	0	66,820	0	66,820	1,178	67,998
Other comprehensive income (loss)	0	0	0	2,981	(5,383)	(2,402)	0	(2,402)
Other comprehensive income (loss) from investments accounted for using the equity method	0	0	0	0	(124)	(124)	0	(124)
Comprehensive income	0	0	0	69,801	(5,507)	64,294	1,178	65,472
Dividends approved and/or distributed	0	0	0	(35,039)	0	(35,039)	(1,498)	(36,537)
Purchase of treasury shares	0	(7,788)	0	0	0	(7,788)	0	(7,788)
Allocation of treasury shares	0	522	0	(552)	0	(30)	0	(30)
Share-based incentive plan reserve	0	0	0	602	0	602	0	602
Other changes	0	0	0	15	0	15	(7)	8
Balance at December 31, 2023	161,137	(12,582)	21,400	141,249	9,636	320,840	5,885	326,725

BASIS OF PREPARATION AND NOTES

1. CORPORATE INFORMATION

The parent company Alerion Clean Power S.p.A. (hereinafter "Parent" or "Alerion") is a legal entity organised under the laws of the Italian Republic. The ordinary shares of Alerion are listed on the electronic circuit of the Milan Stock Exchange - EURONEXT MILAN. The registered office of the Alerion Group (hereinafter referred to as "Group" or "Alerion Group") is in Milan, at Via Renato Fucini 4.

The Group operates in the field of electricity production from renewable sources, particularly in the wind power sector.

The publication of Alerion's consolidated financial statements for the year ending 31 December 2024 was authorised by resolution of the directors on 13 March 2025.

2. BASIS OF PREPARATION

The Alerion Group's consolidated financial statements for the year ended 31 December 2024 comprise the Consolidated Statement of Financial Position, the Consolidated Income Statement, the Consolidated Statement of Comprehensive Income, the Consolidated Statement of Cash Flows, the Consolidated Statement of Changes in Equity and the related notes. These consolidated financial statements have been prepared in accordance with the IFRSs issued by the International Accounting Standards Board and endorsed by the European Union on the basis of the text published in the Official Journal of the European Communities (OJEU) and in force as of 31 December 2011, as well as on the basis of the measures issued in implementation of Article 9 of Legislative Decree No. 38/2005. These IFRSs also include all revised International Accounting Standards (referred to as 'IAS') and all interpretations of the International Financial Reporting Interpretation Committee ('IFRIC'), previously referred to as the Standing Interpretations Committee ('SIC').

The consolidated financial statements have been prepared in accordance with the historical cost principle, except for investment properties and derivative instruments, which are recorded at *fair value*. In addition, it should be noted that business combinations undertaken during the period were accounted for at fair value at the date of acquisition.

The consolidated financial statements are prepared on a going concern basis. In fact, the Group has assessed that, despite the context of general uncertainty and volatility in the financial markets due to the Middle Eastern crisis and the conflict between Ukraine and Russia, there are no significant uncertainties (as defined by para. 24 of IAS 1) on the Group's ability to continue as a going concern, as the Group's operations have not been affected by such phenomena, and as the production of electricity is a public utility activity, for this reason not subject to a reduction in operations.

The financial statements have been prepared as follows:

- the consolidated statement of financial position shows current and non-current assets and current and non-current liabilities separately.
- in the Income Statement, costs are analysed according to their nature, as the Group considered this to be more representative than the presentation of costs by function.
- the statement of cash flows has been drafted in accordance with the indirect method.

It should be noted that in reference to the requirements of Consob Resolution No. 15519 of 27 July 2006 concerning the financial statements, specific supplementary schedules have been included to highlight significant transactions with Related Parties.

Unless otherwise indicated, the values shown in the financial statements and in the notes are expressed in thousands of euro.

The accounting policies adopted in the preparation of the Consolidated Financial Report for the year ended 31 December 2024 are consistent with those used in the preparation of the Group's annual financial statements for the year ended 31 December 2023 with the exception of the accounting standards, amendments and interpretations that have been applied

for the first time by the Group as of 1 January 2024, which are described in Note 2.5. "AMENDMENTS AND NEW PRINCIPLES AND INTERPRETATIONS".

2.1 FINANCIAL STATEMENT FORMATS ADOPTED

In compliance with the provisions of Consob Resolution No. 15519 of 27 July 2006, below are the indications on the format adopted with respect to IAS 1 for the consolidated statement of financial position, the consolidated income statement, the statement of changes in consolidated equity, as well as the method used to represent cash flows in the consolidated cash flow statement with respect to those indicated in IAS 7.

- In the consolidated income statement, it was decided to present an analysis of costs using a classification based on their nature.
- In the consolidated statement of financial position, it was decided to represent current and non-current assets, and current and non-current liabilities, as separate classifications, in accordance with IAS 1.
- The Statement of Changes in Consolidated Equity for the Period is presented in a column format that reconciles the opening and closing balances of each item of consolidated equity.
- The Consolidated Cash Flow Statement represents cash flows by classifying them into operating, investing and financing activities. In particular, cash flows from operating activities are reported, as required by IAS 7, using the indirect method, whereby the profit or loss for the year is adjusted by the effects of transactions of a non-cash nature, any deferrals or accruals of past or future operating cash receipts or payments, and items of income or expense associated with cash flows from investing or financing activities.

Finally, it should be noted that, in compliance with the aforementioned resolution, in the consolidated statement of financial position, consolidated income statement and consolidated cash flow statement, the amounts of positions or transactions with related parties have been disclosed in specific sub-items, if of a significant amount.

2.2 CONSOLIDATION PRINCIPLES

The annual consolidated financial statements include the financial statements of Alerion and the companies over which it has the right to exercise control. The definition of control is not solely based on the concept of legal ownership. Control exists when the Group has the power, directly or indirectly, to govern the financial and operating policies of a company in order to obtain benefits. The financial statements of subsidiaries are included in the annual consolidated financial statements from the date on which control is assumed until such time as control ceases to exist. The portions of equity and results attributable to minority shareholders are shown separately in both the consolidated statement of financial position and the consolidated income statement.

Subsidiary companies are fully consolidated while those over which joint control is exercised with other shareholders are valued using the equity method; associated companies or those subject to significant influence are valued using the equity method.

Fully-consolidated, held-for-sale subsidiaries are classified in accordance with IFRS 5, and therefore once they are fully consolidated, the assets relating to them are classified in a single line, called "Discontinued operations"; the liabilities relating to them are recorded in a single line in the statement of financial position, in the liabilities section, and the related profit margin is reported in the consolidated income statement in the line "Profit for the year from discontinued operations".

The full consolidation method can be summarised as follows:

- assets, liabilities, expenses and revenues are taken for their full amount, eliminating the carrying value of the investments from the current value of the equity of the investee at the date of acquisition. The difference resulting from this elimination, for the part not attributable to specific statement of financial position items, if positive is recorded as goodwill under intangible assets, if negative is charged to the income statement;
- profits and losses arising from transactions between subsidiaries not yet realised vis-à-vis third parties, as well as credit and debit items, expenses and revenues between consolidated companies, if significant, are eliminated;

- dividends distributed by consolidated companies are eliminated from the Income Statement and added to the profits of previous years, insofar as they have been withdrawn from them;
- the portions of equity attributable to non-controlling interests and profit or (loss) attributable to non-controlling interests are shown separately under equity, separately from the equity attributable to the owners of the parent, and under a separate caption in the income statement, respectively.

For consolidation purposes, all income statements and statements of financial position used for consolidation purposes have been adjusted to adhere to the IAS/IFRS measurement and valuation criteria used by the subsidiaries.

EQUITY METHOD

Investments in joint ventures, associates and subsidiaries excluded from the scope of consolidation are valued using the equity method. In application of the equity method, equity investments are initially recognised at purchase cost, allocating, similarly to business combinations, the cost incurred on the assets/liabilities of the investee; the allocation, provisionally made at the date of initial recognition, may be adjusted, with retroactive effect, within the following twelve months to take into account new information on facts and circumstances existing at the date of initial recognition. Subsequently, the book value is adjusted to take into account: (i) the investor's share of the investee's profit or loss realised after the acquisition date, adjusted for the effects of amortisation and any impairment of the higher values attributed to the investee's assets; and (ii) the investor's share of the investee's other comprehensive income. Dividends distributed by the investee company are recognised as a reduction of the carrying value of the investment. For the application of the equity method, the adjustments provided for the consolidation process are considered.

Conversion of foreign currency items

Transactions in currencies other than the functional currency are accounted for on initial recognition at the spot exchange rate prevailing on the date of the transaction. Subsequently, monetary assets and liabilities denominated in currencies other than the functional currency are converted using the closing exchange rate (i.e., the spot exchange rate at year-end). Non-monetary assets and liabilities in foreign currencies, recorded at historical cost, are converted using the exchange rate prevailing at the date of initial recognition of the transaction. Non-monetary assets and liabilities in foreign currencies that are recognised at fair value are converted using the exchange rate at the date the fair value was determined. Any exchange differences arising are recognised in the Income Statement.

Conversion of foreign currency Financial Statements

In the consolidated financial statements, income, expenses, assets and liabilities are expressed in euros, which is the presentation currency of the parent company.

For the purpose of preparing the Consolidated Financial Statements, the financial statements of consolidated companies with a functional currency different from the presentation currency are converted into euros by applying to assets and liabilities, including goodwill and consolidation adjustments, the exchange rate in effect at the end of the financial year, and to income statement items, the average exchange rate for the year, provided that it approximates the exchange rates in effect at the date of the respective transactions.

The related exchange rate differences are recognised directly in equity and are shown separately in a special reserve thereof; this reserve is reversed proportionally to the income statement at the time of the (partial or total) sale of the equity investment.

In order to consider the impact of hyperinflation on the exchange rate of the local currency, the statement of financial position and results of operations (i.e. assets, liabilities, equity items, revenues and expenses) of a company whose functional currency is the currency of a hyperinflationary economy are converted into the Group's presentation currency (euro) using the exchange rate in effect at the end of the reporting period, except for comparative amounts presented in the prior year's financial statements that are not adjusted for subsequent changes in the price level or subsequent changes in exchange rates.

2.3 DISCRETIONARY VALUATIONS AND SIGNIFICANT ACCOUNTING ESTIMATES

The preparation of the Group's financial statements requires the directors to make discretionary judgements, estimates and assumptions that affect the values of revenues, expenses, assets and liabilities and the disclosure of contingent liabilities at year-end. Actual results may differ from these estimates. Estimates are used to detect:

Recoverable amount of non-current assets

Non-current assets include intangible assets with a finite life (mainly rights and concessions related to authorisations and management rights for wind farms) and property, plant and equipment (mainly plant and machinery in operation

or under construction related to wind farms in the portfolio). Management periodically reviews the carrying value of non-current assets held and used when facts and circumstances warrant such a review. This activity is performed using estimates of the useful life of non-current assets, expected cash flows and appropriate discount rates to calculate the economic value. Therefore, this review of the carrying value of non-current assets is based on a set of hypothetical assumptions regarding future events and actions of the governing bodies that may not necessarily occur in the expected timeframe.

Deferred tax assets

Deferred tax assets are recognised for all temporary differences and tax loss carryforwards, to the extent that it is probable that there will be adequate future taxable profits against which such losses can be utilised. Significant discretion is required of the directors in determining the amount of deferred tax assets that may be recognised. They must estimate the likely timing and amount of future taxable profits as well as a planning strategy for future taxes. For further details, see the comments in footnote 34.

Employee benefits - Post-employment benefits

The provision for post-employment benefits is determined using actuarial valuations. Actuarial valuation requires making assumptions about discount rates, future salary increases, turnover and mortality rates. Due to the long-term nature of these plans, these estimates are subject to a significant degree of uncertainty. The net liability to employees for post-employment benefits as at 31 December 2024 was EUR 1,565 thousand (EUR 1,390 thousand as at 31 December 2023). For further details, see the comments in footnote 25.

Amortisation and depreciation

It should be noted that on 31 December 2019, the Alerion Group changed the criteria for estimating the useful life of wind turbines, changing the related depreciation rate from 5% to 4%, effective 1 January 2019. The valuation of the change in the valuation criterion was made in light of the experience gained in the years of operation of the Group's plants, the current prospects of technical and functional obsolescence of the wind farms, and the forecasts of their profitability capacity.

This assessment was supported by the results of a technical and valuation study prepared by a leading Advisory Firm in the Energy, Real Estate & Infrastructure sectors, which prepared its analysis by verifying the current state of use of all the Group's plants following the maintenance work carried out.

Rights of use and lease liabilities

The determination of usage rights and lease liabilities under IFRS 16 introduces certain judgments involving the definition of certain accounting policies and the use of assumptions and estimates mainly in relation to the definition of the lease term and the definition of the incremental borrowing rate.

Other estimation processes

Estimates are also used to record provisions for bad debts, accruals to provisions for risks and charges, and write-downs of assets, fair value of derivative financial instruments, and valuation of intangible assets in business combinations accounted for under IFRS 3.

Estimates and assumptions are reviewed periodically and the effects of any changes are reflected immediately in the income statement.

2.4 SUMMARY OF THE MAIN ACCOUNTING POLICIES

This section summarises the most significant valuation criteria adopted by the Alerion Group.

CONSOLIDATED STATEMENT OF FINANCIAL POSITION

Goodwill

Goodwill and non-current assets with an indefinite useful life are not subject to amortisation, but to periodic checks on their recoverability based on the expected cash flows of the Cash Generating Unit (CGU) to which the asset relates. These tests, expressly codified by international accounting standards and called "impairment tests", also take into account the riskiness of the investment. If the discounted expected cash flows do not permit recovery of the initial investment, the recognised asset is written down accordingly.

Business combinations

As of 1 January 2010

Business combinations are accounted for using the acquisition method. The cost of an acquisition is determined as the sum of the consideration transferred, measured at fair value at the acquisition date, and the amount of any non-controlling interest in the acquiree. For each business combination, the acquirer shall measure any non-controlling interest in the acquiree either at fair value or in proportion to the non-controlling interest's share of the acquiree's identifiable net assets. Acquisition costs are expensed and classified under administrative expenses.

When the Group acquires a business, it classifies or designates the financial assets acquired or liabilities assumed in accordance with the contractual terms, economic terms and other relevant conditions in place at the date of acquisition. This includes testing whether an embedded derivative should be separated from the host contract. If the business combination is achieved in stages, the acquirer shall recalculate the fair value of the previously held equity interest measured using the equity method and recognise any resulting gain or loss in profit or loss.

Any contingent consideration must be recognised by the acquirer at fair value at the acquisition date. The change in fair value of contingent consideration classified as an asset or liability will be recognised in accordance with IFRS 9, either in profit or in other comprehensive income. If contingent consideration is classified as equity, its value need not be recalculated until its settlement is recognised against equity.

Goodwill is initially measured at cost, which emerges as the excess of the sum of the consideration paid and the amount recognised for minority interests over the identifiable net assets acquired and liabilities assumed by the Group. If the consideration is less than the fair value of the net assets of the acquired subsidiary, the difference is recognised in profit or loss.

After initial recognition, goodwill is measured at cost minus the accumulated impairment losses. For the purpose of impairment testing, goodwill acquired in a business combination must, from the acquisition date, be allocated to each cash-generating unit of the Group that is expected to benefit from the combination, regardless of whether other assets or liabilities of the acquired entity are assigned to those units.

If goodwill has been allocated to a cash-generating unit and the entity disposes of part of the assets of that unit, the goodwill associated with the disposed asset is included in the carrying amount of the asset when determining the gain or loss on disposal. The goodwill associated with the discontinued operation is determined on the basis of the relative values of the discontinued operation and the retained portion of the cash-generating unit.

Before 1 January 2010

Business Combinations were accounted for by applying the "purchase method". Transaction costs directly attributable to the combination were considered as part of the acquisition cost. Minority interests were measured by their share of the acquiree's identifiable net assets.

Business combinations realised in several stages were accounted for at separate times. Any new acquisition of shares had no effect on the previously recognised goodwill.

When the Group acquired a business, the embedded derivatives separated from the host contract by the acquiree were not restated at the date of acquisition unless the business combination resulted in a change in the terms of the contract that materially altered the cash flows that would otherwise be provided under the contract.

Contingent consideration was recognised if, and only if, the Group had a present obligation, and the cash outflow was probable and the estimate reliably determinable. Changes after contingent consideration were accounted for as part of goodwill.

Intangible assets with a finite life

In accordance with the provisions of IAS 38, intangible assets include costs, including incidental expenses, incurred for the acquisition of assets and resources, without physical substance, to be used in the production of goods or the provision of services, to be leased to third parties, or to be used for administrative purposes, provided that the cost can be reliably measured and the asset is clearly identifiable and controlled by the company that owns it. Goodwill, when acquired for consideration, is also recorded.

Separately acquired intangible assets are recognised at historical cost, and expenses incurred subsequent to initial acquisition are added to the cost of intangible assets to the extent that these expenses are capable of generating future economic benefits. Intangible assets acquired through business combinations are capitalised at fair value at the date of acquisition.

Non-current assets with a finite useful life are systematically depreciated on a straight-line basis over each period to take into account their remaining useful life. The book value is reviewed annually, or more frequently if necessary, for the purpose of carrying out an impairment analysis or, more frequently, whenever there is an indication that the asset may be impaired.

When they are incurred, research costs are charged to the consolidated income statement. Development costs incurred in connection with a given project are capitalised provided that the cost can be reliably determined and when their future recovery is deemed reasonably certain. After the initial recognition of development costs, they are measured at cost, which may be decreased by depreciation or impairment. Capitalised development costs are amortised on the basis of their future usefulness over the period in which the expected future revenues will arise from the same project.

The book value of development costs is reviewed annually, or more frequently if necessary, for the purpose of carrying out an impairment analysis or, more frequently, whenever there is an indication that the asset may be impaired.

Depreciation is calculated on a straight-line basis over the estimated useful life of the assets, as follows:

Amortisation rates for intangible assets	<i>Rates</i>	
Rights and concessions	from 3%	to 4%
Development costs	from 4%	to 5%
Patents and intellectual property rights	from 10%	to 20%
Other intangible assets		20%

Property, plant and equipment

Property, plant and equipment are shown in the Financial Statements at historical cost and are systematically depreciated in relation to their residual possibility of utilisation, with the exception of land and assets held for sale, which are not depreciated but written down if their fair value is lower than their cost in the Financial Statements.

The depreciation process takes place on a straight-line basis at rates deemed representative of the estimated useful life; for assets acquired during the year, rates are applied pro-rata temporis, taking into account the actual use of the asset during the year.

It should be noted that, as of 31 December 2019, the Alerion Group changed the criteria for estimating depreciation related to wind turbines from 20 years to 25 years, effective 1 January 2019.

Costs incurred for improvements are only charged as an increase to the assets concerned when they produce actual increases in their value.

Ordinary maintenance costs are charged to the Income Statement in the year in which they are incurred, while extraordinary maintenance costs, if they result in a significant increase in productivity or useful life, are added to the value of the assets to which they relate and are depreciated over the remaining useful life of the asset.

Financial interests related to project financing or other financing closely related to property, plant and equipment under construction were also capitalised.

The accounting treatment of assets acquired under finance leases, with regard to their equity, financial and economic effects, is in line with IFRS 16. The aforementioned principle requires that these assets be recorded under owned assets at cost and be depreciated using the same criteria as other property, plant and equipment.

The principal portion of the unpaid instalments is entered as a liability in the Financial Statements, while the financial costs relating to the accrued instalments are included in financial costs in the income statement. The accounting treatment of assets acquired under lease agreements, with regard to their equity, financial and economic effects, is in line with IFRS 16.

Depreciation of property, plant and equipment is calculated on a straight-line basis over the estimated useful life of the assets, as follows:

Depreciation rates for property, plant and equipment	<i>Rates</i>
Land / buildings	from 1% to 3%
Plant and machinery	from 2% to 20%
Other assets	from 12% to 25%

Rights of use are amortised according to the lease term of the contract, which is equal to the "non-cancellable" period together with the effects of any extension or early termination clauses, the exercise of which has been deemed reasonably certain, or according to the useful life of the asset if shorter. In accordance with IFRS 16:32, if the transfer of the leased asset is contractually agreed and the exercise of this option is deemed reasonably certain, the right of use is depreciated over the useful life of the leased asset.

Land is not depreciated.

The cost includes the costs of dismantling and removing the asset and the costs of cleaning up the site on which the tangible fixed asset is located, if they meet the requirements of IAS 37.

Investments accounted for using the equity method

Investments in joint ventures and associates are accounted for using the equity method.

Under the equity method, an investment in a jointly controlled company or an associate is recognised in the consolidated statement of financial position at cost plus post-acquisition changes in the group's share of the investee's net assets. Any goodwill pertaining to the investee company is included in the carrying amount of the investment and is not subject to amortisation.

The portions of the result resulting from the application of this consolidation method are recorded in the income statement under the heading "Share of profits of investments accounted for using the equity method".

Other investments

These are other financial assets and are valued according to the criterion indicated in the corresponding section below on financial instruments.

Impairment of assets (impairment test)

IAS 36 requires the assessment of the existence of impairment of tangible and intangible assets in the presence of indicators that this may exist. In the case of goodwill and other intangible assets with an indefinite life or assets not yet available for use, this assessment must be performed at least annually.

The recoverability of recorded values is verified by comparing the book value recorded in the Financial Statements with the higher of the net sales price, if an active market exists, and the value in use of the asset.

The value of use is defined on the basis of the discounting of the expected cash flows from the use of the asset, or from an aggregation of assets (cash generating units) as well as the value that is expected from disposal at the end of useful life. The cash-generating units have been identified consistently with the Group's organisational and business structure, as homogeneous aggregations that generate independent cash inflows from the continuous use of the assets attributable to them.

Impairment losses incurred by continuing operations are recognised in the income statement in the cost categories consistent with the function of the asset that resulted in the impairment loss. At each year-end, the Group also assesses whether there are any indicators of a decrease in previously recognised impairment losses and, if such indicators exist, makes a new estimate of recoverable amount. The value of an asset previously written down may only be reinstated if there have been changes in the estimates used to determine the asset's recoverable amount since the last impairment was recognised. In this case, the carrying amount of the asset is increased to the recoverable amount, but the value thus increased may not exceed the carrying amount that would have been determined, net of depreciation, had no impairment loss been recognised in prior years. Any reversal is recognised as income in the income statement; after a reversal of an impairment loss is recognised, the depreciation charge for the asset is adjusted in future periods to allocate the adjusted carrying amount, net of any residual value, on a straight-line basis over its remaining useful life.

Financial instruments

The Group has adopted IFRS 9 "Financial Instruments". IFRS 9 requires the classification and measurement of financial assets based on the business model by which these assets are managed, taking into account the characteristics of their cash flows. In this regard, the Group classifies financial assets on the basis of how the Group manages them in order to achieve its objectives and the contractual cash flow characteristics of these financial assets. The following should be noted:

- the Group's financial assets that have been assigned business models whose objective is the holding of assets for the purpose of collecting contractual cash flows ("held-to-collect") have been measured at amortised cost;
- the Group's financial assets that have been assigned business models whose objective is pursued through both the collection of contractual cash flows and the sale of financial assets according to the holding and expected turnover of the financial assets ("held-to-collect and sell") have been classified as financial assets measured at fair value with an impact on the statement of comprehensive income;
- financial assets that have been assigned a different business model from the above ("other") have been classified as financial assets at fair value through profit or loss.

The categories under IAS 39, namely, held-to-maturity assets, loans and receivables, and available-for-sale assets, are eliminated.

As a result of the entry into force of the new standard, the Group analysed the financial assets existing as at 1 January 2018 in the new categories provided, based on the business model and contractual cash flow characteristics expected for these financial assets.

The analysis of the business model was conducted by mapping the financial assets on the basis of how the Group manages them in order to achieve its objectives.

For the purposes of classifying financial assets into the new categories under IFRS 9, the analysis of the business model was accompanied by an analysis of contractual flows (the "SPPI test"). In this regard, the Group assessed whether the characteristics of the contractual cash flows allow for measurement at amortised cost ("held-to-collect") or at fair value with impact on the statement of comprehensive income ("held-to-collect and sell").

All financial assets are initially recognised at cost, which corresponds to fair value increased by purchase-related expenses. The Group determines the classification of its financial assets after initial recognition and, where appropriate and permitted, revises this classification at the end of each financial year.

Impairment of financial assets

With reference to the "expected loss" impairment model required by IFRS 9 and the items in the financial statements, the Group applies the following methodological approach:

- The Expected Credit Loss ("ECL") is determined by multiplying the value of the exposure by the probability of default of the counterparty (relative to the corresponding time horizon) and by a fixed loss given default equal to 60%; it should be noted that the value of the exposure was set equal to the current recognised value and therefore no discount factors were applied (since, being calculated at the same rate, the rise factor would have been the same);
- The probability of default of the counterparty is calculated on the basis of the relevant CDS spread (for transactions with a time horizon of up to 6 months, however, the 6-month CDS spread was used) based on the following formula:

$$PD=1-e^{-spread \cdot 60\% \cdot durata}$$

- For items consisting of current accounts, which are not characterised by a predefined maturity, the time horizon of application of the ECL is defined as follows:
 - o "Free" current accounts: expected duration of one month (on the assumption that any problems with the counterparty would be intercepted within this time frame, with the consequent shifting of the related cash to other institutions);

o Current accounts related to Project Financing: identification of a "stable" component as project-linked (with application, in the absence of significant credit deterioration, of the ECL over a one-year horizon) versus a residual circulating component (with an associated horizon of three months).

Derivative instruments and hedge accounting

Derivative financial instruments are used solely for the purpose of hedging financial risks related to changes in interest rates on financing transactions entered into by the Group.

Consistent with IFRS 9, hedging derivatives may be accounted for in accordance with hedge accounting only when:

- at the beginning of the hedging, there is the formal designation and documentation of the hedging report itself;
- coverage is expected to be highly effective;
- effectiveness can be reliably measured;
- the cover itself is highly effective during the different accounting periods for which it is designated.

All derivative financial instruments are measured at fair value. When derivative instruments qualify under hedge accounting, the following accounting treatments apply:

Fair value hedge - if a derivative financial instrument is designated as a hedge of the exposure to changes in the current value of a recognised asset or liability that may affect profit or loss, the gain or loss from remeasuring the hedging instrument at current value is recognised in profit or loss, as is the gain or loss on the hedged item.

Cash flow hedge - where a derivative financial instrument is designated as a hedge of the exposure to variability in cash flows of a recognised asset or liability or a highly probable forecast transaction that could affect profit or loss, the effective portion of any gain or loss on the financial instrument is recognised in equity; the cumulative gain or loss is removed from equity and recognised in profit or loss in the same period in which the hedged transaction is recognised; the gain or loss associated with a hedge, or that portion of the hedge that has become ineffective, is recognised in profit or loss when the ineffectiveness is recognised.

If the conditions for hedge accounting are not met, the effects of the fair value measurement of the derivative financial instrument are recognised directly in the income statement.

Derecognition of financial assets and liabilities

Financial assets

A financial asset (or, where applicable, part of a financial asset or parts of a group of similar financial assets) is removed from the Financial Statements when:

- the rights to receive cash flows from the asset are extinguished;
- the Group retains the right to receive cash flows from the business, but has assumed a contractual obligation to pay them in full and without delay to a third party;
- the Group has transferred the right to receive cash flows from the asset and either (a) has transferred substantially all risks and rewards of ownership of the financial asset or (b) has neither transferred nor retained substantially all risks and rewards of the asset, but has transferred control of it.

In cases where the Group has transferred rights to receive cash flows from an asset and has neither transferred nor retained substantially all risks and rewards or has not lost control over it, the asset is recognised in the Group's financial statements to the extent of its continuing involvement in the asset. Continuing involvement that is in the form of a guarantee on the transferred asset is measured at the lower between the initial carrying amount of the asset and maximum value of the payments that the Group may be required to pay.

In cases where the residual involvement takes the form of an issued and/or purchased option on the transferred asset (including cash-settled or similar options), the extent of the Group's involvement corresponds to the amount of the transferred asset that the Group may repurchase; however, in the case of a written put option on an asset measured at fair value (including cash-settled or similar options), the extent of the Group's residual involvement is limited to the lower of the fair value of the transferred asset and the exercise price of the option.

Financial liabilities

A financial liability is removed from the Financial Statements when the obligation underlying the liability is extinguished, removed or fulfilled.

Where there has been an exchange between an existing borrower and lender of debt instruments with substantially different terms, or there has been a substantial modification of the terms of an existing financial liability, this transaction

is accounted for as an extinguishment of the original financial liability and the recognition of a new financial liability. A gain or loss from extinguishment of the original financial liability is recognised in profit or loss.

Trade receivables and other receivables

Trade receivables, which generally have maturities in the short term, are recognised at the nominal amount stated on the invoice, net of the allowance for doubtful accounts determined in accordance with the "expected loss" impairment model required by IFRS 9. This impairment model is supplemented by any additional write-downs recorded as a result of specific doubtful conditions on individual loan positions, at the time of their identification.

When, due to the payment terms granted, a financial transaction takes place, receivables are measured using the amortised cost method by discounting the nominal value to be received, and recognising the discount as financial income in the period of its maturity.

Receivables in foreign currencies are aligned with the year-end exchange rate, and gains or losses arising from the adjustment are recognised in the income statement under the item where the transaction was originally recognised.

Cash and cash equivalents

Cash and cash equivalents include cash on hand, bank and postal sight deposits and investments in securities made in the course of treasury management activities, which have a short-term maturity, are highly liquid and subject to an insignificant risk of changes in value. They are entered at nominal value.

Loans payable

All loans are initially recognised at the fair value of the consideration received net of incidental loan acquisition costs.

After initial recognition, loans are measured at amortised cost.

Any gain or loss is recognised in the income statement when the liability is extinguished, as well as through the amortisation process.

Public grants

Government grants are recognised in the financial statements when there is reasonable assurance that the company will comply with all the conditions for receiving the grants and that the grants will be received. When the grants are correlated to cost components, they are recognised as revenue, but are broken down systematically over the years in order to be commensurate to the costs they intend to offset. Where a grant is related to an asset, the asset and the grant are recognised for their nominal values and the release to the income statement occurs progressively, on a straight-line basis, over the expected useful life of the relevant asset.

Where the Group receives a non-monetary contribution, the asset and the contribution are recognised at their nominal value and released to the income statement on a straight-line basis over the expected useful life of the relevant asset. In the case of loans or similar forms of assistance provided by government or similar institutions with an interest rate below the current market rate, the effect of the favourable interest rate is regarded as an additional government contribution.

Liabilities for Employee Benefits

Implementing the provisions of IAS 19, employee benefits to be paid out subsequent to the termination of employment (Post-employment benefits) are subject to actuarial valuation that must take into account a number of variables (such as mortality, expected future salary changes, expected inflation rate, etc.). The amendment to IAS 19 "Employee Benefits" requires all actuarial gains or losses to be recognised immediately in the "Other comprehensive income" so that the entire net amount of the defined benefit provision is recognised in the statement of financial position. The amendment also stipulated that changes between one year and the next in the defined benefit provision must be broken down into three components: cost components related to service during the year must be recognised in the income statement as "service costs"; net financial costs calculated by applying the appropriate discount rate to the net balance of the defined benefit provision at the beginning of the year must be recognised in the income statement as such; and actuarial gains and losses arising from the remeasurement of the liability must be recognised in "Other comprehensive income".

Share-based payments

The Group implements share-based payment transactions settled with equity instruments as part of the remuneration policy adopted for the Chief Executive Officer and key management personnel.

The most recent long-term incentive plans provide for the allocation to recipients, who may be: Executive Directors and/or Executives with Strategic Responsibilities, and/or employees and/or contractors with strategically important roles of an incentive consisting of an equity component and a monetary component.

The purpose of the Plan is to grant shares free of charge if certain performance targets are achieved at the end of a vesting period.

In order to regulate the equity component through the free assignment of Group shares, a share buy-back programme was approved to service these plans. For further details on incentive plans based on shares, please refer to the note on "Share-based Payments".

The Group recognises the services rendered by beneficiaries as personnel expenses and indirectly estimates their value, and the corresponding increase in equity, based on the fair value of the equity instruments at the grant date. This fair value is based on the observable market price of the Group's shares, taking into account the terms and conditions under which the shares were granted (except for vesting conditions excluded from fair value measurement).

The cost for these share-based payment transactions settled with equity instruments is recognised in the income statement, with a balancing entry in a specific equity item, over the period in which the service and performance conditions are satisfied (vesting period).

The total recognised cost is adjusted at each year-end up to the vesting date to reflect the best estimate available to the Group of the number of equity instruments for which the service conditions and non-market performance conditions are expected to be satisfied, so that the amount recognised at the end is based on the actual number of equity instruments that will satisfy the service conditions and non-market performance conditions at the vesting date.

Provisions for risks and charges

Provisions for risks and charges are recognised when the Group has a present obligation (legal or implicit) as a result of a past event, it is probable that an outflow of resources will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation.

When the Group believes that a provision for risks and charges will be partly or fully reimbursed, for example in the case of risks covered by insurance policies, the indemnity is recognised separately as an asset if, and only if, it is practically certain. In this case, the cost of any provision is presented in the income statement net of the amount recognised for the indemnity.

If the discount effect on the value of money is significant, provisions are discounted using a pre-tax discount rate that reflects, where appropriate, the specific risks of the liabilities. When the discounting is performed, the increase in the allocation due to the passage of time is reported as a financial expense.

Provisions for risks and charges also include future charges to be incurred for the decommissioning of electricity production plants at the end of their useful life and the restoration of land, with an offsetting increase in the value of the asset to which they relate. These amounts included in property, plant and equipment are subject to depreciation only for the amount exceeding the expected proceeds from the sale of the recovered materials.

Trade and other payables

Payables are valued at nominal value.

When, due to the payment terms agreed upon, a financial transaction takes place, payables measured using the amortised cost method are discounted to their nominal value to be paid, with the discount being recognised as a financial expense.

Payables in foreign currencies are aligned with the year-end exchange rate, and gains or losses arising from the adjustment are recognised in the income statement under the item where the transaction was originally recognised.

Assets held for sale and discontinued operations

Non-current assets and disposal groups classified as held for sale must be measured at the lower of their carrying amount and their fair value minus costs to sell. Non-current assets and disposal groups are classified as held for sale if their carrying amount will be recovered principally through a sale transaction rather than through their continuing use. This condition is only deemed to be met when the sale is highly probable and the business or group to be disposed is available for immediate sale in its current condition. Management must be committed to the sale, which should be completed within one year from the date of classification.

A discontinued operation is a component of an entity that has been disposed of or classified as held for sale, and i) represents a major self-contained line of business or geographical area of operations, ii) is part of a single coordinated plan to dispose of a major self-contained line of business or geographical area of operations, iii) is a subsidiary acquired exclusively with a view to resale.

In the case of discontinued operations, profits and losses from discontinued operations are presented separately from profits and losses from operating activities in the consolidated statement of comprehensive income for the reporting period and the comparative period of the previous year, under the profit after tax line, even when the Group retains a non-controlling interest in the subsidiary after the sale. The resulting profit or loss, net of tax, is shown separately in the statement of comprehensive income.

Property, plant and equipment and intangible assets once classified as held for sale no longer need to be depreciated.

INCOME STATEMENT

Revenues and income

Revenues are recognised on the basis of the accounting model provided for in IFRS 15, which provides for, as fundamental steps:

- identification of the contract with the customer;
- identification of the performance obligations contained in the contract;
- the determination of the price;
- the allocation of price to the performance obligations of the contract;
- the criteria for recognising revenue when the entity meets each performance obligation, which may occur at a point in time or over time.

Revenues are recognised to the extent that it is probable that economic benefits will accrue to the Group and the amount can be reliably determined. Revenues are shown net of discounts, vouchers and returns.

The following specific revenue recognition criteria must always be met before revenue is recognised in the income statement. In particular:

- revenues (revenues from the sale of energy), revenues from the sale of real estate, and revenues from the provision of services are recognised in the financial statements based on the fulfilment of each performance obligation as required by IFRS 15, i.e., upon completion of the transfer of the promised good or service to the customer when the customer obtains control of the good or service, which may occur at a point in time or over time;
- dividends are recognised when the shareholders' right to receive payment arises, coinciding with the time at which they are declared. Dividends from other companies are classified in the income statement under other net expenses/revenue, as they relate to equity investments that constitute long-term investments in the sector in which the group operates. Dividends from other companies held purely for financial investment purposes are classified as financial income.
- realised gains on equity investments are recognised when the sale of equity investments is realised and the significant risks and rewards of ownership have been transferred;
- the share of profits of investments accounted for using the equity method is recognised at annual and periodic reporting dates according to the share of the investees' results;
- value adjustments of financial assets represent the adjustment to market value of listed equities held for trading. The market value is given by the stock market prices at year-end or on the periodic statement date;

All revenues are measured at the fair value of their consideration; when the financial effect related to the deferral of collection is significant and the collection dates can be reliably estimated, the related financial component is recognised under net financial costs.

Revenues from Feed-In Tariff (former Green Certificates)

Revenues from feed-in tariffs (former green certificates) accrued by the Group's plants for sales to producers or importers of energy from non-renewable sources, to traders, to the Gestore del Mercato Elettrico (GME) acting as clearing house or to the Gestore Servizi Elettrici (GSE), are recognised in the year in which the certificate accrues, which is the year of electricity production from renewable sources.

Financial income and costs

Financial income and costs are recognised on an accrual basis, according to the passage of time, using the effective rate.

Costs

Operating costs and other operating expenses are recognised in the financial statements when they are incurred on an accrual basis and related to revenues, when they do not produce future economic benefits or when they do not qualify for recognition as assets in the consolidated statement of financial position.

When the deferred payment agreement includes a financial component, the consideration is discounted and the difference between the nominal value and the fair value is recognised in the income statement as a financial cost.

Income taxes

Current income taxes are recognised for each company on the basis of estimated taxable income in accordance with applicable rates and regulations, taking into account applicable exemptions and tax credits.

Deferred taxes are calculated using the liability method on temporary differences arising at year-end between the tax bases of assets and liabilities and the values reported in the financial statements.

1. Deferred tax liabilities are recognised for all taxable temporary differences, with the exception of:

- when deferred tax liabilities arise from the initial recognition of goodwill or an asset or liability in a transaction that is not a business combination and that, at the time of that transaction, affects neither the profit for the year, calculated for financial reporting purposes, nor the profit or loss, calculated for tax purposes;
- with respect to taxable temporary differences associated with investments accounted for using the equity method, where the reversal of temporary differences can be controlled and it is probable that it will not occur in the foreseeable future.

2. Deferred tax assets are recognised for all deductible temporary differences and for tax assets and liabilities carried forward, to the extent that it is probable that there will be adequate future taxable profits, also taking into account the Group's domestic tax consolidation and on the assumption that this will be maintained in future years, which may make the use of deductible temporary differences and tax assets and liabilities carried forward applicable, except where:

- the deferred tax asset associated with deductible temporary differences arises from the initial recognition of an asset or liability in a transaction that is not a business combination and that, at the time of the transaction, affects neither the profit for the period calculated for financial reporting purposes nor the profit or loss calculated for tax purposes;
- with respect to taxable temporary differences associated with investments accounted for using the equity method, deferred tax assets are recognised only to the extent that it is probable that the deductible temporary differences will reverse in the foreseeable future and that there are adequate taxable profits against which the temporary differences can be utilised.

The carrying amount of deferred tax assets are reviewed at the end of each reporting period and reduced to the extent that it is no longer probable that sufficient taxable profit will be available to allow the benefit of part or all of that deferred tax asset to be utilised. Unrecognised deferred tax assets are reassessed annually at the end of each reporting period and a previously unrecognised deferred tax asset is recognised to the extent that it has become probable that future taxable income will allow the deferred tax assets to be recovered.

Deferred tax assets and liabilities are measured at the tax rates that are expected to apply to the period when the asset is realised or the liability is settled, based on tax rates/laws that have been enacted or substantively enacted by the end of the reporting period.

Income taxes relating to items recognised directly in the Shareholders' equity are charged directly to the Shareholders' equity and not to the Income Statement.

Deferred tax assets and liabilities are offset, if a legal right exists to offset assets for current taxes with liabilities for current taxes and deferred taxes refer to the same tax entity and same tax authority.

In accordance with IAS 12, when an asset is revalued for tax purposes and the revaluation relates to a prior period, or to a revaluation that is expected to take place in future periods, the tax effects of both the revaluation of the asset and the adjustment of the value for tax purposes must be recognised in equity in the periods in which they occur. Conversely, if the revaluation for tax purposes does not relate to an accounting revaluation of a prior period, or one that is expected to be made in a subsequent period, the tax effects of the value adjustment for tax purposes are recognised in profit or loss.

Value Added Tax

Revenues, expenses and assets are recognised net of value-added taxes except where:

- such tax applied to the purchase of goods or services is non-deductible, in which case it is recognised as part of the purchase cost of the asset or part of the cost item recognised in the income statement;
- refers to trade receivables and payables shown including the value of the tax.

The net amount of indirect sales taxes that can be recovered from or paid to the Treasury is included in the Financial Statements under trade receivables or trade payables, depending on the sign of the balance.

Determining the Fair Value of Financial Instruments

The fair value of financial instruments listed in an active market is based on market prices at year-end. The fair value of financial instruments that are not quoted in an active market is determined using valuation techniques, based on a variety of methods and assumptions related to market conditions at year-end.

Earnings per share

Basic earnings per share are calculated by dividing the Group's economic result by the weighted average number of shares outstanding during the year, net of treasury shares purchased by Alerion Clean Power S.p.A. during the year.

For the purpose of calculating the diluted earnings per share, the weighted average number of outstanding shares, net of treasury shares purchased by Alerion Clean Power S.p.A. during the year, is modified by assuming the conversion of all potential shares having a dilutive effect (assignment of new issues to beneficiaries of stock option plans). The profit for the year is also adjusted for the after-tax effects of the conversion

2.5 AMENDMENTS AND NEW POLICIES AND INTERPRETATIONS

IFRS ACCOUNTING STANDARDS, AMENDMENTS AND INTERPRETATIONS APPLIED FROM 1 JANUARY 2024

The following IFRS accounting standards, amendments and interpretations have been applied for the first time by the Group as of 1 January 2024:

- On 23 January 2020, the IASB published an amendment entitled "Amendments to IAS 1 Presentation of Financial Statements: Classification of Liabilities as Current or Non-current" and on 31 October 2022 published an amendment entitled "Amendments to IAS 1 Presentation of Financial Statements: Non-Current Liabilities with Covenants". The documents are intended to clarify how to classify debts and other short-term or long-term liabilities. The directors do not expect a significant effect on the Group's consolidated financial statements from the adoption of this amendment.
- On 22 September 2022, the IASB published an amendment entitled "Amendments to IFRS 16 Leases: Lease Liability in a Sale and Leaseback". The document requires the seller-lessee to measure the lease liability arising from a sale and leaseback transaction so as not to recognise an income or loss that relates to the retained right of use. The directors do not expect a significant effect on the Group's consolidated financial statements from the adoption of this amendment.
- With Regulation (EU) No. 2024/1317 of 15 May 2024, the European Commission endorsed the document "Supplier Finance Arrangements (Amendments to IAS 7 Statement of Cash Flows and IFRS 7 Financial instruments: Disclosures)", published by the IASB Board on 25 May 2023. The amendments to IAS 7 and IFRS 7 introduce new disclosure requirements with regard to supply financing arrangements so as to enable users of financial statements to assess the effects of such arrangements on the entity's liabilities, cash flows and exposure to liquidity risk.

IFRS ACCOUNTING STANDARDS, AMENDMENTS AND INTERPRETATIONS NOT YET ENDORSED BY THE EUROPEAN UNION

Document title	Date of publication	Entry into force	EU Regulation
Lack of exchangeability (Amendments to IAS 21)	15 Aug 2023	1 Jan 2025	Currently being approved
Amendments to the classification and measurement of financial instruments (Amendments to IFRS 9 and IFRS 7)	30 May 2024	1 Jan 2026	Currently being approved
IFRS 18 Presentation and disclosure in financial statements	9 Apr 2024	1 Jan 2027	Currently being approved
IFRS 19 Subsidiaries without public accountability: disclosures	9 May 2024	1 Jan 2027	Approval process not yet launched

3. CONSOLIDATION SCOPE

The consolidation scope has changed compared to 31 December 2023 as a result of the following operations:

ITALY

- **Agira S.r.l.:** the company, fully owned by Alerion Servizi Tecnici e Sviluppo S.r.l., was established on 19 January 2024.
- **Alerion Sant'Agata S.r.l.:** the company, fully owned by Alerion Servizi Tecnici e Sviluppo S.r.l., was established on 17 May 2024.
- **Alerion Gavorrano S.r.l.:** the company, fully owned by Alerion Servizi Tecnici e Sviluppo S.r.l., was established on 5 June 2024.
- **Alperion S.r.l.** (formerly Naonis Wind S.r.l.): on 12 November 2024 Alerion Clean Power S.p.A., with the first equity recycling transaction put in place by the Group implementing the guidelines of its Business Plan, sold to Alperia a 50% stake in Naonis Wind S.r.l., fully owned until then by Alerion. In turn, Naonis Wind, which has become "Alperion" as a result of the transaction, owns 100% of the share capital of the following companies: Enermac S.r.l., Bioenergia S.r.l., and Generai S.r.l.. As at 31 December 2024, the Alerion Group holds a 50% stake in the company, which is thus equity-based consolidated.
- **Generai S.r.l.:** On 7 June 2024, the Alerion group acquired the entire shares of the company, of which the group previously held 50%.
As part of the aforesaid Equity Recycling transaction, on 12 November 2024 the group sold to Alperia a 50% stake in the company, the share capital of which is fully held by Alperion S.r.l. (formerly Naonis Wind S.r.l.).
As at 31 December 2024, the Alerion Group holds a 50% stake in the company, which is thus equity-based consolidated.
- **Bioenergia S.r.l.:** On 31 May 2024, the Alerion group acquired the entire shares of the company, of which the group previously held 50%.
As part of the aforesaid Equity Recycling transaction, on 12 November 2024 the group sold to Alperia a 50% stake in the company, the share capital of which is fully held by Alperion S.r.l. (formerly Naonis Wind S.r.l.).
As at 31 December 2024, the Alerion Group holds a 50% stake in the company, which is thus equity-based consolidated.
- **Enermac S.r.l.:** As part of the aforesaid Equity Recycling transaction, on 12 November 2024 the group sold to Alperia a 50% stake in the company, the share capital of which is fully held by Alperion S.r.l. (formerly Naonis Wind S.r.l.).
As at 31 December 2024, the Alerion Group holds a 50% stake in the company, which is thus equity-based consolidated.
- **Alerion Arlena S.r.l.:** on 7 November 2024, the Alerion group completed the purchase of 100% of the shares in the company; the company is wholly owned by Alerion Clean Power S.p.A.

ROMANIA

- **Vulturu Power Park S.r.l.:** on 15 February 2024, the Alerion group acquired the entire shares of the company, of which the group previously held 45%.

On 15 February 2024, the group acquired 100% of the shares in the company, wholly held by Alerion Energy RO S.r.l. The company has thus gone from equity-based consolidation to full consolidation.

- **Vulturu Wind Farm S.r.l.:** on 15 February 2024, the Alerion group acquired 100% of the shares in the company, of which the group previously held 45%.
On 15 February 2024, the group acquired 100% of the shares in the company, wholly held by Alerion Energy RO S.r.l. The company has thus gone from equity-based consolidation to full consolidation.
- **Pasubio S.r.l.:** on 16 February 2024, the group acquired 100% of the shares in the company; the company is wholly owned by Alerion Energy RO S.r.l.
- **Conti Energie Verde S.r.l.:** on 30 May 2024, the group acquired 100% of the shares in the company; the company is wholly owned by Alerion Energy RO S.r.l.
- **Energio Windprod S.r.l.:** on 26 June 2024, the Alerion group acquired the entire shares of the company, of which the group previously held 45%.
On 26 June 2024, the group acquired 100% of the shares in the company, wholly held by Alerion Energy RO S.r.l. The company has thus gone from equity-based consolidation to full consolidation.
- **Vaslui Wind S.r.l.:** the company, wholly owned by Alerion Energy RO S.r.l., was established on 31 October 2024.

The values of the Group's currencies as at 31 December 2024 are shown below

	2024	at 31 December 2024	2023	at 31 December 2023
	Average	Spot	Average	Spot
RON New Leu - (Romania)	4.9746	4.9743	4.9467	4.9756
New Lev Bulgaria	1.9558	1.9558	1.9558	1.9558
British Pound Sterling	0.8466	0.8292	0.8698	0.8691

The following table shows the scope of consolidation as at 31 December 2024.

Name	Head office	Share capital (000)	% of ownership		Company directly holding indirect holding
			direct	indirect	
Consolidated subsidiaries					
- Alerion Clean Power S.p.A.	Milan - Via Renato Fucini 4	161,137	-		
- Alerion Real Estate S.r.l. in liquidation	Milan - Via Renato Fucini 4	90	100.00		
- Alerion Servizi Tecnici e Sviluppo S.r.l.	Milan - Via Renato Fucini 4	100	100.00		
- Alerion Bioenergy S.r.l. in liquidation	Milan - Via Renato Fucini 4	10	100.00		
- Frie-el Albareto S.r.l.	Bolzano - Piazza del Grano 3	10	100.00		
- Eolica PM S.r.l.	Bolzano - Piazza del Grano 3	20	100.00		
- Green Energy Sardegna S.r.l.	Milan - Via Renato Fucini 4	10	100.00		
- Alerion Spain S.L.	Calle Angli, 31 - 08017 Barcelona, Spain	100	51.00		
- Comiolica SLU	Calle Angli, 31 - 08017 Barcelona, Spain	2,500		100.00	Alerion Spain S.L.
- Alerion Iberia SL	Calle Angli, 31 - 08017 Barcelona, Spain	50	100.00		
- Fri-el Ichnusa S.r.l.	Bolzano - Piazza del Grano 3	10	100.00		
- Fri-el Campidano S.r.l.	Bolzano - Piazza del Grano 3	100		100.00	Fri-el Ichnusa S.r.l.
- Fri-el Nulvi Holding S.r.l.	Bolzano - Piazza del Grano 3	3,000	90.00		
- Fri-El Anglona S.r.l.	Bolzano - Piazza del Grano 3	100		100.00	Fri-el Nulvi Holding S.r.l.
- FW Holding S.r.l.	Bolzano - Piazza del Grano 3	100	100.00		
- Fri-el Basento S.r.l.	Bolzano - Piazza del Grano 3	10		100.00	FW Holding S.r.l.
- Fri-el Ricigliano S.r.l.	Bolzano - Piazza del Grano 3	10		100.00	FW Holding S.r.l.
- Fri-el Grottole S.r.l.	Bolzano - Piazza del Grano 3	50		100.00	Fri-el Basento S.r.l.
- Anemos wind S.r.l.	Milan - Via Renato Fucini 4	50	100.00		
- Ordonia Energia S.r.l.	Milan - Via Renato Fucini 4	435	100.00		
- Callari S.r.l.	Milan - Via Renato Fucini 4	1,000	100.00		
- Minerva S.r.l.	Milan - Via Renato Fucini 4	14	100.00		
- Eolo S.r.l.	Milan - Via Renato Fucini 4	750	100.00		
- Parco Eolico Licodia Eubea S.r.l.	Milan - Via Renato Fucini 4	100	80.00		
- Dotto S.r.l.	Milan - Via Renato Fucini 4	10	100.00		
- Wind Power Sud S.r.l	Milan - Via Renato Fucini 4	10	100.00		
- Renergy San Marco S.r.l.	Milan - Via Renato Fucini 4	108	100.00		
- Krupen Wind S.r.l.	Milan - Via Renato Fucini 4	10	100.00		
- Fucini4 S.r.l.	Milan - Via Renato Fucini 4	10	100.00		
- Auseu-Borod Wind Farm S.r.l. in liquidation	Oradea - Cetatii Square no. 1, 4th floor, Bihor County	0.2 RON		100.00	Alerion Romania S.A.
- Alerion Romania S.A. in liquidation	Oradea - Cetatii Square no. 1, 4th floor, Bihor County	100 RON	95.00		
				5.00	Alerion Bioenergy S.r.l. in liquidation
- Draghiescu Partners S.r.l.	Bucharest, Calea Floreasca No. 175, Part B, Floor 3, Sector 1	0.3 RON		90.00	Alerion Servizi Tecnici e Sviluppo S.r.l.
- Alerion Bulgaria OOD	Sofia - 6th Septemvri Str., 6A, Sredetz Region	90 LEV	92.50		
- Wind Energy OOD	Sofia - 6th Septemvri Str., 6A	2,375 LEV		51.00	Krupen Wind S.r.l.
- Wind Stream OOD	Sofia - 6th Septemvri Str., 6A	2,319 LEV		51.00	Krupen Wind S.r.l.
- Wind Systems OOD	Sofia - 6th Septemvri Str., 6A	2,290 LEV		51.00	Krupen Wind S.r.l.
- Wind Power 2 OOD	Sofia - 6th Septemvri Str., 6A	2,312 LEV		51.00	Krupen Wind S.r.l.
- Alerion Energy RO S.r.l.	Bucharest, Calea Floreasca No. 175, Part B, Floor 3, Sector 1	10 RON	100.00		
- Alerion Renewable RO S.r.l.	Bucharest, Popa Petre Street n. 5, Unit B, Floor 4, Office 411, Sector 2	75,770 RON	51.00		
- Fravort S.r.l.	Bucharest, Calea Floreasca No. 175, Part B, Floor 3, Sector 1	1 RON		100.00	Alerion Energy RO S.r.l.
- Tremalzo S.r.l.	Bucharest, Calea Floreasca No. 175, Part B, Floor 3, Sector 1	1 RON		100.00	Alerion Energy RO S.r.l.
- Green Fotovoltaic Parc S.r.l.	Bucharest, Calea Floreasca No. 175, Part B, Floor 3, Sector 1	1 RON		100.00	Alerion Energy RO S.r.l.
- Solar Live Energy S.r.l.	Bucharest, Calea Floreasca No. 175, Part B, Floor 3, Sector 1	1 RON		100.00	Alerion Energy RO S.r.l.
- Inspire Parc Solar S.r.l.	Bucharest, Calea Floreasca No. 175, Part B, Floor 3, Sector 1	1 RON		100.00	Alerion Energy RO S.r.l.
- Conti Green Projects S.r.l.	Bucharest, Calea Floreasca No. 175, Part B, Floor 3, Sector 1	4.2 RON		100.00	Alerion Energy RO S.r.l.
- Cevedale S.r.l.	Bucharest, Calea Floreasca No. 175, Part B, Floor 3, Sector 1	1 RON		100.00	Alerion Energy RO S.r.l.
- Cavignon S.r.l.	Bucharest, Calea Floreasca No. 175, Part B, Floor 3, Sector 1	1 RON		100.00	Alerion Energy RO S.r.l.
- Presenella S.r.l.	Bucharest, Calea Floreasca No. 175, Part B, Floor 3, Sector 1	1 RON		100.00	Alerion Energy RO S.r.l.
- Vermiglio S.r.l.	Bucharest, Calea Floreasca No. 175, Part B, Floor 3, Sector 1	1 RON		100.00	Alerion Energy RO S.r.l.
- Vigolana S.r.l.	Bucharest, Calea Floreasca No. 175, Part B, Floor 3, Sector 1	1 RON		100.00	Alerion Energy RO S.r.l.
- Alerion RO Todiresti S.r.l.	Bucharest, Calea Floreasca No. 175, Part B, Floor 3, Sector 1	50 RON		100.00	Alerion Energy RO S.r.l.
- Fradusta S.r.l.	Bucharest, Calea Floreasca No. 175, Part B, Floor 3, Sector 1	1 RON		100.00	Alerion Renewable RO S.r.l.
- Litegosa S.r.l.	Bucharest, Calea Floreasca No. 175, Part B, Floor 3, Sector 1	1 RON		100.00	Alerion Renewable RO S.r.l.
- Brunale S.r.l.	Milan - Via Renato Fucini 4	1		100.00	Alerion Servizi Tecnici e Sviluppo S.r.l.
- Lagorai S.r.l.	Bucharest, Calea Floreasca No. 175, Part B, Floor 3, Sector 1	1 RON		100.00	Alerion Renewable RO S.r.l.
- Rienza S.r.l.	Bucharest, Calea Floreasca No. 175, Part B, Floor 3, Sector 1	1 RON		100.00	Alerion Renewable RO S.r.l.
- Passirio S.r.l.	Bucharest, Calea Floreasca No. 175, Part B, Floor 3, Sector 1	1 RON		100.00	Alerion Renewable RO S.r.l.
- Plose S.r.l.	Bucharest, Calea Floreasca No. 175, Part B, Floor 3, Sector 1	1 RON		100.00	Alerion Energy RO S.r.l.

- Alerion Investments S.r.l.	Milan - Via Renato Fucini 4	10	100.00	
- Alerion UK Ltd.	Liverpool, Gateway House, Old Hall Road, Bromborough, Wirral, United Kingdom	0.001 GBP	100.00	
- Alerion Service S.r.l.	Bolzano - Piazza del Grano 3	100	100.00	
- Alerion Seddanus S.r.l.	Bolzano - Piazza del Grano 3	10	100.00	
- Fri-El Guardionara S.r.l.	Bolzano - Piazza del Grano 3	10	100.00	
- Fri-El Anzi S.r.l.	Bolzano - Piazza del Grano 3	50	100.00	
- Ambiez S.r.l.	Bucharest, Calea Floreasca No. 175, Part B, Floor 3, Sector 1	1 RON	100.00	Alerion Energy RO S.r.l.
- Sass Maor S.r.l.	Bucharest, Calea Floreasca No. 175, Part B, Floor 3, Sector 1	1 RON	100.00	Alerion Energy RO S.r.l.
- Alerion Service RO S.r.l.	Bucharest, Calea Floreasca No. 175, Part B, Floor 3, Sector 1	10	100.00	Alerion Service S.r.l.
- Bisalta S.r.l.	Timisoara, Piata Victoriei nr.7, camera 3, scara D, etaj 6, apartament 21, Judetul Timis	0.5 RON	86.00	Alerion Energy RO S.r.l.
- Alerion Ireland Ltd.	Cork (IE), Waterfront, 1 Horgans's Quay, Office 428, T23 PPT8	0.001	100.00	
- Alerion Racari S.r.l.	Bucharest, Popa Petre Street n. 5, Unit A, Floor 5, Office 513, Sector 2	4.5 RON	100.00	Alerion Energy RO S.r.l.
- Fri-el Solar S.r.l.	Bolzano - Piazza del Grano 3	10.000	100.00	
- Aresol S.r.l.	Bolzano - Piazza del Grano 3	10.000	100.00	Fri-el Solar S.r.l.
- Ecosolis S.r.l.	Bolzano - Piazza del Grano 3	10.000	100.00	Fri-el Solar S.r.l.
- Wind Energy Galati S.r.l.	Bucharest, Popa Petre Street n. 5, Unit A, Floor 5, Office 506, Sector 2	4.5 RON	100.00	Alerion Energy RO S.r.l.
- Pasubio S.r.l.	Bucharest, Calea Floreasca No. 175, Part B, Floor 3, Sector 1	1 RON	100.00	Alerion Energy RO S.r.l.
- Agira S.r.l.	Milan - Via Renato Fucini 4	10.000	100.00	Alerion Servizi Tecnici e Sviluppo S.r.l.
- Alerion S. Agata S.r.l.	Milan - Via Renato Fucini 4	10.000	100.00	Alerion Servizi Tecnici e Sviluppo S.r.l.
- Alerion Gavorrano S.r.l.	Milan - Via Renato Fucini 4	10.000	100.00	Alerion Servizi Tecnici e Sviluppo S.r.l.
- Conti Energie Verde S.r.l.	Bucharest, Calea Floreasca No. 175, Part B, Floor 3, Sector 1	60 RON	100.00	Alerion Energy RO S.r.l.
- Energo Windprod S.r.l.	Constanta, Zorelelor Street no. 79, Room no. 3, Floor P, Constanta District	1 RON	100.00	Alerion Energy RO S.r.l.
- Vulturu Power Park S.r.l.	Constanta City Hall, Zorelelor Street no. 75, Room no. 7, Floor P, Constanta District	1 RON	100.00	Alerion Energy RO S.r.l.
- Vulturu Wind Farm S.r.l.	Constanta, Zorelelor Street no. 79, Room no. 3, Floor P, Constanta District	1 RON	100.00	Alerion Energy RO S.r.l.
- Vaslui Wind S.r.l.	Bucuresti Sectorul 1, Calea FLOREASCA, Nr. 175, PARTEA B, Etaj 3	4.5 RON	100.00	Alerion Energy RO S.r.l.
- Alerion Arlena S.r.l.	Bolzano - Piazza del Grano 3	10.000	100.00	

Investments accounted for using the equity method

- Ecoenergia Campania S.r.l.	Cervinara (AV) - Via Cardito, 14	100	50.00	
- New Green Molise S.r.l.	Naples - Via Diocleziano, 107	10	50.00	
- S.C. Compania Eoliana S.A.	Oradea - Cetatii Square no. 1, 4th floor, Bihor County	501 RON	49.75	
- Jimbolia Wind Farm S.r.l.	Oradea - Cetatii Square no. 1, 4th floor, Bihor County	1 RON	99.00	S.C. Compania Eoliana S.A.
- Parco Eolico Santa Croce del Sannio House S.r.l.	Benevento - Viale Mario Rotili 148	40	50.00	Alerion Servizi Tecnici e Sviluppo S.r.l.
- Tre Torri Energia S.r.l.	Bolzano - Piazza del Grano 3	10.000	49.00	Fri-el Solar S.r.l.
- Alerion Clean Power RO S.r.l.	Bucharest, Calea Floreasca No. 175, Part B, Floor 3, Sector 1	34.700 RON	49.00	
- Mitoc Partners S.r.l.	Bucharest, Maior Ștefan Sanatescu, No. 53, Building C1, Body 4, Floor 2, Room 4, Sector 1	0.8 RON	75.00	Alerion Clean Power RO S.r.l.
- Phoenix Ceres S.r.l.	Bucharest, Maior Ștefan Sanatescu, No. 53, Building C1, Body 4, Floor 2, Room 4, Sector 1	0.8 RON	75.00	Alerion Clean Power RO S.r.l.
- Phoenix Catalyst S.r.l.	Bucharest, Maior Ștefan Sanatescu, No. 53, Building C1, Body 4, Floor 2, Room 4, Sector 1	0.8 RON	75.00	Alerion Clean Power RO S.r.l.
- Phoenix Nest S.r.l.	Bucharest, Maior Ștefan Sanatescu, No. 53, Building C1, Body 4, Floor 2, Room 4, Sector 1	0.8 RON	75.00	Alerion Clean Power RO S.r.l.
- Phoenix Genesis S.r.l.	Bucharest, Maior Ștefan Sanatescu, No. 53, Building C1, Body 4, Floor 2, Room 4, Sector 1	0.8 RON	75.00	Alerion Clean Power RO S.r.l.
- Alperion S.r.l.	Milan - Via Renato Fucini 4	20	50.00	
- Bioenergia S.r.l.	Milan - Via Renato Fucini 4	1	100.00	Alperion S.r.l.
- Generali S.r.l.	Milan - Via Renato Fucini 4	10	100.00	Alperion S.r.l.
- Enernac S.r.l.	Milan - Via Renato Fucini 4	40	100.00	Alperion S.r.l.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

NON CURRENT ASSETS

4. INTANGIBLE ASSETS WITH A FINITE LIFE

	Rights and concessions	Develop ment costs	Patents and intellectua l property rights	Other intangible assets	Work in progres s	Total
(values in Thousands of Euro)						
Net value as at 01.01.2023	183,454	12,973	192	43	1,129	197,791
Gross value						
Change in the scope of consolidation	18,586	(407)	0	134	0	18,313
Following business combinations	86,035	0	0	0	0	86,035
Increases	32	3,175	4	7	2,321	5,539
Decreases	(66)	0	0	(713)	(485)	(1,264)
Impairment Test Adjustments	(25,052)	0	0	0	0	(25,052)
Total change Gross value	79,535	2,768	4	(572)	1,836	83,571
Accumulated amortisation						
Change in the scope of consolidation	0	0	0	(103)	0	(103)
Following business combinations	(1,385)	0	0	0	0	(1,385)
Amortisation	(14,940)	(572)	(53)	(29)	0	(15,594)
Elimination of amortisation fund for asset disposals	0	0	0	713	0	713
Other changes	26	0	0	0	0	26
Total change in accumulated amortisation	(16,299)	(572)	(53)	581	0	(16,343)
Gross value as at 31.12.2023	336,886	20,328	440	1,728	2,965	362,347
Amortisation fund	(90,196)	(5,159)	(297)	(1,676)	0	(97,328)
Net value as at 01.01.2024	246,690	15,169	143	52	2,965	265,019
Gross value						
Change in the scope of consolidation	4,978	(653)	0	(2)	0	4,323
Following business combinations	0	0	0	0	0	0
Increases	2,589	1,340	0	89	8,696	12,714
Decreases	(717)	0	0	(135)	(48)	(900)
Impairment Test Adjustments	(400)	0	0	0	0	(400)
Increases due to impairment loss reversals	1,946	0	0	0	0	1,946
Other reclassifications	0	0	0	0	(1,921)	(1,921)
Total change Gross value	8,396	687	0	(48)	6,727	15,762
Accumulated amortisation						
Change in the scope of consolidation	766	79	0	1	0	846
Amortisation	(15,064)	(568)	(53)	(22)	0	(15,707)
Elimination of amortisation fund for asset disposals	60	2	0	120	0	182
Total change in accumulated amortisation	(14,238)	(487)	(53)	99	0	(14,679)
Gross value as at 31.12.2024	345,282	21,015	440	1,680	9,692	378,109
Amortisation fund	(104,434)	(5,646)	(350)	(1,577)	0	(112,007)
Net value as at 31.12.2024	240,848	15,369	90	103	9,692	266,102

Rights and concessions amounted to EUR 240,848 thousand (EUR 246,690 thousand as at 31 December 2023) and refer to authorisations and operating rights for wind farms acquired through the acquisition of participations in project companies.

The net decrease in the year of EUR 5,842 thousand mainly reflects the reduction for amortisation recognised in the year, totalling EUR 15,064 thousand, increases due to the change in the scope of consolidation, the partial impairment of intangible assets related to two initiatives in Romania and the reversal of the impairment loss of the company Dotto S.r.l.; such value adjustments arose from the impairment test analyses carried out every year by the Group. Please refer to Note 5 for the treatment adopted and the corresponding accounting of impairment test adjustments.

Development costs amounted to EUR 15,369 thousand (EUR 15,169 thousand as of 31 December 2023) and refer to costs incurred mainly for feasibility studies, design, anemometric analyses and other costs related to wind power projects under development and construction. These costs have been capitalised in accordance with IAS 38 and amortised from the time the plants to which they relate enter into operation, based on the useful life of the relevant project.

Assets under construction amounted to EUR 9,692 thousand (EUR 2,965 thousand as at 31 December 2023). The increase is mainly attributable to the capitalisation of costs incurred for the development and construction of new plants in Italy and Romania.

5. IMPAIRMENT TEST OF PROPERTY, PLANT AND EQUIPMENT AND INTANGIBLE ASSETS

In accordance with the requirements of international accounting standard IAS 36, an impairment test approved by the Board of Directors on 13 March 2025 was performed to determine that property, plant and equipment and intangible assets with a finite useful life, with particular attention to intangible assets, recognised in the financial statements at 31 December 2024 are not greater in value than those recoverable through use. To this end, net intangible assets in the amount of EUR 207,676 thousand and net property, plant and equipment in the amount of EUR 403,440 thousand were tested against existing CGUs.

<i>(values in thousands)</i>	at 31 December 2024	Values subject to Impairment Test	Difference
Intangible assets with a finite life	266,102	207,676	58,426
Property, plant and equipment	590,270	403,440	186,830
Total	856,372	611,116	245,256

The following table details the carrying amount of CGUs subject to impairment testing, grouped by area of reference, in line with the Group's organisational and business structure.

CGU - Consolidated Plants by Geographical Area (values in thousands of euros)	Book value recorded under Intangible assets and Property, plant and equipment	Tested carrying value*	Headroom
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Data as at 31 December 2024

Wind power plants operating in Italy

North	24,011	24,040	40,453
Centre-South	89,445	70,869	141,898
South	141,335	125,272	96,841
Sicily	109,178	96,320	81,588
Sardinia	147,740	125,550	116,195
Total	511,709	442,051	476,975

Wind farms operating abroad

Spain	38,845	33,749	28,611
Bulgaria	7,308	7,517	3,942
Total	46,153	41,266	32,553

Photovoltaic plants operating abroad

Romania	53,254	51,980	5,697
Total	53,254	51,980	5,697

Grand total	611,116	535,297	515,225
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*The tested Carrying Value corresponds to the Net Invested Capital and is determined by the algebraic sum of the Capital Assets, Net Operating Working Capital and Lease Payables of all companies in the Group's full scope, broken down by geographical area, including consolidation entries consistent with the Group Consolidated Financial Statements.

The Group assesses at each year-end whether there is an indication that an asset may be impaired. If there is any indication of this, the entity must estimate the asset's recoverable amount. In accordance with internal policies, the Group performs impairment tests on intangible assets with a finite useful life and property, plant and equipment annually, even in the absence of impairment indicators. The Group does not detect assets with an indefinite useful life among its intangible assets.

With reference to the above, in assessing the existence of an indication that an asset may be impaired, indications from information sources both internal and external to the Group have been considered. With reference to the individual CGUs identified, potential impairment indicators were identified in the medium-to long-term price scenarios. In addition, the circumstance that the book value of Alerion Clean Power's net assets was higher than the market capitalisation at year-end was considered as an impairment indicator.

The Group's market capitalisation as of 31 December 2024 amounted to approximately EUR 868 million (EUR 1,443 million at the end of 2023), showing a value significantly higher than the book equity at the same date, supporting the maintenance of asset values.

Climate Risk

The Alerion Group mitigates the potential impacts of climate risk by adopting appropriate measures such as (i) planning the installation of new sites in diversified geographical areas, monitoring the trend of anemometric data to improve meteorological forecasting and scheduling plant shutdowns according to periods of less windy weather, and (ii) limiting the potential risks of damage to plants due to adverse weather events that cannot be controlled or planned through insurance policies and maintenance contracts. In preparing the impairment test, in line with the impairment methodology adopted by the Group, the potential climate risk impacts were reflected in the determination of the prospective cash flows, taking into account, for example, the potential lower yields related to reduced electricity production due to the adverse weather conditions experienced (basing these projections, among other things, on the historical averages of productivity of the individual wind farms) and the operating costs related to the stipulation of insurance policies.

The recoverable value of these assets was estimated by determining their economic value, based on the cash flows that the assets are capable of generating. These cash flows must be measured at the level of the individual asset, or, if this is not possible, at the level of the Cash-Generating Unit (CGU) to which the asset belongs.

Based on the strategic and organisational choices adopted by the Group, when testing these activities, reference was made to individual projects/plants, each of which can be identified with a company. These companies represent the smallest identifiable cash-generating units, as the assets subject to impairment testing are not capable of generating cash inflows independent of those arising from the other assets or groups of assets belonging to the individual companies. The results of the impairment analyses, carried out at the level of individual CGUs, were grouped by reference area (Geographical Areas) consistently with the Group's organisational and business structure.

Values subject to an impairment test do not include assets relating to non-operating companies or those that were acquired by the Group during the year and whose value was not subject to impairment testing during the year, as they were recognised at fair value at the date of acquisition upon first-time consolidation and for which there were no indicators of possible impairment. It should be noted that the plants entering into production in Romania during 2024 and the related CGUs to which they refer were not included in the annual impairment test as the pre-operational phase had not yet been completed on 31 December 2024.

The economic value of the assets of the various operating companies was estimated using a cash flow schedule determined according to the expected economic life of the various assets, whereas the expected value from the disposal of the residual asset was used to determine the residual value at the end of the explicit valuation period, included in the estimate of the economic value of each CGU, based on the method applied in the financial statements as at 31 December 2023.

Given the particular type of business, which envisages investments with medium-term returns and cash flows over a long-term horizon, the plan period exceeds five years. In particular, to determine the recoverable amount of wind farms, the present value of operating cash flows was estimated - taking into account levels of investment suitable for maintaining the operating efficiency of the plants - based on the duration of the individual concessions of the various projects, an average of 29 years from the start of production, to which one must add the disposal value, intended as the value expected from the disposal of the residual asset based on the provisions of the reference standard (IAS 36).

Cash flow projections are based on the following assumptions:

- expected production of wind farms based on the historical productivity averages of the individual farms;
- expected sales prices extrapolated from market projections of the electricity price curve. With regard to incentives, however, the regulatory requirements for the sector were taken into account;

- production costs derived from historical analyses or from the standard costs achieved by comparable initiatives;
- disposal value determined as the expected value from the disposal of the residual asset based on the provisions of the relevant standard (IAS 36).

The individual plans of the operating companies were approved by the Sole Director of the relevant operating companies or by their Board of Directors, as applicable.

The resulting flows, calculated net of taxation, were then discounted at a rate representing the weighted average cost of capital (WACC) of 5,14% (equal to 6.09% as at 31 December 2023) for Italy, equal to 4.84% (equal to 5.68% as at 31 December 2023) for Spain, equal to 7.00% for Romania and equal to 5.91% (equal to 6.78% as at 31 December 2023) for Bulgaria, also calculated net of tax.

In order to implement the ESMA guideline of 28 October 2022, the Company calculated the risk free rate component of the discount rate using the 6-month daily average of the yields of government bonds of the reference countries (i.e. Italy, Spain, Romania and Bulgaria).

2024 Impairment test results

It should be noted that the analyses carried out on the basis of the forecasts led to the identification of:

- **Impairment loss reversals**
an impairment loss reversal of the CGU referable to the company Dotto S.r.l. in the amount of EUR 1,945 thousand as a result of the full recovery of the impairment loss;
- **Impairment losses**
Value adjustments connected with two photovoltaic initiatives of two Group companies in Romania (Inspire Park for EUR 674 thousand and Green Fotovoltaic Park for EUR 200 thousand), for a total of EUR 874 thousand, broken down into intangible assets (EUR 400 thousand) and property, plant and equipment (EUR 474 thousand).

In particular, the impairment procedures, performed at the date of this annual report 2024, resulted in a net positive adjustment of the valuation of intangible assets totalling EUR 1,545 thousand and an impairment loss of property, plant and equipment totalling EUR 474 thousand, gross of the related tax effects.

Sensitivity analysis

The result of the impairment test is derived from information available to date and reasonable estimates on the development of, among other things, windiness, electricity prices, production costs and interest rates. In this context, a sensitivity analysis was performed on the recoverable value of the various CGUs, assuming a reduction in **electricity selling prices**, a decrease in **production** compared to the historical average, and an increase in the **discount rate**.

In particular, in relation to the volatility of the price of electricity that has characterised the electricity market in recent years, the following sensitivity analyses were carried out with respect to the base case, with electricity prices 10% lower, with a discount rate 1 percentage point higher, and with overall production 10% lower.

In particular, it should be noted that the negative results of the sensitivity analysis reported below refer to the following CGUs:

- assuming a 10% reduction in electricity prices, protracted over time over the entire plan period, the carrying value of the assets subject to impairment test would be written down by EUR 2,028 thousand for the area called "Romania", gross of the related tax effect;
- as a result of the 1 percentage point increase in the discount rate, the carrying value of the assets subject to impairment test would be written down by EUR 618 thousand for the area called "Romania", gross of the related tax effect;
- as a result of a 10% decrease in overall production compared to the historical average, the carrying value of assets subject to impairment testing would be written down by EUR 2,059 thousand for the area called "Romania", gross of the related tax effect;

It should also be noted that the recoverable amount would be equal to the reference book value, understood as headroom of zero, under the following assumptions; i) reduction in energy prices, ii) increase in the discount rate, and iii) reduction in production for the individual CGUs divided into the reference areas used:

	Average negative price change reducing headroom to zero	WACC average rate (%) annulling headroom	Average negative change in output reducing headroom to zero
Plants operating in Italy	Change (-) EE Prices	Change (+) WACC	Change (-) Production
North	(61%)	21%	(61%)
Centre-South	(48%)	25%	(49%)
South	(41%)	17%	(41%)
Sicily	(41%)	16%	(40%)
Sardinia	(47%)	23%	(46%)
"Italy" average	(48%)	20%	(47%)
Plants operating abroad			
Spain	(49%)	14%	(50%)
Romania	(15%)	10%	(15%)
Bulgaria	(16%)	14%	(21%)
"Abroad" average	(27%)	13%	(29%)
Plants in companies whose investment is accounted for using the equity method			
Centre-South	(53%)	38%	(55%)
South	(46%)	24%	(45%)
Mean value	(49%)	31%	(49%)

In this context, the Directors systematically monitor the performance of the aforementioned external and non-controllable variables in order to promptly identify any adjustments to the estimates of the recoverability of the carrying values of these assets in the Consolidated Financial Statements.

The valuation and estimation processes related to the valuation of the recoverable amount of non-current assets were based on the most recent budgets and multi-year plans that consider internal and market assumptions defined by taking into account both external and internal variables. In any case, it should be noted that a reduction in electricity prices would be partially mitigated in the following year by the redetermination in increase of the Feed-In Tariff recognised by the GSE, if any, due to the construction of the formula for determining the tariff itself.

6. PROPERTY, PLANT AND EQUIPMENT

(values in Thousands of Euro)	Land	Buildings	Plant and machinery	Other assets	Assets under construction	Total
Net value as at 01.01.2023	26,176	5,047	431,063	2,137	78,957	543,380
Gross value						
Change in the scope of consolidation	1,700	393	0	(105)	9,292	11,280
Following business combinations	1,994	483	62,981	39	0	65,497
Increases/Decreases due to IFRS 16 effect	27	40	0	53	0	120
Increases	949	88	1,568	576	41,624	44,805
Decreases	0	0	(2,095)	(7)	(582)	(2,684)
Other reclassifications	0	(229)	229	0	0	0
Total change Gross value	4,670	775	62,683	556	50,334	119,018
Accumulated depreciation						
Change in the scope of consolidation	0	104	0	78	0	182
Following business combinations	(109)	(145)	(35,548)	(36)	0	(35,838)
Depreciation	(1,169)	(354)	(33,891)	(436)	0	(35,850)
Increases/Decreases due to IFRS 16 effect	0	4	0	0	0	4
Elimination of depreciation fund for asset disposals	0	0	873	2	0	875
Other reclassifications	0	145	(145)	0	0	0
Total change in accumulated depreciation	(1,278)	(246)	(68,711)	(392)	0	(70,627)
Gross value as at 31.12.2023	35,168	6,265	932,741	3,855	129,291	1,107,320
Depreciation fund	(5,600)	(689)	(507,706)	(1,554)	0	(515,549)
Net value as at 01.01.2024	29,568	5,576	425,035	2,301	129,291	591,771
Gross value						
Change in the scope of consolidation	(1,547)	0	(59,913)	(2)	7,616	(53,846)
Increases/Decreases due to IFRS 16 effect	0	0	0	142	0	142
Increases	2,814	484	8,581	487	71,989	84,355
Decreases	(391)	(1,056)	(2,994)	(20)	(779)	(5,240)
Impairment test adjustments	0	0	(474)	0	0	(474)
Other reclassifications	0	0	77,114	0	(75,193)	(1,921)
Total change Gross value	876	(572)	22,314	607	3,633	26,858
Accumulated depreciation						
Change in the scope of consolidation	382	0	7,221	1	0	7,604
Depreciation	(1,164)	(320)	(35,613)	(448)	0	(37,545)
Elimination of depreciation fund for asset disposals	0	56	1,519	7	0	1,582
Total change in accumulated depreciation	(782)	(264)	(26,873)	(440)	0	(28,359)
Gross value as at 31.12.2024	36,044	5,693	955,055	4,462	132,924	1,134,178
Depreciation fund	(6,382)	(953)	(534,579)	(1,994)	0	(543,908)
Net value as at 31.12.2024	29,662	4,740	420,476	2,468	132,924	590,270

The item **Land** and **Buildings** totalled Euro 34,402 thousand. The net change was negative by EUR 742 thousand compared to 31 December 2023 when it amounted to EUR 35,144 thousand, mainly due to the change in the scope of consolidation for the period.

Plant and machinery amounted to EUR 420,476 thousand (EUR 425,035 thousand as of 31 December 2023) and included costs related to the estimated costs of restoring the sites where the plants are located. The change is mainly due to the change in the scope of consolidation following the equity recycling transaction described above and the decrease connected with ordinary depreciation in the year.

Other assets amounted to EUR 2,468 thousand (EUR 2,301 thousand as at 31 December 2023) and mainly related to office furniture and fittings, as well as electronic office machines.

Assets under construction amounted to EUR 132,924 thousand (EUR 129,291 thousand as at 31 December 2023). The increase of about EUR 3.63 million is mainly attributable to the capitalisation of costs incurred for the construction of new plants in Italy and Romania.

The effects as at 31 December 2024 resulting from the application of IFRS 16 Lease are summarised below:

Effects of IFRS 16 Operating Leases on Consolidated Equity	at 31.12.24	at 31.12.23
Property, plant and equipment	13,024	16,318
Other current assets	(470)	(538)
Current operating lease liabilities	(1,080)	(1,137)
Non-current operating lease liabilities	(12,582)	(15,550)
Change in deferred tax liabilities	315	305
Effects of Joint Ventures	(228)	(190)
Effects on Consolidated Equity	(1.021)	(792)

The right of use for leased assets as at 31 December 2024 mainly refers to: i) land for EUR 12,425 thousand ii) buildings for EUR 451 thousand and iii) other Property, plant and equipment for EUR 148 thousand.

7. INVESTMENTS ACCOUNTED FOR USING THE EQUITY METHOD

The disclosures required by International Accounting Standard IFRS 11 "*Joint Arrangements*" are given below.

As of 31 December 2024, Alerion Clean Power S.p.A. holds:

- **joint venture investments** in the companies Ecoenergia Campania S.r.l., New Green Molise S.r.l., and Parco Eolico Santa Croce del Sannio House S.r.l. and, as a result of the transaction with Alperia described above, Alperion S.r.l. (formerly Naonis Wind S.r.l.), which fully owns Enermac S.r.l., Generai S.r.l., Bioenergia S.r.l.
- **investments accounted for using the equity method:** Alerion Clean Power RO S.r.l., Mitoc Partners S.r.l., Phoenix Genesis S.r.l., Phoenix Ceres S.r.l., Phoenix Catalyst S.r.l., Phoenix Nest S.r.l., Tre Torri Energia S.r.l..

As said above, in 2024, following the agreement reached with Alperia, Enermac S.r.l. and Alperion S.r.l. (formerly Naonis) were added to the list of jointly controlled entities while, as a result of completion of the transactions in Romana, Alerion completed the acquisition of all the shares in Vulturu Wind S.r.l., Vulturu Power S.r.l. and Energo Windprod S.r.l..

According to the governance structure and contractual agreements, Alerion alone cannot exercise control over the relevant activities of these companies. Decisions on activities identified as relevant are, in fact, only taken with the joint agreement of the partners. For this reason, these companies are accounted for using the equity method.

In addition, Alerion directly holds the following investments in associated companies: Giava Uno S.r.l. in liquidation and S.C. Compagnia Eoliana S.A. The latter, in turn, owns 99% of the capital of Jimbolia Wind Farm S.r.l. These investments were fully written down in previous years.

(EUR thousands)	31.12.2024	31.12.2023	Change
New Green Molise S.r.l.	19,634	19,720	(86)
Ecoenergia Campania S.r.l.	2,298	2,686	(388)
Generai S.r.l.	0	884	(884)
Bioenergia S.r.l.	0	885	(885)
Alperion S.r.l. (formerly Naonis Wind S.r.l.)	49,921	0	49,921
Parco Eolico Santa Croce del Sannio House S.r.l.	80	88	(8)
Energo Windprod S.r.l.	0	2,876	(2,876)
Vulturu Power Park S.r.l.	0	3,178	(3,178)
Vulturu Wind Farm S.r.l.	0	2,876	(2,876)
Tre Torri Energia S.r.l.	56	53	3
Total Investments accounted for using the equity method	71,989	33,246	38,743

As for the joint venture investment in Alperion S.r.l., it is underlined that the Group, pursuant to IFRS 10, derecognised the assets and liabilities of the subsidiary at the date of loss of control, considering the accounting values at the reference date, and posted the investment held at fair value. As mentioned in the section on significant events during the year, the transaction was completed in the last quarter of 2024; therefore, the Group's management, in line with the company's policies, considered this valuation to be valid also as of 31 December 2024.

Table determining the carrying value, entered in the consolidated financial statements, of the investment in Naonis Wind S.r.l. (values in millions of Euro)	
Residual carrying value, entered in the consolidated financial statements, of the 50% investment in Alperion (formerly Naonis Wind S.r.l.)	Carrying value* in Naonis Wind S.r.l.
Consolidated carrying value, net of the profit for the year, of 50% of the net assets of Naonis Wind S.r.l. at the date of the sale	10,476
Surplus from "revaluation" of 50% of the consolidated net assets of Naonis Wind S.r.l. (In accordance with IFRS 10 "Consolidated Financial Statements"), including the ancillary costs of the transaction	39,197
Carrying value, entered in the consolidated financial statements, of the residual 50% investment in Alperion (formerly Naonis Wind S.r.l.) at the date of the sale 12.11.2024.	49,673
Change accrued from the date of sale to 31 December 2024	248
Carrying value, entered in the consolidated financial statements, of the residual 50% investment in Alperion (formerly Naonis Wind S.r.l.) as at 31 December 2024	49,921

Please refer to Note 41 for details on investments in joint ventures and those held under the equity method.

8. OTHER NON CURRENT ASSETS

Other non-current assets amounted to EUR 1,116 thousand (compared to EUR 1,246 thousand as at 31 December 2023) and mainly include VAT receivables that will be collected in more than 12 months after the end of this financial year.

CURRENT ASSETS

9. INVENTORIES

Inventories amounted to EUR 17,416 thousand as at 31 December 2024, up from the values recorded at the end of 2023 (EUR 10,561 thousand). It should be noted that the balance in question relates to the Asset Management activities, performed by Alerion Service S.r.l., for the operating parks currently included in the Group's scope. These maintenance activities mainly comprise the servicing and replacement of wind power plant parts as events occur, or on the basis of planned schedules.

10. TRADE RECEIVABLES

Trade receivables amounted to EUR 22,574 thousand (EUR 22,575 thousand as at 31 December 2023) and are mainly represented by receivables accrued on the sale of energy produced in December 2024. Trade receivables are generally due in 30-45 days.

11. CURRENT TAX ASSETS

Current tax assets amounted to EUR 9,350 thousand (EUR 6,092 thousand as of 31 December 2023) and mainly related to IRES current tax assets (EUR 2,727 thousand requested for reimbursement, EUR 1,768 thousand for advance payments made in excess of the payable for the period and EUR 2,243 thousand relating to tax consolidation), IRAP current tax assets (EUR 782 thousand requested for reimbursement and EUR 743 thousand for advance payments made in excess of the payable for the period).

12. OTHER CURRENT ASSETS

The following table shows the details that make up **other current assets**:

(EUR thousands)	31.12.2024	31.12.2023	Change
Tax receivables	25,506	19,373	6,133
Other accounts receivable	29,898	13,714	16,184
Total other current assets	55,404	33,087	22,317

Tax receivables consist mainly of the portion of receivables for withholding and indirect taxes (VAT) that are expected to be recovered within the next financial year.

Other accounts receivable amounted to EUR 29,989 thousand (EUR 13,714 thousand as of 31 December 2023), net of an allowance for doubtful accounts of EUR 1,040 thousand, and mainly related to receivables for incentives for EUR 4,459 thousand (EUR 184 thousand as of 31 December 2023), other receivables for EUR 22,377 thousand related mainly to receivables from the sale of the investment in Alperion (formerly Naonis) for EUR 15,409 thousand, advances to suppliers in the amount of EUR 1,994 thousand and other receivables totalling EUR 3,794 thousand. In addition, the item includes EUR 435 thousand for accrued income and EUR 2,451 thousand for prepaid expenses.

Incentive receivables are generally due in 60 days.

NON CURRENT LIABILITIES

13. OTHER NON CURRENT LIABILITIES

Other non-current liabilities amounted to EUR 20,268 thousand (EUR 15,849 thousand as of 31 December 2023) and refer to the grant pursuant to Law No. 488/92 and the P.O.R. grant, obtained for the construction of the Albanella, Agrigento, Campidano, Ricigliano, Grottole, Anzi and Guardionara wind farms, respectively. The change is mainly due to obtaining a non-repayable grant from the subsidiary Comiolica in Spain for an initiative located in the same area as the La Ioma wind farm, in addition to the annual amortisation of grants whose duration is connected to the residual life of the plants they refer to.

(EUR thousands)	31.12.2024	31.12.2023	Change
Other liabilities	20,268	15,849	4,419
Total other non-current liabilities	20,268	15,849	4,419

CURRENT LIABILITIES

14. TRADE PAYABLES

Trade payables amounted to EUR 65,269 thousand (EUR 95,689 thousand as at 31 December 2023) and refer to trade payables. They bear no interest and are normally settled after 60 days.

The decrease compared to 31 December 2023 is mainly attributable to the settlement of the payable that had been entered under trade payables in the financial statements as at 31 December 2023 as a result of the unfavourable sentence issued by the Court of Milan in the lawsuit brought by the company to declare the invalidity of certain commodity derivative contracts hedging the electricity price risk.

The item also includes the amounts entered in 2022 following the introduction by the Government of measuring countering the high energy prices, further discussed in the section on the Group's legal disputes.

15. CURRENT TAX LIABILITIES

Current tax liabilities amounted to EUR 40,745 thousand (EUR 34,446 thousand as at 31 December 2023) and mainly refer to current tax liabilities for IRES, amounting to EUR 8,564 thousand, and other current tax liabilities in the amount of EUR 31,964 thousand. The change for the period is due to higher payables to the subsidiary Fri-el Green Power in connection with the national tax consolidation in the amount of EUR 7,737 thousand, offset by lower current taxes in 2024 compared to 2023.

The item "Other current tax liabilities" includes the values introduced with the 2023 Budget Law, in particular with reference to the contribution pursuant to Article 1, Paragraph 115 et seq., the so-called "high energy prices" measures, discussed in the section on the Group's legal disputes.

(EUR thousands)	31.12.2024	31.12.2023	Change
Current tax liabilities for IRAP	217	247	(30)
Substitute tax payable	0	7	(7)
Current tax liabilities for IRES	8,564	990	7,574
Other current tax liabilities	31,964	33,202	(1,238)
Total current tax liabilities	40,745	34,446	6,299

16. OTHER CURRENT LIABILITIES

(EUR thousands)	31.12.2024	31.12.2023	Change
Payables to employees and directors	1,868	1,494	374
Payables to tax authorities	799	1,088	(289)
Social security charges payable	771	585	186
Other payables	9,730	13,310	(3,580)
Total other current liabilities	13,168	16,477	(3,309)

The item **Other payables** mainly comprises:

- payables for municipal agreements and royalties in the amount of EUR 3,790 thousand (EUR 3,721 as at 31 December 2023);
- payables to employees and social security entities in the amount of EUR 2,639 thousand;
- deferred income recognised in connection with the current portion of capital grants payable to the subsidiaries Eolo S.r.l., Campidano S.r.l., WPS S.r.l. Fri-El Ricigliano S.r.l., Fri-El Grottole S.r.l. and Fri-El Anglona S.r.l., for EUR 1,247 thousand;
- other deferred income of EUR 528 thousand;
- other accrued liabilities of EUR 1,506 thousand;

"Other payables" are non-interest-bearing and are settled on average every 12 months.

For terms and conditions relating to related parties, see the note "Details of Related Party and Intragroup Transactions as at 31 December 2024".

17. EQUITY

The Group's capital management policies provide for the maintenance of a level of capital in order to maintain a relationship of trust with investors, creditors and the market, while also allowing for the future development of the business. The Group always monitors the return on capital and the level of dividends to be distributed to holders of ordinary shares.

Equity attributable to the owners of the parent as at 31 December 2024 amounted to Euro 366,720 thousand, an increase of Euro 45,880 thousand compared to Euro 320,840 thousand as at 31 December 2023. The main changes that occurred were:

- a positive change of EUR 95,786 thousand for the Group's 2024 profit;
- a decrease of EUR 1,498 thousand due to gains/losses resulting from the fair value measurement of bond instruments, recorded as financial assets, and recognised directly in the consolidated statement of comprehensive income net of the tax effect;
- a decrease of EUR 6 thousand due to actuarial gains/losses from defined benefit plans (IAS 19) recognised in the consolidated statement of comprehensive income net of the tax effect;
- a reduction in equity due to the purchase of treasury shares in the amount of EUR 4,287 thousand, net of utilisation for the 2023 - 2025 incentive plan;
- a negative change to the hedging reserve of EUR 12,106 thousand due to the negative change in the fair value of derivative financial instruments, net of tax effect;
- increase of EUR 699 thousand for the recognition of the effects of the share-based incentive plan (stock grant) for the three-year period 2023, 2024 and 2025. The relevant reserve as required by the reference standard, IFRS, 2 is related to the long-term incentive plan (Stock Grant Plan) that provides for the assignment to Executive Directors and Executives with Strategic Responsibilities of an incentive represented by a stock component. The purpose of the 2024-2025 Plan is to grant shares free of charge if certain performance targets are achieved at the end of a period. The maximum total number of Shares allotted to the Beneficiaries is 34,332 Shares. The Group recognises the services rendered by beneficiaries as personnel expenses and indirectly estimates

their value, and the corresponding increase in equity, based on the fair value of the equity instruments at the grant date, as required by the accounting standard.

- decrease of EUR 32,658 thousand to the partial distribution of available reserves. As resolved by Alerion's Shareholders' Meeting, held on 22 April 2024, approved the proposal to distribute a dividend to be paid starting from 08 May 2024 with detachment date on 6 May 2024 of coupon no. 13, through the partial use of reserves, of EUR 0.61 per outstanding ordinary share (net of treasury shares), gross or net of withholding taxes, depending on the applicable tax regime.

The statement of changes in equity items as at 31 December 2024 compared to those as at 31 December 2023 is presented in the consolidated financial statements.

Details of the individual items making up the equity as at 31 December 2024 are shown below:

Alerion's **share capital** amounted to EUR 161,137 thousand (unchanged from 31 December 2023) and consisted of 54,229,403 ordinary shares.

The **treasury share reserve** as of 31 December 2024 was negative for EUR 16,602 thousand (negative for EUR 12,582 thousand as of 31 December 2023) and refers to the purchase countervalue of the 691,480 treasury shares held by the company. The reserve changed from its value as at 31 December 2023 mainly due to the purchase of treasury shares during the year for a countervalue of EUR 4,287 thousand.

The **share premium** amounted to EUR 21,400 thousand, unchanged with respect to 31 December 2023, and related to: i) the premium of EUR 0.02 per share on the capital increase that took place in 2003; ii) the premium of EUR 0.55 per share on the capital increase that took place in 2008, net of adjustments for costs incurred, functional to the capital increases; iii) the difference between the value related to the purchase of treasury shares cancelled in 2012 and their par value, plus purchase commissions.

The **retained earnings reserves** are positive EUR 203,255 thousand (EUR 141,249 thousand as at 31 December 2023) and include accumulated profits/losses, net of distributed dividends.

The **hedging reserve** is negative in the amount of EUR 2,470 thousand (positive in the amount of EUR 9,636 thousand as of 31 December 2023) and includes changes in the fair value of derivative financial instruments, net of the related tax effect for their effective portion. The negative change for the year amounted to a total of EUR 12,106 thousand, of which a positive change of EUR 116 thousand is attributable to investments in companies valued according to the equity method. Please refer to paragraph "37. FINANCIAL RISK MANAGEMENT POLICY" where changes in the hedging reserve are shown.

Capital, reserves and profit attributable to non-controlling interests totalled EUR 5,938 thousand (EUR 5,885 thousand as at 31 December 2023).

The following is the disclosure required by International Accounting Standard IFRS 12 "*Disclosure of interests with other entities*".

Company (Thousands of Euros)	Operational headquarters	Percentage of ownership		Gains (losses) on non-controlling interests		Equity attributable to non-controlling interests	
				2024	2023	31.12.2024	31.12.2023
Alerion Bulgaria AD	Bulgaria	92.5%	92.5%	(1)	(2)	(8)	(7)
Parco Eolico Licodia Eubea	Italy	80%	80%	124	109	972	955
Wind Energy EOOD	Bulgaria	51%	51%	56	150	836	904
Wind Stream EOOD	Bulgaria	51%	51%	39	112	859	820
Wind Systems EOOD	Bulgaria	51%	51%	85	146	846	886
Wind Power 2 EOOD	Bulgaria	51%	51%	60	142	806	846
FRI-EL Anglona	Italy	90%	90%	234	354	(325)	(363)
Draghiescu Partners	Romania	90%	90%	(76)	(61)	(255)	(179)
FRI-EL Nulvi Holding	Italy	90%	90%	(4)	(1)	2,228	2,037
Bisalta S.r.l.	Romania	86%	86%	(7)	0	(21)	(14)
Mitoc Partners	Romania	0%	0%	0	117	0	0
Phoenix Catalyst	Romania	0%	0%	0	19	0	0
Phoenix Ceres	Romania	0%	0%	0	19	0	0
Phoenix Genesis	Romania	0%	0%	0	19	0	0
Phoenix Nest	Romania	0%	0%	0	55	0	0
Total				510	1,178	5,938	5,885

18. ACCOUNTING FINANCIAL INDEBTEDNESS OF ONGOING OPERATIONS

(values in Thousands of Euro)		31.12.2024	31.12.2023
Cash and cash equivalents			
Cash	21	12	13
Cash equivalents	21	515,859	343,149
Total cash and cash equivalents	21	515,871	343,162
Financial receivables and other current financial assets	20	71,436	77,657
Liquidity		587,307	420,819
Current financial liabilities			
Bank facilities	23	(32,646)	(73)
Derivative financial instruments	24	(6,653)	0
Current financial debt	23 24	(39,299)	(73)
Bank loans and borrowings and project financing	23	(20,352)	(29,635)
Lease liabilities	23	(1,080)	(1,137)
Derivative financial instruments	24	(106)	0
Bonds issued	23	(186,480)	(3,721)
Other loans and borrowings	23	(438)	(440)
Current portion of non-current financial debt	23	(208,456)	(34,933)
Current financial indebtedness	23 24	(247,755)	(35,006)
NET CURRENT FINANCIAL INDEBTEDNESS		339,552	385,813
Non-current financial liabilities			
Bank loans and borrowings and project financing	22	(124,253)	(146,937)
Other loans and borrowings	22	(22,886)	(17,463)
Lease liabilities	22	(12,582)	(15,550)
Derivative financial instruments	24	(323)	(352)
Non-current financial debt	22 24	(160,044)	(180,302)
Bonds issued	22	(713,340)	(664,241)
Debt instruments	22	(713,340)	(664,241)
Trade payables and other non-current liabilities		0	0
NON-CURRENT FINANCIAL INDEBTEDNESS	22 24	(873,384)	(844,543)
FINANCIAL INDEBTEDNESS*		(533,832)	(458,730)
<i>*Financial Indebtedness calculated as per ESMA32-382-1138 of 4 March 2021</i>			
FINANCIAL COVENANTS provided for in current bond regulations			
ACCOUNTING FINANCIAL INDEBTEDNESS net of Derivatives		(487,003)	(452,823)

Please refer to the relevant notes above for comments on the individual items.

NON CURRENT FINANCIAL ASSETS

19. FINANCIAL RECEIVABLES AND OTHER NON CURRENT FINANCIAL ASSETS

Financial Receivables and Other Non-Current Financial Assets amounted to EUR 40,498 thousand (compared to EUR 14,994 thousand as of 31 December 2023) and mainly included: i) financial receivables from companies valued using the equity method and ii) financial assets related to certain development and investment transactions in Italy and Romania.

The change compared to 31 December 2023 refers, in part, to the aforesaid joint venture with Alperia which changed the scope of consolidation, evidencing financial receivables from the companies now jointly controlled and, in particular, amounts for the development and construction of the wind power projects of Bioenergia and Generali.

CURRENT FINANCIAL ASSETS

20. FINANCIAL RECEIVABLES AND OTHER CURRENT FINANCIAL ASSETS

This item amounted to EUR 70,685 thousand (EUR 68,218 thousand as at 31 December 2023) and refers to the group's financial assets that represent temporary uses of cash. In particular, part of the financial assets refers to bonds with an average maturity of about five years with primary financial counterparties for EUR 64,955 thousand, the amount of which includes the effects of the positive fair value valuation in the amount of EUR 784 thousand (EUR 2,828 thousand as at 31 December 2023).

The change in **financial receivables and other current financial assets** compared to the previous period, amounting to EUR 2,467 thousand, is mainly due to financial receivables relating to given initiatives in Romania, net of the negative change in the fair value of bond instruments, which are classified in the financial statements as "Fair Value through Other Comprehensive Income" adopting the mark-to-model approach, in line with IFRS 13, and whose negative change compared to the previous period, amounting to EUR 2,069 thousand gross of the related tax effect, was recognised in comprehensive income.

21. CASH AND CASH EQUIVALENTS

(EUR thousands)	31.12.2024	31.12.2023	Change
Bank deposits	338,614	182,013	156,601
Cash-in-hand and cash equivalents	12	13	(1)
Time deposits	177,245	161,136	16,109
Total cash and cash equivalents	515,871	343,162	172,709

Bank Deposits amounted to EUR 515,871 thousand (EUR 343,162 thousand as at 31 December 2023). It should be noted that, as of 31 December 2024, the Bank Deposits attributable to Group companies that do not have project financing amounted to EUR 297,941 thousand and EUR 123,165 thousand as of 31 December 2023.

Cash and cash equivalents, related to Group companies financed under the project financing scheme amounted to EUR 40,673 thousand as of 31 December 2024 and EUR 58,847 thousand as of 31 December 2023, mainly consisted of bank account deposits and must operate in compliance with the commitments associated with the project financing agreements.

For more details on changes in cash and cash equivalents, please refer to the Statement of Cash Flows.

NON CURRENT AND CURRENT FINANCIAL LIABILITIES

22. NON CURRENT FINANCIAL LIABILITIES

(EUR thousands)	31.12.2024	31.12.2023	Change
Bonds issued	713,340	664,241	49,099
Bank loans and borrowings	124,253	146,937	(22,684)
Lease liabilities	12,582	15,550	(2,968)
Loans from non-controlling investors	22,886	17,463	5,423
Total non-current financial liabilities	873,061	844,191	28,870

Bonds issued as at 31 December 2024, up by EUR 49,099 thousand mainly as a result of the subscription of the new "2024-2030 bond loan" for EUR 247,134 thousand, net of ancillary issuance costs and of the reclassification, among short-term liabilities, of the "2019-2025 Bond Loan" for EUR 182,093 thousand, net of issuance costs.

Bonds issued are composed as follows: i) by the value of the 2021-2027 bond loan issued on 3 November 2021 for a countervalue of EUR 200,000 thousand, net of issuance costs of EUR 1,058 thousand; ii) by the value of the 2022-2028 bond loan issued on 17 May 2022 for a countervalue of EUR 100,000 thousand, net of issuance costs of EUR 830 thousand; iii) by the value of the 2023-2029 bond loan stipulated on 12 December 2023 for a countervalue of EUR 170,000 thousand, net of issuance costs of EUR 1,906 thousand, and by the value of the 2024-2030 bond loan issued on 11 December 2024 for a countervalue of EUR 250,000 thousand, net of issuance costs of EUR 2,866 thousand.

Bank loans and borrowings as of 31 December 2024 amounted to EUR 124,253 thousand (as of 31 December 2023 it was EUR 146,937 thousand) and is composed of: i) the long-term portion of project financing loans obtained for the construction of the Villacidro, Albareto and Ponte Gandolfo wind farms, held respectively by the subsidiaries Green Energy Sardegna S.r.l. for EUR 18,280 thousand, Fri-El Albareto S.r.l. for EUR 12,236 thousand, Eolica PM S.r.l. for EUR 30,857 thousand, Seddanus for EUR 7,592 thousand, Grottole PV for EUR 7,259 thousand and Licodia PV for EUR 6,007 thousand, net of accessory costs; ii) the long-term portion of the loan taken out for the purchase of the Via Fucini building for EUR 2,927 thousand, net of accessory costs; iii) the long-term portion of bank loans obtained by Alerion Clean Power S.p.A. from Mediocredito in the amount of EUR 655 thousand.

Compared to 31 December 2023, the EUR 22,684 thousand decrease is mainly due to: i) new bank loans signed with Crédit Agricole in the amount of EUR 38,439 thousand, net of accessory costs; ii) the early repayment of the loan held by Alperion (formerly Naonis) and iii) the change in the scope of consolidation as a result of the aforesaid joint venture with Alperia, which led to the reclassification of the assets and liabilities of the subsidiaries concerned, now entered among investments accounted for using the equity method.

It is noted that the project financing of the company Alerion Seddanus S.r.l. has been reclassified once again as a non-current financial liability compared to 31 December 2023 due to the disbursing entity's approved change of a condition of the loan contract.

Detailed information on current and non-current financial liabilities with an indication of the interest rates applied and their maturities is provided below:

(EUR thousands)	at 31.12.23	Increases	Decreases	at 31.12.24	Interest Rate	IRS	Expiry
Bonds issued 2019 2025 Green Bond	199,196	0	(16,898)	182,298	Bond Loan Rate 3.125%	n.a.	2025
Bonds issued 2021 2027 Green Bond	199,288	369	0	199,657	Bond Loan Rate 2.25%	n.a.	2027
Bonds issued 2022 2028 Green Bond	101,119	237	0	101,356	Bond Loan Rate 3.5%	n.a.	2028
Bonds issued 2023-2029 Green Bond	168,359	332	0	168,691	Bond Loan Rate 6.75%	n.a.	2029
Bonds issued 2024-2030 Green Bond	0	247,817	0	247,817	Bond Loan Rate 4.75%	n.a.	2040
Albareto Project financing	14,617	0	(1,167)	13,450	Euribor 6M + 1.95 %	0.95%	2035
Naonis project financing	8,455	0	(8,455)	0	Euribor 6M + 1.80 %	1.90%	2039
Enermac project financing (reconsolidated among Joint venture companies - measured using the equity method)	40,649	0	(40,649)	0	Euribor 6M + 1.80 %	1.93%	2039
Anemos Wind Project financing	12,296	0	(4,317)	7,979	Euribor 6M + 1.55 %	1.39%	2028
Eolica PM Project financing	36,510	0	(2,761)	33,749	Euribor 6M + 1.95 %	1.11%	2035
Green Energy Sardegna Project financing	21,553	0	(1,597)	19,956	Euribor 6M + 1.95 %	1.23%	2035
Guardionara Project financing	1,371	0	(1,371)	0	Euribor 6M + 1.5 %	0.12%	Refunded
Anzi Mortgage Financing	2,000	0	(2,000)	0	Euribor 3 month + 2.0%	n.a.	Refunded
Project financing - Alerion Seddanus	8,195	418	0	8,613	4.35%	n.a.	2040
Grottole PV Project financing	0	7,259	0	7,259	Euribor 6M + 1.9 %	n.a.	2039
Licodia PV bank loan	0	6,007	0	6,007	Euribor 6M + 2.0 %	n.a.	2039
Crédit Agricole loan to Conti Green Project	24,762	0	(3,432)	21,330	Euribor 6 month + 1.45%	3.33%	2028
Crédit Agricole Loan to Racari	0	21,520	0	21,520	Euribor 3M + 1.65 %	2.49%	2032
Fucini4 Mortgage Loan	3,521	0	(295)	3,226	Euribor 6 month + 1.6%	0.47%	2032
Bankinter loan	285	0	(285)	0	Euribor 6 month +2.32%	n.a.	Refunded
Mediocredito loan 2020 2026	2,358	0	(843)	1,515	Euribor 3 month + 1.8%	n.a.	2026
Bank loans and borrowings	73	32,573	0	32,646	Euribor 1 month + 1.0%	n.a.	until revoked
Lease liabilities	16,685	0	(3,022)	13,663	Incremental debt rate 3.71%	n.a.	
Shareholder loan - non-controlling investors	17,663	5,417	0	23,080			
Other financial liabilities	242	3	0	245			
Total Financial Liabilities	879,197	321,952	(87,092)	1,114,057			
<i>of which</i>							
Current	35,006			240,996			
Non-current	844,191			873,061			

With reference to the above loans, information is provided below, by individual project, on the amount of current and non-current residual debt, the technical forms used, maturity, commitments, guarantees issued in favour of lenders and significant contractual clauses.

(EUR thousands)				Associated financial indebtedness					
Plant	Company	Consolidated Installed Capacity (MW)	Net Book Value of Assets	Book Value of Financial Liabilities	Residual secured liability	Technical form	Expiry	Commitments, guarantees given in favour of lenders	Significant contractual clauses
Morcone Pontelandolfo (BN)	Eolica PM S.r.l.	51.8	60,078	33,749	33,749	Proj. financing	2035	(*)	(**)
Villacidro (SU)	Green Energy Sardegna S.r.l.	30.8	31,403	19,956	0	Proj. financing	2035	(*)	(**)
Albareto (PR)	Fri-El Albareto S.r.l.	19.8	24,011	13,450	0	Proj. financing	2035	(*)	(**)
Regalbuto (EN)	Anemos Wind S.r.l.	50.0	25,711	7,979	7,979	Proj. financing	2028	(*)	(**)
Ex Scaini (SU)	Alerion Seddanus S.r.l.	13.5	16,992	8,613	8,613	Proj. financing	2040	(*)	(**)
Licodia PV (CT)	Fri-el Solar S.r.l.	16.0	22,607	6,007	0	Bank loan	2039		
Grottale PV (MT)	Fri-el Solar S.r.l.			7,259	7,259	Proj. financing	2039	(*)	(**)
		181.9	180,802	97,013	57,600				

(*) Main commitments and guarantees given: Pledge on Company Shares. Pledge on bank accounts, mortgage and special lien

(**) Contractual clauses Debt service cover ratio (DSCR); Financial leverage (debt to equity)

(Itg) As of the bond issue date, the project financing of the project companies were purchased by the parent company Alerion Clean Power S.p.A.

These project financing loans contain covenants typical of the financial market, which place limits on the financed company in line with prevailing market practice for similar agreements. In particular, it should be noted that collateral mainly refers to: i) the special lien on movable assets; ii) the first mortgage on immovable assets; iii) the pledge on receivables and current accounts iv) the pledge on 100% of the share capital.

The following table shows the balances at 31 December 2024 relating to Current assets attributable to Group companies, financed under the project financing scheme:

(EUR thousands)	31.12.2024	Values attributable to project-financed companies	31.12.2023	Values attributable to project-financed companies
Trade receivables	22,574	4,611	22,575	7,739
Current tax assets	9,350	1,869	6,092	1,637
Other current assets	55,404	3,194	33,087	2,557
<i>of which incentive credits</i>	<i>4,459</i>	<i>576</i>	<i>184</i>	<i>184</i>
Financial receivables and other current financial assets	70,685	0	68,218	674
Cash and cash equivalents	515,871	40,673	343,162	58,847
CURRENT ASSETS:	673,884	50,347	473,134	71,454

The financed company assumes a number of **obligations and prohibitions**, compliance with which is essential for the purposes of the Loan Agreement. Below are the details:

- The **obligations** concern, inter alia, the opening of the Project Account and the VAT Account, the provision of own means, the stipulation of the Agreement with the Grid Manager and of the Insurance Policies, the appointment of the Works Manager, the safeguarding of the Plant, the notification of any Event of Forfeiture or Event of Termination or Event of Withdrawal, the full compliance with the Decree in the Energy Account, the compliance with the Minimum Level of Inventory, the recognition of the right of first refusal to the Lending Bank, in the event of refinancing.
- The **prohibitions** concern, inter alia, the repayment of the Shareholders' Loan (except with the prior written consent of the Lending Bank, in the event that this does not allow the maintenance of a Debt to Equity ratio at least equal to the contractually defined one), the cessation or modification of the nature of the activities carried out, the creation of liens and/or encumbrances on the assets pertaining to the Project (negative pledge) and the creation of earmarked assets.

The following table shows the **Financial Covenants** related to *project* financing, for which compliance is already due at year-end, and which refer to the minimum levels that the Debt Service Reserve Account must comply with, which must not be lower than the sum of the principal repayment instalment, commission and interest expense between the different semi-annual calculation dates. As at 31 December 2024, the latest calculation date, the covenants shown in the table below have been met.

Project finance:

DSCR (Debt Service Cover Ratio)

Project finance Green Energy Sardegna	1.05
Project finance Eolica PM	1.05
Project finance Friel Albareto	1.05
Project finance Anemos wind	1.05
Project finance Enermac	1.05
Project finance Seddanus	1.15

COMPLIANCE WITH THE FINANCIAL COVENANTS OF THE BONDS:

It is noted that, with respect to the **"2019-2025 Bond Loan"**, if on each Calculation Date the ratio of Derivative Net Accounting Financial Indebtedness to Derivative Net Equity is greater than 2.5, the Company undertakes not to incur any further Derivative Net Accounting Financial Indebtedness unless on the next Calculation Date such ratio is equal to or less than 2.5; "Calculation Date" means the date of 31 December of each year of the term of the Loan, commencing on 31 December 2019. It should be noted that, the definition and calculation of the Net Derivative Accounting Financial Indebtedness and Net Derivative Equity will be carried out on the basis of the international accounting standards in force at the date of disbursement of each individual Bond and already adopted by the company for the preparation of the 2019 annual report. In particular, it should be noted that the company exercised its early repayment right on 20 December 2024; the operation was completed on 30 January 2025.

Please note that with reference to the **"2021-2027 Bond Loan"**, the **"2022-2028 Bond Loan"**, the **"2023-2029 Bond Loan"** and the **"2024-2030 Bond Loan"**, if on each Calculation Date the ratio of the Net Derivative Accounting Financial Indebtedness to the Net Derivative Equity is greater than 3, the Company undertakes not to incur any further Net Derivative Accounting Financial Indebtedness unless on the next Calculation Date such ratio is equal to or less than 3; "Calculation Date" means the date of 31 December of each year of the term of the Loan, commencing on 31 December following each of the issues identified above. It should be noted that the definition and calculation of the Derivative Net Accounting Financial Indebtedness and Derivative Net Equity will be performed on the basis of the international accounting standards in force at the date of the issue of each individual Bond and already adopted by the company for the preparation of the annual report for each financial year in which the issue took place.

Conclusions on Meeting the Financial Covenants of the Bonds as at 31 December 2024

At the date of this annual report, based on the analyses performed, the financial covenants for the Company's bonds were met.

Lease payables and lease liabilities amounting to EUR 12,582 thousand refer to the present value of the portion of future lease payments due after 12 months, recognised in accordance with the lease accounting model required by IFRS 16.

Loans from non-controlling investors, for EUR 22,886 thousand, refer to loans granted by minority shareholders in connection with the development of wind farms.

This item mainly refers to SIMEST's investment, made in the form of a mixed share capital increase and shareholder financing, aimed at supporting Alerion:

- for EUR 9,951 thousand, net of accessory costs of EUR 100 thousand, to support Alerion's development in Spain, through its subsidiary
- and for EUR 12,963 thousand, net of accessory costs, to support the Group's initiatives in Romania, through the subsidiary Alerion Renewable RO S.r.l. Following the capital increase in the holding of the activities in Romania on 6 December 2023, SIMEST holds a 49% stake in Alerion Renewable S.r.l., a company of which Alerion Clean Power S.p.A. retains control with 51% of the share capital.

Considering that, in substance, the two SIMEST transactions qualify as a financing transaction and considering the presence of a "put" option exercisable by the counterparty, the Group considered SIMEST as a lender and, for the purposes of consolidating Comiolica S.L. and the subsidiary Alerion Renewable RO, did not present non-controlling interests in the consolidated financial statements.

23. CURRENT FINANCIAL LIABILITIES

(EUR thousands)	31.12.2024	31.12.2023	Change
Loans and borrowings and bank facilities	52,998	29,708	23,290
Bonds issued	186,480	3,721	182,759
Operating lease liabilities	1,080	1,137	(57)
Loans from non-controlling investors	438	440	(2)
Total current financial liabilities	240,996	35,006	205,990

Loans and borrowings and bank facilities amounted to EUR 52,998 thousand vs. EUR 29,708 thousand as at 31 December 2023. The increase is mainly due to the use of the credit lines, secured by bonds, available to the Group in the amount of EUR 32,500 thousand, partially offset by the EUR 7,298 thousand reduction in the amount payable for project financing.

This item, amounting to EUR 52,998 thousand, includes the short-term portions of Project Financing loans relating to the plants of: i) Eolica PM S.r.l. for EUR 2,892 thousand; ii) Anemos Wind for EUR 7,979 thousand; iii) Green Energy Sardegna S.r.l. for EUR 1,676 thousand; iv) Fri-El Albareto S.r.l. for EUR 1,214 thousand; v) Alerion Seddanus S.r.l. for a total amount of EUR 1,021 thousand while the mortgage loan held by Fri-el Anzi for EUR 2,000 thousand as at 31 December 2023 had been fully repaid, just like the project financing loans held by Fri-el Guardionara. It should be noted that the long-term portion of the project financing loan granted to the subsidiary Seddanus, unlike at the end of 2023, is classified as a non-current financial liability in line with the contractual deadlines following the consent given by the disbursing entity in the course of the year.

In addition, it is underlined that: i) the corporate loan with Bankinter obtained by Alerion Clean Power S.p.A. and amounting to EUR 285 thousand as at 31 December 2023, was fully repaid in the period, ii) the current portion of the loan with Mediocredito obtained by Alerion Clean Power S.p.A. amounted to EUR 859 thousand; iii) the new bank loans taken out with Credit Agricole amounted to EUR 4,411 thousand as at 31 December 2024.

Bonds issued as at 31 December 2024, totalling EUR 186,480 thousand, refer to: i) the residual debt of EUR 182,500 thousand relating to the 2019-2025 bond loan subscribed on 19 December 2019 for a countervalue of EUR 200,000 thousand, net of issuance costs of EUR 406 thousand; ii) the debt for interest accrued, totalling EUR 4,387 thousand, relating to interest accrued in the year in relation to the 2019-2025 bond loan subscribed on 19 December 2019, the 2021-2027 bond loan stipulated on 3 November 2021, the 2022-2028 bond loan stipulated on 17 May 2022, the 2023-2029 bond loan stipulated on 12 December 2023 and the 2024-2030 bond loan stipulated on 11 December 2024. The change compared to 31 December 2023 refers to the reclassification as short term of the residual debt relating to the 2019-2025 bond loan as a result of the exercise of the early repayment right, to interest accrued in the year and not yet paid and to interest accrued on the new bond loan stipulated at the end of 2024.

Lease payables and liabilities, which amounted to EUR 1,080 thousand (EUR 1,137 thousand as of 31 December 2023), refer to the present value of the portion of future lease payments due within 12 months, recognised in accordance with the accounting model required by IFRS 16.

24.DERIVATIVE FINANCIAL INSTRUMENTS

As of 31 December 2024, derivative financial instruments on the Financial Statements, **recorded as assets**, amounted to a total of EUR 3,414 thousand (EUR 13,251 thousand as of 31 December 2023), of which the current portion, amounting to EUR 751 thousand, represented cash flows due within one year, while the non-current portion, amounting to EUR 2,663 thousand, included future cash flows until the end of the derivative contract corresponding to the repayment of the project financing.

As of 31 December 2024, derivative financial instruments on the Financial Statements, **recorded as liabilities**, amounted to a total of EUR 7,082 thousand (EUR 352 thousand as of 31 December 2023), of which the non-current portion, amounting to EUR 323 thousand, included future cash flows until the end of the derivative contract corresponding to the repayment of the project financing, while the current portion amounted to EUR 6,759 thousand.

As at 31 December 2024, the following financing transactions were outstanding, for which cash flow hedges were in place:

Counterparty (Company) (amounts in Thousands of Euro)	Project financing hedged with IRS	Notional Derivative	Fair value of derivative financial instruments as at 31 December 2024	Share at CFH	Change in Consolidation Scope	Early termination and redemption of derivative instruments	Share at CE	Fair value of derivative financial instruments as at 31 December 2023
Banco BPM (Fucini)	3,226	3,251	270	(82)	0	0	0	352
Banco BPM (Anemos Wind)	7,979	6,303	100	(248)	0	0	100	248
Unicredit (Green Energy Sardegna)	19,956	15,241	807	(311)	0	0	0	1,118
Unicredit (Eolica PM)	33,749	25,704	1,534	(553)	0	0	0	2,087
Unicredit (Enermac)	0	0	0	(1,016)	110	0	0	906
Unicredit (Naonis Wind)	0	0	0	(230)	0	0	27	203
Crédit Agricole Italia (Alerion Clean Power) #1	21,330	10,750	(343)	(3)	0	0	2	(342)
Crédit Agricole Italia (Alerion Clean Power) #2	21,520	6,375	(86)	(83)	0	0	(3)	0
Unicredit (Guardionara)	0	0	0	(23)	0	0	0	23
Unicredit (Fri-el Albareto)	13,450	10,461	702	(239)	0	0	0	941
Derivative Financial Instruments on Project Financing	121,210	78,085	2,984	(2,788)	110	0	126	5,536
Counterparty (Company) (amounts in Thousands of Euro)	Commodity Swaps	Notional Derived (GWh)	Fair value of derivative financial instruments as at 31 December 2024	Share at CFH	Variation of Consolidation Scope	Early termination and redemption of derivative instruments	Share at CE	Fair value of derivative financial instruments as at 31 December 2023
Unicredit (Alerion Clean Power)	0	349	(6,653)	(14,016)	0	0	0	7,363
Commodity Swap Derivative Financial Instruments	0	349	(6,653)	(14,016)	0	0	0	7,363
Derivative Financial Instruments Attributable to Fully Consolidated Equity Investments	0	0	(3,669)	(16,804)	110	0	126	12,899
related tax effect	0	0	1,165	4,582	(26)	0	(30)	(3,361)
Derivative financial instruments attributable to fully consolidated participations net of the related tax effect	0	0	(2,504)	(12,222)	84	0	96	9,538
Counterparty (Company) (amounts in Euro/000)	Project financing hedged with IRS	Notional	Fair value of derivative financial instruments as at 31 December 2024	Share at CFH	Change of Consolidation Scope	Early termination and redemption of derivative instruments	Share at CE	Fair value of derivative financial instruments as at 31 December 2023
Unicredit (Enermac)**	18,767	7,170	243	153	(56)	0	146	0
Derivative instruments attributable to equity-accounted investments	18,767	7,170	243	153	(56)	0	146	0
related tax effect	0	0	(59)	(37)	13	0	(35)	0
Derivative instruments attributable to investments accounted for using the equity method net of tax effect	0	0	184	116	(43)	0	111	0

(**) fully consolidated investment until 31 December 2023, accounted for using the equity method in accordance with IFRS 11 since 31 December 2024

The Group enters into *interest rate swap* contracts to manage the risk arising from interest rate fluctuations on *project* financing loans entered into with various pools of banks, and at the request of those banks (a condition for entering into *project financing* transactions), converting the lines of financing dedicated to investments from floating rates to fixed rates. At the reporting date, contracts with a notional value, relating to fully consolidated subsidiaries, of about EUR 78,085 thousand were in place, which fix the interest at an average IRS rate of about 4% for a period lasting 15 years on average from the date of stipulation of the underlying contract.

It should be noted that the Group has also entered into commodity swap contracts on the price of electricity in order to manage price risk, contain the volatility induced by fluctuations in electricity market prices on its margins, and consequently stabilise the related cash flows generated by the sale of the electricity produced by its plants. These contracts provide for the conversion from a variable price (National Single Price, "PUN") to a fixed price, calculated on a predetermined notional amount. At the reporting date, contracts for a notional amount of about 349 GWh were in place on maturities relating to the current period, 2024, and in part also maturities relating to 2025.

The change in the fair value of interest rate swaps to hedge project financing loans of the fully-consolidated companies was negative in 2024 for EUR 2,552 thousand, mainly recognised in equity for EUR 2,788 thousand, the decrease of which was essentially due to the performance of financial markets in 2024 with a reduction in interest rates that caused the decrease in the net value of derivative financial instruments, the latter being affected in fact by the difference between the IRS rate curve and the forward rate curve.

The change in the Fair Value of commodity swaps on energy prices was negative by EUR 14,016 thousand as a result of the lower expected value of energy prices for hedged maturities. The change was stated entirely under equity.

As at 31 December 2024, the Group's derivatives portfolio qualifying for hedge accounting is shown in the table below:

Counterparty (*) data as at 31 December 2024 (amounts in thousands of euro)	Notional amount	Fair value as at 31 Decembe r 2024	Inception Date	Effective date	Termination Date	Fixed Rate	Variable rate
Interest Rate Derivatives							
Banco BPM (Fucini)	3,251	270	18/01/2022	30/06/2022	30/06/2032	0.47%	Euribor 6M
Banco BPM (Anemos Wind)	6,303	100	12/05/2022	30/06/2022	31/12/2028	1.39%	Euribor 6M
Unicredit (Green Energy Sardegna)	15,241	807	30/10/2018	31/12/2018	29/06/2035	1.23%	Euribor 6M
Unicredit (Eolica PM)	25,704	1,534	21/12/2018	21/12/2018	29/06/2035	1.11%	Euribor 6M
Crédit Agricole Italia (Alerion Clean Power) #1	10,750	(343)	06/11/2023	23/10/2023	28/12/2028	3.33%	Euribor 6M
Crédit Agricole Italia (Alerion Clean Power) #2	6,375	(86)	07/10/2024	27/09/2024	30/09/2032	2.49%	Euribor 3M
Unicredit (Fri-el Albareto)	10,461	702	15/02/2019	28/06/2019	29/06/2035	0.95%	Euribor 6M
Interest Rate Derivatives	78,085	2,984					
Counterparty (*) data as at 31 December 2024 (amounts in thousands of euro)	Notional (GWh)	Fair value as at 31 Decembe r 2024	Inception Date	Effective date	Termination Date	Fixed Price	Variable Price
Commodities Derivatives							
Unicredit (Alerion Clean Power)	151	(4,741)	23/05/2024	01/01/2025	31/03/2025	102	National Single Price ("PUN")
Unicredit (Alerion Clean Power)	99	(891)	14/11/2024	01/04/2025	30/06/2025	113	
Unicredit (Alerion Clean Power)	33	(337)	14/11/2024	01/07/2025	30/09/2025	121	
Unicredit (Alerion Clean Power)	33	(337)	14/11/2024	01/07/2025	30/09/2025	121	
Unicredit (Alerion Clean Power)	33	(347)	14/11/2024	01/07/2025	30/09/2025	121	
Commodities Derivatives	349	(6,653)					
Derivative Financial Instruments Attributable to Fully Consolidated Equity Investments							
		(3,669)					
Counterparty (*) data as at 31 December 2024 (amounts in thousands of euro)	Notional (GWh)	Fair value as at 31 Decembe r 2024	Inception Date	Effective date	Termination Date	Fixed Rate	Variable rate
Interest Derivatives							
Unicredit (Enermac)	7,170	243	22/12/2023	30/06/2022	29/06/2035	1.93%	Euribor 6M
Derivative instruments attributable to equity- accounted investments	7,170	243					

(*) It is specified that in the case of loans granted by a pool of banks, the term "Counterparty" identifies the pool's agent bank

The net fair value of the interest rate swaps and commodity swaps on energy prices attributable to the fully-consolidated companies in existence at 31 December 2024 is estimated to be a negative amount of EUR 3,669 thousand (at 31 December 2023 it was a positive amount of EUR 12,899 thousand).

Net of the related tax effect, the Group's Hedging reserve, which amounted to EUR 9,636 thousand as of 31 December 2023, totalled EUR 2,470 thousand as of 31 December 2024.

Hedging Reserve Movements					
Company	Hedging reserve** as at 31 December 2024	Hedging reserve as at 31 December 2023	Other changes	Differential regulations	Fair Value Adjustment
Banco BPM (Fucini)	270	352	0	(118)	36
Banco BPM (Anemos Wind)	0	248	0	(199)	(49)
Banco BPM (Fri el Campidano)	0	0	0	0	0
Banco BPM (Fri el Campidano # 2)	0	0	0	0	0
(* * *) Unicredit (Enermac)	153	1,016	(508)	(441)	86
Unicredit (Naonis Wind)	0	230	0	(322)	92
Unicredit (Green Energy Sardegna)	807	1,118	0	(457)	146
(*) Unicredit (Andromeda)	0	0	0	0	0
Unicredit (Guardionara)	0	23	0	(23)	0
(*) B.I.I.S. (New Green Molise)	0	0	0	0	0
Unicredit (Eolica PM)	1,534	2,087	0	(745)	192
Sabadel (Alerion Teruel)	0	0	0	0	0
Crédit Agricole Italia (Alerion Clean Power) #2	(83)	0	0	0	(83)
Crédit Agricole Italia (Alerion Clean Power) #1	(343)	(340)	0	(70)	67
Unicredit (Grottolo)	0	0	0	0	0
Other derivative financial instruments	0	0	0	0	0
Unicredit (Alerion Clean Power)	(6,653)	7,363	0	(5,406)	(8,610)
Unicredit (Fri el Albareto)	702	941	0	(322)	83
Hedging reserve before tax	(3,613)	13,038	(508)	(8,103)	(8,040)
Change in deferred tax liabilities	1,143	(3,402)	122	2,158	2,265
Net Hedging Reserve	(2,470)	9,636	(386)	(5,945)	(5,775)

(*) investments accounted for using the equity method in accordance with IFRS 11

(**) CFH (Hedging Reserve)

(***) fully consolidated investment until 31 December 2023, accounted for using the equity method in accordance with IFRS 11 since 31 December 2024

The hedging reserve, net of tax effect, decreased by EUR 12,106 thousand at 31 December 2024 compared to 31 December 2023, with a negative impact on consolidated equity, mainly due to the settlement of IRS coupons expired in the period and the change in the reserve related to the commodity swap on the sale price of electricity.

It is noted that the hedging reserve for commodity swap contracts which, as at 31 December 2024, was open on new hedges and was negative (before tax) by EUR 6,653 thousand, was positive by EUR 7,363 thousand as at 31 December 2023.

Financial assets and liabilities that have not been hedged

Currently, the Group has not hedged the following types of financial instruments:

- financial debts represented in particular by the debt to the banking institution Mediocredito in the parent company totalling EUR 1,514 thousand;
- bank deposits, on demand and short-term (maximum maturity three months), used for temporary cash use.

25. POST-EMPLOYMENT BENEFITS AND OTHER EMPLOYEE BENEFITS

They amounted to EUR 1,565 thousand (EUR 1,390 thousand as of 31 December 2023) and include the actuarial value of the Group's actual debt to all employees determined by applying the criteria set forth in IAS 19.

(EUR thousands)	31.12.2024	31.12.2023	Change
Post-employment benefits	1,565	1,390	175
Total post-employment benefits and other employee benefits	1,565	1,390	175

The actuarial assumptions used to define the fund are summarised below:

Table_Economic and Financial Actuarial Assumptions

<i>Calculation date</i>	31/12/2024
<i>Mortality rate</i>	IPS55 tables
<i>Disability rates</i>	INPS-2000 tables
<i>Staff turnover rate</i>	2.00%
<i>Discount rate*</i>	3.38%
<i>Rate of Salary increase</i>	1.00%
<i>Rate of advances</i>	1.00%
<i>Inflation rate</i>	2.00%

Group employees as at 31 December 2024 totalled 204. The composition is detailed below:

	As at 31.12.23	Increases	Decreases	As at 31.12.24	Average number of the period
Executives	4	0	0	4	4
Middle managers and Office workers	98	45	(17)	126	119
Blue-collar employees	67	25	(18)	74	73
Total employees	169	70	(35)	204	196

Information on the average age of staff and their training is given below:

	Average age		Graduates	
	at 31.12.2023	at 31.12.2024	at 31.12.2023	at 31.12.2024
Executives	51	52	4	4
Middle managers and Office workers	38	37	71	92
Blue-collar employees	34	34	0	0
Mean value	36.5	36.3	75	96

26. PROVISIONS FOR FUTURE RISKS AND CHARGES

(EUR thousands)	31.12.2024	31.12.2023	Change
Provision for taxes and tax litigation	2,242	2,925	(683)
Provision for litigation risks	16	147	(131)
Provisions for other risks	8,070	10,767	(2,697)
Total provisions for future risks and charges	10,328	13,839	(3,511)

Changes in **Provisions for future risks and charges** are shown below:

(EUR thousands)	Taxes and tax litigation	Litigation risks	Provisions for other risks	Total
As at 31 December 2023	2,925	147	10,767	13,839
Provisions	68	12	1,148	1,228
(Uses/releases)	(751)	(143)	(3,845)	(4,739)
As at 31 December 2024	2,242	16	8,070	10,328

The item **Taxes and Tax Litigation** includes accruals related to the higher ICI/IMU property tax recalculated mainly on the basis of the yields redetermined by the Agenzia del Territorio for EUR 2,241 thousand, which was equal to EUR 2,925 thousand as of 31 December 2023.

The **Provision for litigation risks** is recognised to cover legal expenses related to pending litigation and reflects the updated estimate of litigation risks as at 31 December 2024.

It is pointed out that the provision previously recognised for the lawsuit brought by the company to declare the invalidity of certain commodity derivative contracts hedging the electricity price risk, was reclassified as at 31 December 2023 among trade payables following the unfavourable sentence passed by the Court of Milan on 8 February 2024. The Parties later agreed to enter into a settlement agreement that settled all pending issues in relation to the derivative contracts, which are to be deemed fulfilled. The matter was settled during the first quarter of 2024.

The item **Provisions for other risks** mainly includes:

- plant decommissioning costs of EUR 4,173 thousand (as at 31 December 2023, EUR 4,311 thousand). In relation to the provisions of IAS 16 and IAS 37 concerning the recognition of site restoration costs on which wind farms operate, the recognised provision for charges was reduced by EUR 137 thousand,

as a balancing entry to lower property, plant and equipment, in connection with the increase in discount rates;

- the EUR 455 thousand provision for the Spanish operating company Comiolica (equal to EUR 4,030 thousand as of 31 December 2023) is calculated on the yield envisaged by Spanish legislation on wind power generation plants and reflected in the income statement under other revenue and income for the portion pertaining to the year.

A more detailed description of legal disputes can be found in Note 40 "LEGAL DISPUTES".

27. COMMITMENTS AND GUARANTEES

The contractual commitments undertaken by the Alerion Group and the guarantees given to third parties and resulting as at 31 December 2024 are summarised below:

- Sureties or Guarantees issued in favour of third parties, relating to fully consolidated companies, totalling EUR 247,778 thousand, of which:
 - EUR 151,639 thousand relating to project financing bank loans and non-controlling investors. Project financing guarantees amount to EUR 98,612 thousand and their residual debt entered in the financial statements is EUR 57,600 thousand;
 - EUR 77,766 thousand securing supply contracts entered into by the group through its SPVs in the development phase;
 - EUR 13,756 thousand securing environmental restoration obligations included in the authorisations held by the SPVs;
 - EUR 4,616 thousand for other obligations.
- Sureties or Guarantees issued in favour of third parties, relating to consolidated companies using the equity method, totalling EUR 58,883 thousand, of which:
 - EUR 29,865 thousand relating to bank loans and borrowings and project financing. Project financing guarantees amount to EUR 29,865 thousand and their residual debt entered in the financial statements is EUR 18,766 thousand;
 - EUR 20,864 thousand securing supply contracts entered into by the group through its SPVs in the development phase;
 - EUR 1,665 thousand securing environmental restoration obligations included in the authorisations held by the SPVs;
 - EUR 6,483 thousand in favour of Gestore Servizi Energetici - GSE S.p.A. for participation in the corresponding auctions and EUR 5 thousand for other obligations.
- Pledge on the shares of the following companies: Fri-EL Albareto S.r.l., Green Energy Sardegna S.r.l., Eolica PM S.r.l., Anemos Wind S.r.l., Alperion (formerly Naonis Wind S.r.l.), Enermac S.r.l., Fri-el Solar S.r.l. and Alerion Seddanus S.r.l. securing project finance loans.

INCOME STATEMENT

28. OPERATING REVENUE

Operating revenue for the financial year 2024 totalled EUR 223,474 thousand (EUR 163,921 thousand in 2023), up from the previous year due to the recognition of income of about EUR 77 million in the Group's operating revenue, offset by the decrease in average sales prices. Operating revenue for the year 2024 is broken down as follows:

- revenue from the sale of electricity in the amount of EUR 129,406 thousand (EUR 159,615 thousand in 2023);
- incentive tariff revenues of EUR 17,208 thousand (EUR 4,306 thousand in 2023);
- other operating revenue of EUR 76,860 thousand as a result of the sale of the 50% stake in Naonis Wind S.r.l. (now Alperion S.r.l.), deriving from the deconsolidation of assets and liabilities and the measurement of the investment in the Joint Venture at its fair value.

Average selling price

In 2024, the average selling price for fully consolidated wind power plants incentivised according to the Feed-in Tariff (FIP), formerly "green certificates", was EUR 141.9 per MWh, compared to EUR 128.8 per MWh in the same period in 2023. In particular:

- the average electricity selling price in 2024 for fully consolidated plants was EUR 99.7 per MWh, compared to EUR 128.8 per MWh in the same period of 2023;
- the average Feed-in tariff in 2024 was 42.2 (null in the same period of 2023).

The Villacidro, Morcone-Pontelandolfo and Albareto wind farms, on the other hand, benefit from a guaranteed minimum auction price (under Ministerial Decree 23/06/2016) amounting to EUR 66 per MWh.

The average selling price in 2024 for the Krupen plant in Bulgaria was approximately EUR 84.12 per MWh. In particular, in Bulgaria the incentive system, which was previously fixed, has become variable since June 2019: the electricity produced is sold on the free market through traders at the best trading price and then the Authority pays an additional premium for each MWh produced, which is determined every six months.

It should be noted that during the period, the Group also entered into commodity swap contracts on the price of electricity in order to manage price risk, contain the volatility induced by fluctuations in electricity market prices on its margins, and consequently stabilise the related cash flows generated by the sale of the electricity produced by its plants. These contracts provide for the conversion from a variable price (National Single Price, "PUN") to a fixed price, calculated on a predetermined notional amount. As of year-end, contracts for a notional amount of approximately 349 GWh have been signed for the first nine months of 2025.

Other operating revenue

The item **other operating revenue** amounted to EUR 76,860 thousand and includes the effects, net of ancillary costs, of the Transaction completed by Alerion on 12 November 2024 for the launch of a peer joint venture with Alperia for the development and running of wind plants with a total capacity of about 120 MW. This operation was the first equity recycling transaction carried out by Alerion to support the expansion of its business portfolio both in Italy and abroad.

In particular, the Group sold to Alperia a 50% stake in Naonis Wind S.r.l. ("Naonis"), fully owned until then by Alerion. Naonis is the owner of an 11 MW wind farm in the municipality of Cerignola and, in turn, owns

100% of the share capital of the following companies (collectively, "Naonis subsidiaries"): Enermac S.r.l., the owner of a 51 MW running plant, Bioenergia S.r.l., the owner of a 29 MW plant being built, and Generali S.r.l., the owner of a 29 MW plant being built.

The effects of the sale led to the recognition of income in the income statement, net of ancillary costs, of EUR 76,860 thousand. Such income derives from: (i) deconsolidation of the subgroup, on the date of loss of control, which resulted in the recognition of a capital gain, net of ancillary costs, of EUR 38,430 thousand, calculated as the difference between the consideration received (EUR 49,673 thousand) and the value of the assets and liabilities sold, and (ii) the recognition of the investment in the company at its fair value. The fair value was determined when the shares were sold as the value of a market transaction between the parties, in accordance with international accounting standards. Such fair value represents the measure of the new value at which the residual 50% of the Naonis shares are entered in the Group's consolidated financial statements among net assets.

Please find below a table summarising the values mentioned above.

Table Other operating revenue - formation of capital gain from Equity recycling	
Capital gain from "sale" of shares - recognition of income from subgroup deconsolidation	38,430
Capital gain from recognition of investment in the company at its fair value	38,430
Gross income from sale	76,860

As pointed out in the Directors' Report, this initiative was the first equity recycling transaction of Alerion implementing the guidelines of its Business Plan, identifying a new business line of the Group in this type of transactions. Please refer to the note on sector reporting for further details.

29. OTHER REVENUES AND INCOME

Other revenues and income amounted to EUR 20,164 thousand (EUR 37,784 thousand in 2023), down from the previous year. The change is mainly due to the capital gain realised in 2023 for the sale of the minority stake in Andromeda Wind S.r.l., equal to about EUR 13,926 thousand, as part of the operation with RWE Renewables Italia S.r.l.

Other revenues and income mainly refer to:

- administrative and technical consulting services rendered to companies whose equity investments are accounted for using the equity method in the amount of EUR 3,296 thousand (EUR 1,715 thousand in 2023);
- income from the release of funds previously recorded in the amount of EUR 585 thousand, in 2023 it amounted to EUR 3,688 thousand. They mainly refer to the resetting of taxes calculated on the cadastral rents of wind farms;
- insurance indemnities for non-production in the amount of EUR 1,879 thousand, which are recognised in the income statement at the time the settlement is determined (EUR 4,534 thousand in 2023);
- grants pursuant to Law No. 488/92 and the P.O.R. grant, obtained for the construction of the Albanella, Agrigento, Campidano, Ricigliano, Grottole, Anzi, Guardionara and Anglona wind farms, totalling EUR 1,550 thousand, in line with the previous year (EUR 1,550 thousand in 2023);
- income relating to the Spanish subsidiary Comiolica of EUR 4,155 thousand (equal to EUR 1,624 thousand as of 31 December 2023) calculated on the yield envisaged by Spanish legislation on wind power generation plants.

30. OPERATING COSTS

(EUR thousands)	2024	2023	Change
Operating costs			
Personnel	12,954	10,248	2,706
Board of Directors and Corporate Costs	2,590	2,430	160
Consulting and collaborations	8,275	8,327	(52)
Insurance	5,027	4,706	321
Maintenance	17,517	14,496	3,021
Royalties and Leases	3,713	4,114	(401)
IMU (property tax)	775	806	(31)
Other Production Costs and Imbalances	538	593	(55)
Other operating costs	5,879	6,679	(800)
Other Operating Costs	44,314	42,151	2,163
Accruals to provisions for risks	60	145	(85)
Accruals to provisions for risks	60	145	(85)
Total operating costs	57,328	52,544	4,784

Operating costs for 2024 increased compared to the previous year by a total of EUR 4,784 thousand, in particular reflecting the increase in the item "Personnel" for EUR 2,706 thousand, up as a result of the strengthening of the Group's organisational structure, following the internalisation of operating and maintenance activities of operating plants and the process of continuous expansion of the Group's activities both in Italy and abroad.

Board of Directors and corporate costs in 2024 amounted to EUR 2,590 thousand, an increase of EUR 160 thousand compared to the cost recognised in 2023 of EUR 2,430 thousand.

The item **Consulting and collaborations** amounted to EUR 8,275 thousand, a decrease of EUR 52 thousand compared to the previous year. The amount is mainly attributable to costs for tax and legal advice in support of development activities in Italy and Romania.

Maintenance costs of EUR 17,517 thousand increased compared to the previous year (EUR 14,496 thousand in 2023) as a result of efficiency and cost reduction activities for the maintenance and operation of the Group's plant fleet. Assets include the costs of ordinary and extraordinary maintenance of operating plants currently within the Group's consolidated scope.

A breakdown of personnel expenses is given below:

(EUR thousands)	2024	2023	Change
Wages, salaries and social security contributions	9,662	7,643	2,019
Social security contributions	2,430	1,971	459
Post-employment benefits	347	343	4
Other personnel expenses	515	291	224
Total personnel expenses	12,954	10,248	2,706

31. AMORTISATION, DEPRECIATION AND IMPAIRMENT LOSSES

(EUR thousands)	2024	2023	Change
Amortisation of intangible assets	15,707	15,594	113
Depreciation of property, plant and equipment	37,545	35,788	1,757
Impairment losses/reversals of impairment losses	(346)	25,052	(25,398)
Total amortisation, depreciation and impairment losses	52,906	76,434	(23,528)

The item **Amortisation, depreciation and impairment losses** increased with respect to the previous year, amounting to EUR 53,252 thousand, and is attributable to the depreciation of the Group's operating plants (as of 31 December 2023, it amounted to EUR 51,382 thousand).

The item **Impairment losses/reversals of impairment losses**, positive by EUR 346 thousand in 2024, includes a statutory impairment in Spain for EUR 725 thousand and the effects arising from the impairment tests carried out until 31 December 2024. The analyses showed a net positive reversal, in the amount of EUR 1,071 thousand, of the Group's intangible assets and property, plant and equipment, due to the combined effect of the writing-down of some initiatives in Romania (EUR 874 thousand) and the reversal of the impairment loss of the subsidiary Dotto S.r.l. (EUR 1,904 thousand). In 2023 this item included the results of the impairment tests carried out in December 2023, which led to a EUR 25,052 thousand adjustment before tax.

For more details, please refer to "Note 6" on the disclosure prepared for the annual impairment test.

It should be noted that the depreciation of assets recognised in accordance with IFRS 16 as Land or Buildings amounted to EUR 1,308 as at 31 December 2024.

32. NET FINANCIAL COSTS

The following table shows the detailed items that make up the result of financial operations:

(EUR thousands)	2024	2023	Change
Financial income:			
interest from banks	4,017	4,174	(157)
income from derivative financial instruments	3,099	2,905	194
financial income from third parties	8,795	4,651	4,144
other financial income	36	40	(4)
Total financial income	15,947	11,770	4,177
Financial costs:			
interests on Bond	(27,285)	(15,493)	(11,792)
interests and financial costs	(13,224)	(12,103)	(1,121)
other financial costs	(345)	(1,153)	808
Total financial costs:	(40,854)	(28,749)	(12,105)
Total Net financial costs	(24,907)	(16,979)	(7,928)

Financial income

Financial income amounted to EUR 15,947 thousand in 2024, an increase of EUR 4,177 thousand compared to 2023, and mainly included interest accrued on the group's financial assets that represent temporary uses of cash: i) bond instruments with an average maturity of about five years with leading financial counterparties, in the amount of EUR 3,432 thousand, and ii) current account balances temporarily used in "time deposit contracts", in the amount of EUR 5,302 thousand.

Income from derivative instruments of EUR 3,099 thousand mainly included IRS coupons income from project financing contracts, which increased compared to 2023 as a result of the rise in interest rates that occurred during the year, and changes in the fair value of derivative instruments that did not qualify as hedges at the measurement date.

It should be noted that the Group's objective is to limit the fluctuation of financial costs that have an impact on the economic result, containing the risk arising from the potential rise in interest rates. To this end, the Group makes use, on average, of derivative contracts entered into with third parties (*Interest Rate Swaps*) aimed at predetermining or limiting the change in cash flows due to market fluctuations in the aforementioned interest rates, with reference to medium- and long-term debt. At each evaluation date, compliance with the conditions of effectiveness of the hedges put in place is verified.

Financial costs

Financial costs amounted to EUR 40,854 thousand (EUR 28,749 thousand as of 31 December 2023) and included **short-term bank interest and charges** of EUR 13,224 thousand, which mainly related to interest accrued on the utilisation of project financing and **interest accrued on the bond loan** of EUR 27,285 thousand vs. EUR 15,493 thousand in 2023. The change is due to the full contribution of the issue completed on 12 December 2023 and, in part, to the new issue completed on 11 December 2024. **Other financial costs** of EUR 345 thousand include financial costs related to leasing liabilities recognised in accordance with IFRS 16 and expenses related to foreign exchange differences accrued during the year.

The overall increase in Financial costs compared to 2023 is mainly due to the issue of the new bond in the second half of 2024 maturing in 2030 and the full-year contribution of the December 2023 bond issue.

33. NET GAINS ON EQUITY INVESTMENTS AND OTHER FINANCIAL ASSETS

Net gains on equity investments were positive by EUR 547 thousand and mainly refer to interest income from subsidiaries, while they were positive by EUR 23,686 thousand in 2023 when they mainly referred to the operation completed with RWE for the acquisition of 100% of the shares in Guardionara and Anzi, previously held by the group with a minority 49% stake.

34. INCOME TAXES

The breakdown of the item **Income taxes** is shown in the table below:

Thousands of Euros	2024	2023	Change
Current taxes	(9,572)	(24,070)	14,498
Deferred tax assets relating to the emergence and reversal of temporary differences	(5,906)	(2,190)	(3,716)
Deferred tax liabilities related to the emergence and reversal of temporary differences	643	11,779	(11,136)
Income Taxes in the Consolidated Income Statement	(14,835)	(14,481)	(354)

It should be noted that the item current taxes, amounting to EUR 9,572 thousand in 2024, is significantly lower than in 2023.

Deferred tax assets and deferred tax liabilities

The composition of deferred tax assets and liabilities at 31 December 2024 is as follows:

	Consolidated Statement of financial position			Consolidated Income Statement	Other comprehensive income and other changes	Consolidated Income Statement
Values in thousands	31/12/2024	31/12/2023	Change	2024		2023
(A) Deferred tax liabilities						
Discounting of Post-employee benefits	11	8	3	0	3	0
Deferred tax liabilities on temporary differences related to non-taxable dividends and amortisation and depreciation	(3,195)	(3,396)	201	201	0	(405)
Deferred tax assets on temporary differences recognised due to application of IFRS 16 Financial Leases	(2,828)	(2,831)	3	3	0	260
Deferred tax liabilities on temporary differences recognised on intra-group eliminations	(144)	(144)	0	0	0	0
Business combination (IFRS3)	(38,077)	(40,419)	2,342	2,342	0	9,609
Derivative financial instruments	(1,570)	(2,351)	781	(1,880)	2,661	0
Adaptation to Group Accounting Standards	(1,174)	(1,776)	602	(23)	625	2,315
Total (A)	(46,977)	(50,909)	3,932	643	3,289	11,779
(B) Deferred tax assets						
Deferred tax assets on temporary differences on the recognition of accruals to provisions for risks, amortisation, depreciation and impairment losses	4,286	12,332	(8,046)	(8,046)	0	(421)
Derivative financial instruments	914	1,112	(198)	(2,054)	1,856	(249)
Consolidation adjustments for the purpose of adjusting the financial statements to the IFRS principles used by the group	(4,310)	(2,717)	(1,593)	(1,420)	(173)	(1,309)
Deferred tax assets on temporary differences related to interest surpluses	(50)	(75)	25	25	0	0
Deferred tax assets on temporary differences recognised due to application of IFRS 16 Operating leases	335	303	32	32	0	33
Deferred tax assets on temporary differences recognised on intra-group eliminations	873	931	(58)	(58)	0	(62)
Losses available for offset against future taxable profits	5,717	9	5,708	5,708	0	0
Other deductible temporary differences	19,663	19,756	(93)	(93)	0	(182)
Total (B)	27,428	31,651	(4,223)	(5,906)	1,683	(2,190)
Net Deferred Tax Assets	(19,549)	(19,258)	(291)	(5,263)	4,972	9,589
Current taxes				(9,572)		(24,070)
Total taxes for the year				(14,835)		(14,481)

Deferred tax assets and deferred tax liabilities

The net difference from 31 December 2023 of EUR 354 thousand was recognised, partly directly in negative changes in equity for EUR 4,972 thousand and partly in the consolidated income statement for a total of EUR 5,263 thousand.

Deferred tax liabilities are recognised mainly on the recognition of intangible assets following business combinations, on non-taxable dividends and amortisation, and on the application of IFRS 16 (Leases).

Deferred tax assets are mainly recognised:

- as the tax benefit of future higher deductible amortisation on asset revaluations made in the statutory financial statements as at 31 December 2020, in order to align the tax burden in the consolidated financial statements with that of the statutory financial statements;
- on temporary differences due to the recognition of accruals to provisions for risks in Alerion Clean Power S.p.A. and Alerion Real Estate S.r.l. in liquidation.
- on the excess of interest expense over ROL, for which there is a reasonable certainty of absorption in subsequent tax periods pursuant to Art. 96 of the TUIR (Italian Consolidated Income Tax Law).
- on temporary differences, recognised on intra-group eliminations and mainly related to financial costs on intra-group loans, capitalised in the statutory financial statements of subsidiaries.

Current taxes

The reconciliation between the theoretical and actual tax burden is shown below:

(Thousands of Euros)	Italy	Abroad	Total
Consolidated pre-tax income	118,282	(7,151)	111,131
Theoretical tax	30,998	1057	32,055
Permanent differences	(22,026)	(17)	(22,223)
Temporary differences	750	0	750
Utilisation of past tax losses	(26)	0	(26)
ACE Deduction	(10)	0	(10)
Other Changes in Tax Consolidation	(1,057)	0	(1,057)
Effective tax	8,449	1,040	9,489
Effective tax %	7.1%	n.a.	8.5%
Other taxes	83	0	83
Total current taxes	8,532	1,040	9,572
Deferred tax assets and liabilities	2,047	0	2,047
Deferred tax liabilities on consolidation adjustments	3,456	(240)	3,216
Total deferred tax assets and liabilities	5,503	(240)	5,263
Financial year taxes	14,035	800	14,835

35. EARNINGS PER SHARE

Basic earnings per share is calculated by dividing the profit for the period attributable to the owners of the parent by the weighted average number of shares outstanding during the year, net of treasury shares purchased by Alerion Clean Power S.p.A. in 2024.

Earnings and share information for the calculation of basic and diluted earnings per share are presented below:

Summary results

<i>Thousands of Euros</i>	2024	2023
Profit for the period attributable to ordinary shareholders from continuing operations	96,296	67,998
Profit attributable to non-controlling interests	510	1,178
Net profit (loss) for the period attributable to the owners of the parent	95,786	66,820

Number of shares outstanding

	2024	2023
No. of shares outstanding	54,229,403	54,229,403
Treasury shares on the date	691,480	522,973
Weighted average of outstanding shares	53,557,919	53,839,778

Earnings per share

<i>(Euro)</i>	2024	2023
Result per share	1.79	1.24

36. INDUSTRY SEGMENTS PERFORMANCE REPORT

IFRS 8 requires that operating segments, subject to segment reporting, be identified on the basis of the elements regularly used by management for performance analysis. The Group's business is focused on the wind power sector.

Also in consideration of management reporting, the following tables present the reporting of **Operating, Holding** and **Equity recycling Activities**.

Other operating revenue - Equity recycling

As said above, on 12 November 2024 Alerion signed with Alperia Greenpower S.r.l. ("Alperia"), a fully owned subsidiary of Alperia S.p.A., a sale agreement concerning a peer joint venture for the development and running of a portfolio of wind plants in Apulia, with a total capacity of about 120 MW, of which 62 MW already running and 58 MW being built.

This initiative was the first equity recycling operation of Alerion implementing the guidelines of the Group's Business Plan, with the aim of enabling the Company to support the expansion of its business portfolio both in Italy and abroad.

The effects of the sale of a 50% stake in Naonis led to the recognition in the income statement, among **operating revenue, of income totalling EUR 76,780 thousand, net of ancillary costs**. The fair value was determined when the shares were sold as the value of a market transaction between the parties, in accordance with international accounting standards.

As pointed out in the Directors' Report, this initiative was the first equity recycling transaction of Alerion implementing the guidelines of its Business Plan, **identifying a new business line of the Group in this type of transactions**.

The breakdown of operating revenue by geographical area is shown below, which shows that the Group's operations are mainly concentrated in Italy and residually abroad, respectively the Krupen plant (located in Bulgaria), the Comiolica plant (located in Spain) and the photovoltaic plants located in Romania.

Fields of activity: Revenue table

**Operating revenue
by Geographical area and Segment**

(values in Thousands of Euro)

	2024	% of total	2023	% of total
Italy (Islands)	59,593	27%	58,872	36%
Italy (Mainland)	70,560	32%	88,884	54%
Spain	3,271	1%	7,127	4%
Bulgaria	2,123	1%	2,967	2%
Romania	11,067	5%	6,071	4%
Operational Activities Segment				
Total operating revenues from the sale of electricity and feed-in tariff	146,614	66%	163,921	100%
Equity Recycling Segment				
Total operating revenues from Equity Recycling activities	76,860	34%	-	-
Operating revenue	223,474	100%	163,921	100%

Fields of activity: Statement of financial position

(Thousands of euro)	Operational activities		Holding		Consolidated	
	31.12.2024	31.12.2023	31.12.2024	31.12.2023	31.12.2024	31.12.2023
NON-CURRENT ASSETS:						
Intangible assets	266,102	265,019	0	0	266,102	265,019
Property, plant and equipment	582,272	582,663	7,998	9,108	590,270	591,771
Financial receivables and other non-current financial assets	75,870	37,629	39,280	14,423	115,150	52,052
Other non-current assets	19,750	21,169	8,794	11,728	28,544	32,897
TOTAL NON-CURRENT ASSETS	943,994	906,480	56,072	35,259	1,000,066	941,739
CURRENT ASSETS:						
Inventories	17,416	10,561	0	0	17,416	10,561
Financial receivables and other current financial assets	5,397	2,693	66,039	74,964	71,436	77,657
Other current assets	57,802	46,381	29,526	15,373	87,328	61,754
Cash and cash equivalents	56,848	83,540	459,023	259,622	515,871	343,162
TOTAL CURRENT ASSETS	137,463	143,175	554,588	349,959	692,051	493,134
TOTAL ASSETS	1,081,457	1,049,655	610,660	385,218	1,692,117	1,434,873
EQUITY	186,499	170,745	186,159	155,980	372,658	326,725
NON-CURRENT LIABILITIES:						
Non-current financial liabilities	94,502	136,209	778,882	708,334	873,384	844,543
Other non-current liabilities	70,939	73,727	8,199	8,260	79,138	81,987
TOTAL NON-CURRENT LIABILITIES	165,441	209,936	787,081	716,594	952,522	926,530
CURRENT LIABILITIES:						
Current financial liabilities	15,728	25,742	232,027	9,265	247,755	35,006
Other current liabilities	104,798	100,162	14,384	46,450	119,182	146,612
TOTAL CURRENT LIABILITIES	120,526	125,904	246,411	55,715	366,937	181,618
Inter-segment financing	608,991	543,070	(608,991)	(543,070)	0	0
TOTAL LIABILITIES	894,958	878,910	424,501	229,239	1,319,459	1,108,148
TOTAL EQUITY AND LIABILITIES	1,081,457	1,049,655	610,660	385,218	1,692,117	1,434,873

Fields of activity: Income statement

(Thousands of euro)	Operational activities		Holding		Consolidated	
	2024	2023	2024	2023	2024	2023
Operating revenue	223,474	163,921	0	0	223,474	163,921
Other revenues and income	11,656	15,132	8,508	22,652	20,164	37,784
TOTAL REVENUES	235,130	179,053	8,508	22,652	243,638	201,705
Operating costs	51,497	44,616	5,831	7,929	57,328	52,544
Share of profits of investments accounted for using the equity method	2,087	3,045	0	0	2,087	3,045
Amortisation, depreciation and impairment losses	52,097	75,816	809	618	52,906	76,434
OPERATING PROFIT (EBIT)	133,623	61,667	1,868	14,106	135,491	75,772
Financial net gains on equity investments	(17,717)	6,879	(6,643)	(172)	(24,360)	6,707
PROFIT BEFORE TAX	115,906	68,546	(4,775)	13,934	111,131	82,479
Income taxes					(14,835)	(14,481)
PROFIT FOR THE YEAR FROM OPERATING ACTIVITIES					96,296	67,988
PROFIT FOR THE YEAR					96,296	67,988
Profit attributable to non-controlling interests					510	1,178
PROFIT ATTRIBUTABLE TO THE OWNERS OF THE PARENT					95,786	66,820

Operational Activities:

Operating revenue for the financial year 2024 totalled EUR 223,474 thousand (EUR 163,921 thousand in 2023), increasing from the previous year, due to the recognition of income of approximately 77 million euros under Group Operating Revenues offset by the decline in average selling prices.

Operating revenue for the year 2024 is broken down as follows:

- revenue from electricity sale in the amount of EUR 129,406 thousand (EUR 159,615 thousand in 2023);
- incentive tariff and guarantee of origin revenues of EUR 17,208 thousand (EUR 4,306 thousand in 2023);
- other operating revenue of EUR 76,860 thousand.

Average selling price

In 2024, the average selling price for fully consolidated wind power plants incentivised according to the Feed-in Tariff (FIP), formerly "green certificates", was EUR 141.9 per MWh, compared to EUR 128.8 per MWh in the same period in 2023.

In particular:

- the average selling price of electricity in 2024 for fully consolidated plants was EUR 99.7 per MWh, compared to EUR 128.8 per MWh in the same period of 2023;
- the average Feed-in Premiumf in 2024 was 42.2 (null in the same period of 2023).

The Villacidro, Morcone-Pontelandolfo and Albareto wind farms, on the other hand, benefit from a guaranteed minimum auction price (under Ministerial Decree 23/06/2016) amounting to EUR 66 per MWh. The average selling price in 2024 for the Krupen plant in Bulgaria was approximately EUR 84.12 per MWh. In particular, in Bulgaria the incentive system, which was previously fixed, has become variable since June 2019: the electricity produced is sold on the free market through traders at the best trading price and then the Authority pays an additional premium for each MWh produced, which is determined every six months.

It should be noted that during the period, the Group also entered into commodity swap contracts on the price of electricity in order to manage price risk, contain the volatility induced by fluctuations in electricity market prices on its margins, and consequently stabilise the related cash flows generated by the sale of the electricity produced by its plants. These contracts provide for the conversion from a variable price (National Single Price, "PUN") to a fixed price, calculated on a predetermined notional amount. As of year-end, contracts for a notional amount of approximately 349 GWh have been signed for the first nine months of 2025.

Operating Profit (EBIT) as at 31 December 2024 was EUR 133,623 thousand (EUR 61,667 thousand as at 31 December 2023) after amortisation, depreciation and impairment losses of EUR 52,097 thousand (EUR 75,816 thousand as at 31 December 2023).

Property, plant and equipment and Intangible assets as at 31 December 2024 amounted to Euro 848,374 thousand. The positive change compared to 31 December 2023 is Euro 692 thousand, net of amortisation and depreciation for the year and is mainly due to the continuation of development activities mainly in Italy and Romania in Romania.

Holding:

As at 31 December 2024, the Holding business mainly includes the results of the Holding business and the results of the Consulting business, which are considered marginal compared to the predominant electricity production business.

37. Financial Risk Management Policy

Financial risk management is an integral part of managing the Group's activities. It is carried out centrally by the parent company, which defines the risk categories and, for each type of transaction and/or instrument, indicates the operating methods and limits.

All instruments at fair value are classified as Level 2 as they are measured at Mark to Model based on observable market parameters.

Below is the breakdown of financial assets and liabilities required by IFRS 7 within the categories required by IFRS 9:

Figures as at 31/12/24 in euro thousands	Notes	Financial Instrument Assets at Fair Value by Designation	Held to collect	Held to collect and sell	Other	Total
Current financial assets:						
Cash and cash equivalents	21	0	0	0	515,871	515,871
Financial receivables and other current financial assets	20	0	5,730	64,955	0	70,685
Derivative financial instruments	24	751	0	0	0	751
Trade receivables	10	0	22,574	0	0	22,574
Non-current financial assets:						
Financial receivables and other non-current financial assets	19	0	40,498	0	0	40,498
Derivative financial instruments	24	2,663	0	0	0	2,663
Figures as at 31/12/24 in euro thousands	Notes		Liabilities for financial instruments held for trading	Liabilities for financial instruments at fair value by designation	Liabilities at amortised cost	Total
Current financial debt:						
Bank loans and borrowings	23		0	0	(52,998)	(52,998)
Operating lease liabilities	23		0	0	(1,080)	(1,080)
Payables to bondholders for interest	23		0	0	(4,386)	(4,386)
Bonds issued	23		0	0	(182,094)	(182,094)
Shareholder loan - non-controlling investors	23		0	0	(255)	(255)
Other Financial Payables	23		0	0	(183)	(183)
Derivative financial instruments	24		0	(6,759)	0	(6,759)
Trade Payables	14		0	0	(65,269)	(65,269)
Non-current financial liabilities:						
Bank loans and borrowings	22		0	0	(124,253)	(124,253)
Operating lease liabilities	22		0	0	(12,582)	(12,582)
Bonds issued	22		0	0	(713,340)	(713,340)
Shareholder loan - non-controlling investors	22		0	0	(22,886)	(22,886)
Derivative financial instruments	24		0	(323)	0	(323)

Figures as at 31/12/23 in euro thousands	Note s	Financial Instrument Assets at Fair Value by Designation	Held to collect	Held to collect and sell	Other	Total
(A) - Financial Assets						
Current financial assets:						
Cash and cash equivalents	21	0	0	0	343,162	343,162
Financial receivables and other current financial assets	20	0	1,218	67,000	0	68,218
Derivative financial instruments	24	9,439	0	0	0	9,439
Trade receivables	10	0	22,575	0	0	22,575
Non-current financial assets:						
Financial receivables and other non- current financial assets	19	0	14,994	0	0	14,994
Derivative financial instruments	24	3,812	0	0	0	3,812
Figures as at 31/12/23 in euro thousands	Note s		Liabilities for financial instruments held for trading	Liabilities for financial instruments at fair value by designation	Liabilities at amortised cost	Total
Current financial liabilities:						
Bank loans and borrowings	23		0	0	(29,708)	(29,708)
Operating lease liabilities	23		0	0	(1,137)	(1,137)
Payables to bondholders for interest	23		0	0	(3,721)	(3,721)
Shareholder loan - non-controlling investors	23		0	0	(255)	(255)
Other Financial Payables	23		0	0	(185)	(185)
Trade Payables	14		0	0	(95,689)	(95,689)
Non-current financial liabilities:						
Bank loans and borrowings	22		0	0	(146,937)	(146,937)
Operating lease liabilities	22		0	0	(15,550)	(15,550)
Bonds issued	22		0	0	(664,241)	(664,241)
Shareholder loan - non-controlling investors	22		0	0	(17,463)	(17,463)
Derivative financial instruments	24		0	(352)	0	(352)

Fair value and calculation models used

The following table shows the amounts corresponding to the fair value of the classes of financial instruments broken down on the basis of the methods and calculation models used to determine them.

Figures as at 31/12/24 in euro thousands	Book value		Fair Value	
	Current Portion	Non-Current Portion	Cost	Discounted Cash Flow
(A) - Financial Assets				
Financial receivables and other financial assets	70,685	0	5,730	64,955
Derivative financial instruments	751	2,663	0	3,414
TOTAL ASSETS	71,436	2,663	5,730	68,369

Figures as at 31/12/24 in euro thousands	Book value		Fair Value	
	Current Portion	Non-Current Portion	Cost	Discounted Cash Flow
(B) - Financial Liabilities				
Bank loans and borrowings		(52,998)	(124,253)	(187,805)
Bonds issued		(186,480)	(713,340)	(971,621)
Derivative financial instruments		(6,759)	(323)	(7,082)
TOTAL LIABILITIES		(246,237)	(837,916)	(1,166,508)

Figures as at 31/12/23 in euro thousands	Book value		Fair Value	
	Current Portion	Non-Current Portion	Cost	Discounted Cash Flow
(A) - Financial Assets				
Financial receivables and other financial assets	68,218	0	1,218	67,000
Derivative financial instruments	9,439	3,812	0	13,251
TOTAL ASSETS	77,657	3,812	1,218	80,251

Figures as at 31/12/23 in euro thousands	Book value		Fair Value	
	Current Portion	Non-Current Portion	Cost	Discounted Cash Flow
(B) - Financial Liabilities				
Bank loans and borrowings		(29,708)	(146,937)	(179,629)
Bonds issued		(3,721)	(664,241)	(716,003)
Derivative financial instruments		0	(352)	(352)
TOTAL LIABILITIES		(33,429)	(811,530)	(895,984)

The fair value of equity investments recognised at cost was not calculated because they are investments in equity instruments that do not have a quoted market price in an active market, as required by IFRS 7.

The fair value of financial liabilities and interest rate swap contracts was determined using the forward curve for future cash flows and a riskless discount curve + spread derived from the spot Euribor - Swap

curve at 31 December 2024 and 31 December 2023. With regard to financial liabilities, the discounted cash flow method was applied to the portion of debt outstanding at year-end.

Type of risks covered

In connection with its transactions in financial instruments, the Group is exposed to the following risks. From a procedural point of view, the Board of Directors assesses each transaction of a significant amount in advance, periodically verifies the Group's risk exposure and defines market risk management policies. To this end, Alerion Clean Power S.p.A. acts directly on the market and carries out an activity of control and coordination of the financial risks of Group companies; the choice of financial counterparties is oriented towards those with a high credit standing, while ensuring a limited concentration of exposure to them.

Credit risk

The nature of the Group's receivables is mainly attributable to trade receivables arising from the supply of electricity and the sale of shareholdings.

With regard to financial transfer transactions, the company normally deals only with known and reliable counterparties. The balance of receivables is monitored during the period so that the amount of exposure to losses is not significant. These loans are also generally secured by collateral, and in the event of default by the counterparty, the maximum risk is equal to the Financial Statement value of the corresponding asset.

Exposure to credit risk is increasingly linked to the commercial activity of selling electricity; due to the nature of the market, exposure is limited to a few commercial counterparties with a high credit standing, whose positions are periodically monitored for compliance with payment terms.

The table below summarises the balances of trade receivables from third parties only, as none of the other financial assets described above were past due or impaired at year-end:

Figures as at 31/12/24 in euro thousands							
(thousands of Euros)	Receivables	<u>Overdue receivables gross</u>				Total	Depreciation
	Net trade	Within 4 months	from 5 to 8 months	from 9 to 12 months	after 12 months	Expired	Individual
Receivables from customers	14,221	0	0	0	273	273	(273)
Trade receivables from subsidiaries	8,353	0	0	0	0	0	0
Trade receivables	22,574	0	0	0	273	273	(273)

Figures as at 31/12/23 in euro thousands

(thousands of Euros)	Receivables	<u>Overdue receivables gross</u>				Total	Depreciation
	Net trade	Within 4 months	from 5 to 8 months	from 9 to 12 months	after 12 months	Expired	Individual
Receivables from customers	22,320	0	0	0	273	273	(273)
Trade receivables from subsidiaries	255	0	0	0	0	0	0
Trade receivables	22,575	0	0	0	273	273	(273)

Concentration risk

The Alerion Group's trade receivables as of 31 December 2024 amounted to EUR 22,574 thousand (EUR 22,575 thousand as of 31 December 2023) and mainly consisted of receivables accrued on the sale of energy produced in December 2024.

The Alerion Group's trade receivables as of 31 December 2024, as represented in the table below, refer for 59% to receivables arising from the sale of electricity and ancillary services to the sale of electricity.

Trade receivables as at 31 December 2024	Thousands of Euros	%
Receivables from energy sales and ancillary services	13,310	59%
Other trade receivables	9,264	41%
Total trade receivables	22,574	100%

Through its subsidiaries operating in the production and sale of electricity, the Group annually enters into bilateral contracts for the withdrawal of energy produced with leading counterparties operating on the electricity market as traders. In this regard, it should be noted that:

- the duration of the contracts is 12 months;
- contracts usually include collateral issued by the counterparty at the time of signing;
- invoicing is usually settled at 30-45 days;
- The price is not predetermined at the time of signing. There are no contractual provisions for inflationary elements or other types of hedging.
- The agreed price is equal to the zonal price minus a trade fee.

At the date of approval of the consolidated annual report as at 31 December 2024, trade receivables related to the sale of energy outstanding as at 31 December 2024 had been fully collected.

Liquidity risk

Liquidity risk can manifest itself in the difficulty of finding, at market economic conditions, the financial resources needed to meet contractual commitments.

It may arise from the insufficiency of available resources to meet financial obligations on the pre-established terms and deadlines in the event of a sudden revocation of revocable financing facilities or from the possibility that the company may have to meet its financial liabilities before their natural maturity.

It should be noted that on 11 December 2024, the company carried out a new issue with the "2024-2030 Bond Loan" with a term of 6 years, for a total nominal amount of EUR 250 million at a fixed annual nominal interest rate of 4.75%, to be partly allocated to the financing of future investments.

The new issue is in addition to the previous ones that took place respectively i) on 19 December 2019 with the "2019-2025 Bond Loan" for a total amount of EUR 200 million, also with a duration of 6 years, at a nominal fixed annual rate of 3.125% (repaid on 30 January 2025), ii) on 3 November 2021 with the "2021-2027 Bond Loan" for a total amount of EUR 200 million, also with a duration of 6 years, at a nominal fixed annual rate of 2.25% iii) on 17 May 2022, the company carried out a new issue with the "2022-2028 Bond Loan", with a term of 6 years, for a total nominal amount of EUR 100 million at a nominal fixed annual rate of 3.5%, iv) the "2023-2029 Bond Loan", with a term of 6 years, for a total nominal amount of EUR 170 million at a nominal fixed annual rate of 6.75%, to be used essentially to finance future investments. It should be noted that the terms of the aforementioned bond issues meet the criteria of the "*Green Bond Framework*" adopted by the Company.

In any case, the Parent Company has cash and margins available on bank credit facilities adequate to meet temporary cash needs.

For the operating companies, the Group's financial management activities are centralised at Alerion Clean Power S.p.A., which negotiated financing lines on behalf of its subsidiaries in the form of *project financing* to meet the financial needs associated with the implementation of investment projects in the renewable energy production sector, particularly in the wind power sector, as well as short-term credit lines from leading banks. In addition, the Parent Company may grant loans to investee companies, in support of their development plans and in accordance with its own portfolio investment return objectives, and which are subordinated with respect to the repayment of medium/long-term project financing bank loans, if any.

The liquidity risk arising from individual investment projects is governed by maintaining an adequate level of cash and/or easily liquidated short-term securities as well as short-term credit lines. In addition, the Group has available margins on bank credit lines adequate to meet temporary cash requirements and deliberate investments, as well as the theoretical risk of repayment of on-demand credit lines, through the Group's centralised financial management.

The maturity analysis shown here was carried out by estimating future cash flows, the amounts of which were entered taking into account the first date on which payment may be required. The assumptions underlying the *maturity analysis* are:

- cash flows are not discounted;
- cash flows are posted in the reference *time band* based on the first due date (*worst case scenario*) under the terms of the contract;
- all instruments held at the end of the financial year for which payments have already been contractually designated are included; future commitments that are planned but not yet recorded in the Financial Statements are not included;
- when the amount payable is not fixed (e.g. future interest repayments), cash flows are valued at market conditions at the reporting date (forward rates current at year-end);
- cash flows include both the interest and principal portion until maturity of financial liabilities recognised at year-end;
- with regard to interest rate derivatives, the flows shown in the table were determined by assuming the periodic differentials between the fixed leg and the variable leg; the latter is estimated on the basis of forward rates at year-end.

Liquidity Analysis 2024 values in euro thousands											
Notes	Instruments	Book values	on demand	within 6 months	from 6 to 12 months	from 1 to 2 years	from 2 to 3 years	from 3 to 4 years	from 4 to 5 years	beyond 5 years	Total cash Flow
22 23	Bank loans and borrowings	(177,251)	0	(16,219)	(10,274)	(20,504)	(20,167)	(26,827)	(15,135)	(64,620)	(173,746)
22 23	Operating lease liabilities	(13,662)	0	0	(1,080)	(1,080)	(1,080)	(1,080)	(1,080)	(14,040)	(19,440)
22 23	Bonds issued	(899,820)	0	(15,175)	(204,378)	(31,350)	(231,350)	(126,850)	(193,350)	(261,875)	(1,064,328)
22 23	Shareholder loan - non-controlling investors	(23,141)	0	0	0	0	(15,681)	0	0	(7,460)	(23,141)
22 23	Other Financial Payables	(183)	0	(183)	0	0	0	0	0	0	(183)
24	Derivative financial instruments	(7,082)	0	(7,082)	0	0	0	0	0	0	(7,082)
14	Trade payables	(65,269)	0	(65,269)	0	0	0	0	0	0	(65,269)
Total		(1,186,408)	0	(103,928)	(215,732)	(52,934)	(268,278)	(154,757)	(209,565)	(347,995)	(1,353,189)

Liquidity Analysis 2023 values in euro thousands											
Notes	Instruments	Book values	on demand	within 6 months	from 6 to 12 months	from 1 to 2 years	from 2 to 3 years	from 3 to 4 years	from 4 to 5 years	beyond 5 years	Total cash Flow
22 23	Bank loans and borrowings	(176,645)	0	(11,610)	(10,765)	(21,538)	(19,050)	(19,574)	(26,964)	(98,465)	(207,966)
22 23	Operating lease liabilities	(16,687)	0	0	(1,137)	(1,137)	(1,137)	(1,137)	(1,137)	(17,055)	(22,740)
22 23	Bonds issued	(667,962)	0	(3,500)	(22,225)	(225,725)	(19,475)	(219,475)	(114,975)	(181,475)	(786,850)
22 23	Shareholder loan - non-controlling investors	(17,718)	0	0	0	0	0	(10,258)	0	(7,460)	(17,718)
22 23	Other Financial Payables	(185)	0	(185)	0	0	0	0	0	0	(185)
24	Derivative financial instruments	(352)	0	(352)	0	0	0	0	0	0	(352)
14	Trade payables	(95,689)	0	(95,689)	0	0	0	0	0	0	(95,689)
Total		(975,238)	0	(111,336)	(34,127)	(248,400)	(39,662)	(250,444)	(143,076)	(304,455)	(1,131,500)

As of 31 December 2024, following the recent bond issue, it is underlined that about 23.6% of the financial outflows related to the Group's financial liabilities will occur within the financial year, up from 2023 when the ratio of financial outflows within the financial year represented about 12.9% of total cash flows. The change is mainly due to the early repayment of the "2019-2025" bond loan, for the residual nominal portion

of EUR 182.5 million, completed on 30 January 2025. Therefore, it is deemed that this risk may not have a significant impact on the Group's overall economic and financial structure.

Refinancing risk

It should be noted that the Group has issued, as of 19 December 2019, 5 bonds with the following characteristics:

Please note that with reference to the **"2019 -2025 Bond"**, if on each Calculation Date the ratio of Derivative Net Accounting Financial Indebtedness to Derivative Net Equity is greater than 2.5, the Company undertakes not to incur any further Derivative Net Accounting Financial Indebtedness unless on the next Calculation Date such ratio is equal to or less than 2.5; "Calculation Date" means the date of 31 December of each year of the term of the Loan, commencing on 31 December 2019. It should be noted that, the definition and calculation of the Net Derivative Accounting Financial Indebtedness and Net Derivative Equity will be carried out on the basis of the international accounting standards in force at the date of disbursement of each individual Bond and already adopted by the company for the preparation of the 2019 annual report. This loan was the subject of early repayment on 20 January 2025.

Please note that with reference to the **"2021-2027 Bond Loan"**, the **"2022-2028 Bond Loan"**, the **"2023-2029 Bond Loan"** and the **"2024-2030 Bond Loan"**, if on each Calculation Date the ratio of the Net Derivative Accounting Financial Indebtedness to the Net Derivative Equity is greater than 3, the Company undertakes not to incur any further Net Derivative Accounting Financial Indebtedness unless on the next Calculation Date such ratio is equal to or less than 3; "Calculation Date" means the date of 31 December of each year of the term of the Loan, commencing on 31 December following each of the issues identified above. It should be noted that the definition and calculation of the Derivative Net Accounting Financial Indebtedness and Derivative Net Equity will be performed on the basis of the international accounting standards in force at the date of the issue of each individual Bond and already adopted by the company for the preparation of the annual report for each financial year in which the issue took place.

No significant impact of the current macroeconomic environment on refinancing risks is expected, also considering the recent issuance on 11 December 2024.

Interest-rate risk

The Group is primarily exposed to financial risk arising from changes in interest rates. This risk stems mainly from variable-rate financial debts arising from project financing contracts that expose the Group to a cash flow risk linked to the volatility of the Euribor curve.

The management's objective is to limit the fluctuation of financial costs that have an impact on the economic result by containing the risk of a potential rise in interest rates. In this perspective, the Group pursues its objectives through the use of derivative contracts entered into with third parties (*Interest Rate Swaps*) aimed at predetermining or limiting the change in cash flows due to market fluctuations in the aforementioned interest rates, with reference to medium- and long-term debt. The use of these instruments is regulated according to established practices inspired by criteria consistent with the Group's risk management strategies.

Hedge accounting is performed from the date the derivative contract is entered into until the date of its extinction or expiry, documenting, with a specific report (hedging documentation), the risk being hedged and its purpose, as well as periodically verifying its effectiveness.

In particular, the cash flow hedge method provided for by IFRS 9 is adopted; according to this method, as illustrated in the section on "Valuation Criteria", the effective portion of the change in the value of the derivative moves a reserve in Equity, which is used to adjust the value of the hedged interest in the income statement as it occurs.

In the case of companies that have entered into hedging derivatives prior to joining the Group, these derivatives are recognised at fair value at the date of acquisition, as required by IFRS 3, and the portion of

effectiveness to be recognised in the equity reserve is determined by deducting the subsequent change in fair value from the residual portion of the fair value outstanding at the date of acquisition (designation).

In the event that a hedging derivative is subject (due to changes in the expected future plans for the underlying liability or in the Group's hedging objectives) to reshaping, the prior reserve outstanding at the date of modification is released over time consistently with the hedged flows and, in parallel, the new (reshaped) transaction generates the recognition of a new reserve that is determined by stripping the subsequent change in fair value of the residual portion of the *fair value* outstanding at the date of modification of the instrument.

The fair value of interest rate swap contracts is obtained by discounting cash flows, determined as the differential between fixed and contractually estimated variable rates. The objective of the effectiveness assessment is to demonstrate the high correlation between the technical-financial characteristics of the hedged liabilities (maturity, amount, etc.) and those of the hedging instrument by performing retrospective and prospective tests, using the Dollar off-set and curve shift methodologies, respectively.

In particular, these tests are performed by identifying an ideal hedging derivative that replicates the utilisation and amortisation schedule of the hedged liability, in relation to both actual and future utilisations provided that these are highly probable (updating these values at each reference date on the basis of new information available), and has, with reference to the same maturities, a fixed rate that is unambiguous and consistent with the market levels applicable to the Group at the date of designation.

The hedge accounting method is abandoned when the hedging instrument matures, is terminated early or no longer qualifies as a hedge. At that time, the accumulated gains or losses of the hedging instrument recognised in equity are transferred to the Income Statement for the period for the portion pertaining to the year (while the remaining portion will be released as the hedged flows become manifest in the future) or released immediately to the Income Statement if the hedged future flows cease to be highly probable.

Changes in the fair value of derivative instruments that do not qualify as hedges are recognised in the income statement in the year in which they occur; all derivatives outstanding at 31 December 2024, are classified as hedges, although they sometimes generate ineffectiveness components linked to the cases described above (IFRS 3, remodelling, lower utilisation, etc.). The Group does not enter into derivative contracts for trading purposes.

The interest rate risk, mainly originated by payables to banks and linked to the volatility of the Euribor curve, is limited to 31 December 2024 as a result of the aforementioned bond issues made by the company starting from 19 December 2019.

Commodity price risk

The Group is primarily exposed to the volatility risk of electricity sales prices, i.e. the price risk related to the variability of future sales revenues generated by fluctuations in the sales prices of this commodity.

Generally speaking, the risk management strategy pursued by the Group with reference to energy risk management is aimed at containing the volatility induced by variations in electricity market prices on its margins and the consequent stabilisation of the related cash flows generated by the sale of the electricity produced by its generation plants from renewable sources.

The Group trades commodity derivatives ("commodity swaps") in order to mitigate the price risk attributable to a specific risk component embedded in the sale prices of the electricity generated. The underlying risk management objective is, therefore, to protect the value of future electricity sales from unfavourable movements in the risk component embedded in the sales prices contracted with its customer base.

Ultimately, the objective of the Group's accounting-designated hedging relationships is to set the value of the hedged risk component associated with highly probable future sales of electricity at certain market levels, through commodity swap trading.

Specifically, only the risk component linked to the trend of the reference price for the Italian wholesale electricity market (National Single Price, "PUN") is hedged. This price represents, in substance, the main source of variability of the sale prices of electricity produced by the Group, the value of which is parametrised to the average of the prices recorded in the production areas of its plants (Zone Prices).

These Commodity Swap contracts provide for the monthly exchange of a differential between a fixed price and a variable price indexed to the average of the benchmark price (Single National Price, "PUN") recorded in the reference month, applied to a given monthly volume of electricity (notional).

The individual derivatives traded by the Group are designated as Hedging *Instruments* in their entirety and therefore considering the entire change in fair value generated by them for the purpose of accounting measurement of the effectiveness of the hedging relationship.

In the event that a hedging derivative is subject (due to changes in the expected future plans for the underlying liability or in the Group's hedging objectives) to reshaping, the prior reserve outstanding at the date of modification is released over time consistently with the hedged flows and, in parallel, the new (reshaped) transaction generates the recognition of a new reserve that is determined by stripping the subsequent change in fair *value* of the residual portion of the *fair value* outstanding at the date of modification of the instrument.

The fair value of Commodity Swap contracts is obtained by discounting cash flows, determined as the differential between fixed prices and variable prices indexed to the average benchmark price (Single National Price) recorded in the reference month, applied to a given monthly volume of electricity (notional).

The objective of the effectiveness assessment is to demonstrate the high economic correlation between the technical and financial characteristics of the hedged liabilities and those of the hedging instrument (i.e. quantity, maturity, price benchmarks) and is assessed prospectively on a qualitative basis at each designation date and with reference to the relevant time horizon.

Specifically, as part of the designation process of a hedging relationship, it is verified that a total volume of Hedging Instruments is not designated in excess of the expected sales volumes based on the expected generation from the Group's production assets, and, at the same time, the existence of the effectiveness requirements specifically provided for by IFRS 9 is verified, namely:

- there is an economic relationship between the Hedging Instrument and the Hedged Item: the relevant contractual terms (quantities, maturities, price benchmarks) of the designated hedging derivatives are substantially aligned with those of the hedged future sales transactions;
- the effects of credit risk are not dominant with respect to the underlying changes in fair value: hedging derivatives are currently negotiated by the Group with a primary player in the energy market and with time horizons not exceeding 12 months; consequently, the effects of credit risk can be reasonably assumed not to be dominant with respect to the changes in fair value of the hedging relationships designated in the accounts;
- the Hedge Ratio subject to accounting designation is aligned with that considered for risk management purposes: current risk management practices, in the absence of assessments based on statistical regression coefficients, provide for the definition of a constant Hedge Ratio of 1:1.

In addition to the qualitative demonstration of the prospective effectiveness of the designated hedging relationships and with the objective of demonstrating the reliability of the hedged purchase forecasts, on a quarterly basis a monitoring of the actual volumes of energy produced and sold recorded in the final balance is carried out and its capacity is verified with respect to the volumes previously hedged and designated in hedge accounting.

Sensitivity analysis

Financial instruments exposed to interest rate risk were subject to a sensitivity analysis as at 31 December 2024. Using short- and medium-term interest rates, 3-month and 6-month, respectively, for an asymmetric sensitivity analysis using a +100/-25 bps change in rates to reflect the current market condition of reference interest rates.

The assumptions underlying the model are as follows, as already specified in the liquidity analysis, for the purposes of the analysis below:

- for bank current account exposures and loans from minority shareholders, the amount of financial costs/income is restated by applying the change of +100/-25 bps multiplied by the values recorded in the Financial Statements and a time interval equal to the financial year;
- for loans with a repayment schedule, the change in financial costs is determined by applying the change of +100/-25 bps to the loan's borrowing rate at each *re-fixing* date multiplied by the principal outstanding during the year;
- the change in the *fair value of interest rate swap* contracts at year-end is calculated by applying the change of +100/-25 bps to the *Euribor-Swap* curve at year-end. The ineffectiveness rate of cash flow hedges was calculated on the basis of the ineffectiveness recognised at the end of the financial year. Account was also taken of the settlement of the differentials of the derivative instrument on each reporting date of the underlying interest rate.

Instruments	Economic Result		Equity Reserve	
	+ 100bp Euribor	(25bp) Euribor	+ 100bp Euribor	(25bp) Euribor
Bank loans and borrowings	(1,773)	443	0	0
Bonds issued	(8,998)	2,250	0	0
Shareholder loan - non-controlling investors	(231)	58	0	0
IRS derivative instruments	34	(9)	3,643	(960)
Bank accounts assets	5,159	(1,290)	0	0
Total	(5,809)	1,452	3,643	(960)

Instruments	Economic Result		Equity Reserve	
	+ 100bp Euribor	(25bp) Euribor	+ 100bp Euribor	(25bp) Euribor
Bank loans and borrowings	(1,766)	442		
Bonds issued	(6,680)	1,670		
Shareholder loan - non-controlling investors	(177)	44		
IRS derivative instruments	133	(33)	3,643	(960)
Bank accounts assets	3,432	(858)		
Total	(5,058)	1,265	3,643	(960)

38. DETAILS OF RELATED PARTY AND INTRA-GROUP TRANSACTIONS AS AT 31 DECEMBER 2024

In compliance with the Consob communications of 20 February 1997, 27 February 1998, 31 December 1998, 31 December 2002 and 27 July 2006, as well as the subsequent Related Party Transaction Regulation No. 17221 of 12 March 2010 and subsequent amendments, it is hereby specified that there are no related party transactions of an atypical or unusual nature, unrelated to normal business operations or such as to prejudice the Group's economic and financial situation.

Transactions entered into with related parties are part of normal business operations, within the scope of the typical activity of each party concerned, and are regulated at arm's length.

In the consolidated financial statements as at 31 December 2024, all significant balances and transactions between Group companies were eliminated, as well as profits and losses from intra-group trade and financial transactions not yet realised with third parties.

The following table shows the balances related to transactions with related parties, which mainly refer to administrative and technical consultancy services rendered to third party companies and investments accounted for using the equity method, amounting in total to EUR 6,671 thousand in 2024 recognised in the item other revenue and income (EUR 6,043 thousand as of 31 December 2023) and EUR 493 thousand recognised in the item "Net gains on equity investments".

In relation to the requirements of international accounting standard IAS 24 on "Related Party Disclosures" and the additional information required by Consob Communication No. 6064293 of 28 July 2006, the following are the schedules of related party and intra-group transactions and the impact that transactions

or positions with related parties have on the Alerion Group's financial position, results of operations and cash flows:

(values in Thousands of Euro)

	Revenues	Costs	Assets	Liabilities
Entities with significant influence on the Group:				
Investments accounted for using the equity method:				
Ecoenergia Campania S.r.l.	286	0	121	0
New Green Molise S.r.l.	1,911	0	3,453	0
Parco Eolico Santa Croce del Sannio House S.r.l.	9	0	75	1
Tre Torri Energia S.r.l.	30	0	645	0
Bioenergia S.r.l.	13	0	4,078	0
Generai S.r.l.	7	0	3,522	0
Enermac S.r.l.	61	0	5,276	0
Naonis Wind S.r.l.	35	0	2,968	0
Alerion Clean Power RO S.r.l.	281	9	11,941	11
Total Investments accounted for using the Equity Method	2,632	9	32,079	12
Related parties:				
FRI EL Green Power Group	39,532	3,050	18,566	9,165
Wind Development S.r.l.	0	103	0	17
Simest S.p.A.	0	1,199	0	23,069
Total related parties	39,532	4,352	18,566	32,250
Total	42,164	4,361	50,645	32,262

It should be noted that revenues from the FRI-EL Group, amounting to EUR 39,532 thousand, are mainly attributable to i) the sale of electricity to Fri-el Trading S.r.l.; ii) the recharging of employees in Alerion Servizi Tecnici e Sviluppo S.r.l..

Costs payable to the FRI-EL Group, amounting to EUR 3,050 thousand, mainly relate to i) fees for asset management services of EUR 888 thousand; ii) administrative services of EUR 1,567 thousand; iii) costs for use of third party assets of EUR 201 thousand.

Contracts for the first type of services consist of the management of commercial services and electricity sales, day-to-day technical management of wind farm operations, remote control and analysis of data sent remotely from wind farms, and supervision in the area of security

(values in Thousands of Euro)	Investments accounted for using the equity method	Related parties			Total
		FRI EL Green Power Group	Wind Development S.r.l.	Simest S.p.A.	
Trade receivables	1,457	6,186	0	0	7,643
<i>total trade receivables</i>	<i>22,574</i>	<i>22,574</i>	<i>22,574</i>	<i>22,574</i>	<i>22,574</i>
incidence	6.5%	27.4%	0%	0%	33.9%
Current tax assets	0	1,086	0	0	1,086
<i>total current tax assets</i>	<i>9,350</i>	<i>9,350</i>	<i>9,350</i>	<i>9,350</i>	<i>9,350</i>
incidence	0%	11.6%	0%	0%	11.6%
Other receivables	1,115	1,600	0	0	2,715
<i>total other current assets</i>	<i>55,404</i>	<i>55,404</i>	<i>55,404</i>	<i>55,404</i>	<i>55,404</i>
incidence	2.0%	2.9%	0%	0%	4.9%
Current financial receivables	500	0	0	0	500
<i>total current financial receivables</i>	<i>70,685</i>	<i>70,685</i>	<i>70,685</i>	<i>70,685</i>	<i>70,685</i>
incidence	0.7%	0%	0%	0%	0.7%
Non-current financial receivables	29,007	9,694	0	0	38,701
<i>total non-current financial receivables</i>	<i>40,498</i>	<i>40,498</i>	<i>40,498</i>	<i>40,498</i>	<i>40,498</i>
incidence	71.6%	23.9%	0%	0%	95.6%
Non-current financial liabilities	0	0	0	22,814	22,814
<i>total non-current financial liabilities</i>	<i>873,061</i>	<i>873,061</i>	<i>873,061</i>	<i>873,061</i>	<i>873,061</i>
incidence	0%	0%	0%	2.6%	2.6%
Other non-current liabilities	0	0	0	0	0
<i>total other non-current liabilities</i>	<i>20,268</i>	<i>20,268</i>	<i>20,268</i>	<i>20,268</i>	<i>20,268</i>
incidence	0%	0%	0%	0%	0%
Current financial liabilities	0	0	0	255	255
<i>total current financial liabilities</i>	<i>240,996</i>	<i>240,996</i>	<i>240,996</i>	<i>240,996</i>	<i>240,996</i>
incidence	0%	0%	0%	0.1%	0.1%
Trade payables	9	1,342	17	0	1,368
<i>total trade payables</i>	<i>65,269</i>	<i>65,269</i>	<i>65,269</i>	<i>65,269</i>	<i>65,269</i>
incidence	0%	2.1%	0%	0.0%	2.1%
Current tax liabilities	0	7,737	0	0	7,737
<i>total current tax liabilities</i>	<i>40,745</i>	<i>40,745</i>	<i>40,745</i>	<i>40,745</i>	<i>40,745</i>
incidence	0%	19.0%	0%	0%	19.0%
Other current liabilities	1	86	0	0	87
<i>total other current liabilities</i>	<i>13,168</i>	<i>13,168</i>	<i>13,168</i>	<i>13,168</i>	<i>13,168</i>
incidence	0.0%	0.7%	0%	0%	0.7%
Provisions for future risks and charges	0	0	0	0	0
<i>total provisions for future risks and charges</i>	<i>10,328</i>	<i>10,328</i>	<i>10,328</i>	<i>10,328</i>	<i>10,328</i>
incidence	0%	0%	0%	0%	0%
Electricity sales	0	35,001	0	0	35,001
<i>total electricity sales</i>	<i>129,406</i>	<i>129,406</i>	<i>129,406</i>	<i>129,406</i>	<i>129,406</i>
incidence	0%	27.0%	0%	0%	27.0%
Other revenue and income	2,162	4,509	0	0	6,671
<i>total other revenue and income</i>	<i>20,164</i>	<i>20,164</i>	<i>20,164</i>	<i>20,164</i>	<i>20,164</i>
incidence	10.7%	22.4%	0%	0%	33.1%
Other operating costs	9	3,050	103	0	3,161
<i>total other operating costs</i>	<i>44,314</i>	<i>44,314</i>	<i>44,314</i>	<i>44,314</i>	<i>44,314</i>
incidence	0.0%	6.9%	0.2%	0%	7.1%
Net financial costs	0	0	0	(1,199)	(1,199)
<i>total net financial costs</i>	<i>(24,907)</i>	<i>(24,907)</i>	<i>(24,907)</i>	<i>(24,907)</i>	<i>(24,907)</i>
incidence	0%	0%	0%	4.8%	(4.8%)
Net gains on equity investments	470	23	0	0	493
<i>total net gains on equity investments</i>	<i>547</i>	<i>547</i>	<i>547</i>	<i>547</i>	<i>547</i>
incidence	85.9%	4.2%	0%	0%	90.1%

39. REMUNERATION PAID TO MANAGEMENT AND CONTROL BODIES, GENERAL MANAGERS AND OTHER EXECUTIVES WITH STRATEGIC RESPONSIBILITIES

Following Consob Resolution No. 18079 of 20 January 2012, which repealed Appendix 3C, information on the remuneration to members of the management and control bodies, general managers and executives

with strategic responsibilities is contained in the Report on Remuneration, pursuant to Article 123 ter T.U.F. (Consolidated Law on Finance).

40. LEGAL DISPUTES

Outstanding legal disputes as at 31 December 2024 are set out below.

Parent company legal disputes

SIC - Società Italiana Cauzioni S.p.A now Atradius

A civil lawsuit was brought before the Court of Rome involving Alerion and its subsidiary Alerion Real Estate S.r.l. in liquidation ("Alerion Real Estate"), as third parties summoned by SIC - Società Italiana Cauzioni S.p.A. now Atradius, in their capacity as policyholders in the proceedings brought by AGIED S.r.l. against INPDAP and SIC.

The policies had been issued to guarantee AGIED S.r.l.'s obligations to indemnify the monetary losses that INPDAP might suffer as a result of AGIED S.r.l.'s wilful acts in the tasks envisaged in the agreement signed between AGIED and INPDAP for the management of part of INPDAP's real estate.

The subject-matter of this action is the ascertainment and declaration of extinction, due to expiry of the time limit, of those surety policies. In particular, AGIED S.r.l. asked the Court to declare that INPDAP was not entitled to enforce the aforementioned policies and that SIC was therefore not obliged to pay anything to INPDAP.

Alerion and Alerion Real Estate were co-obligated with SIC for the performance of the obligations under the policies as holders of shares in AGIED. These shares were transferred by deed of 24 May 1999, following which SIC, by letter of 9 June 1999, declared Alerion and Alerion Real Estate released from the co-obligation undertaking with respect to events occurring after the date of transfer of the shares.

SIC, which agreed with AGIED's conclusions, however, sued Alerion and Alerion Real Estate in 2005, since the liability for the alleged damages claimed by INPDAP could not be placed in time due to the vagueness of the claims.

It should be noted that in relation to the policies cited by ATRADIUS, the then SIC had released the co-obligors Alerion and Alerion Real Estate by a specific letter with reference to events occurring after the date of transfer of shares of 24 May 1999. This assumption makes it possible to note the absolute extraneousness of the companies from that judgement since they were released from any coobligation by SIC and therefore not to consider the existence of any risk borne by both companies.

On 1 December 2014, the Court of First Instance condemned only SIC (as at the Registration Document Date, ATRADIUS) and found that the defaults materialised after 31 December 2000, therefore after the release of the co-obligated companies, thus allowing the Court to state that it had implicitly excluded the standing of Alerion and Alerion Real Estate. Therefore, Alerion's position is to be considered satisfactory.

AGIED and ATRADIUS (formerly SIC) autonomously appealed against the first instance judgment before the Court of Appeal, since the proceedings were pending for challenges to the same judgment, Alerion Real Estate S.r.l. in Liquidation and Alerion S.p.A. obtained the joinder of the judgments.

In its ruling of 9 May 2022, the Court of Appeal of Rome rejected the opposing claims and upheld the companies' defences, considering the companies' declaration of release from the obligations of the aforementioned policy. Atradius appealed the judgment in cassation.

Alerion Real Estate S.r.l. in Liquidation and Alerion S.p.A. filed a counter-appeal with the Court of Cassation against Atradius' appeal, requesting that it be dismissed as inadmissible on the ground that it was directed to contesting the merits of both the judgment of the Court of Appeal of Rome and the first instance judgment of the Court of First Instance of Rome (so-called "double conforming"). The parties entered an appearance within the time limit. The first hearing is pending.

Legal disputes on other group companies

IRES litigation - deductibility of interest expenses

The Agenzia delle Entrate - Direzione Provinciale di Agrigento (Agrigento Provincial Tax Office) issued four separate notices of assessment to the Company for a total of EUR 1.3 million, plus interest and penalties relating to the years 2008, 2009, 2010 and 2011 concerning a tax advantage consisting in the deductibility of interest expense accrued on the loan taken out following a corporate reorganisation transaction under the MLBO (Merger Leveraged Buy Out) scheme.

In August 2015, the Agrigento Tax Court of First Instance (hereinafter "CGT") dismissed the appeals filed by the Company against these notices of assessment.

The company then appealed, claiming the illegitimacy of the rulings of the Agrigento CGT, challenged for lack of grounds and non-existence of the tax claim. In April 2016, the CGT of second instance in Palermo rejected the appeals.

In December 2016, the Provincial Directorate of Agrigento only partially accepted an annulment measure, whereby the amounts assessed, by way of taxes and penalties, against the subsidiary were redetermined.

The amount assessed is now, following the annulment measure, EUR 0.7 million, plus penalties and statutory interest, down from the original amount of EUR 1.3 million, plus penalties and interest.

The reasons, which induced the Provincial Directorate of Agrigento to make such a ruling, are to be found in the fact that the economic reasons underlying the Leveraged Buy Out (LBO) transaction, which had seen the entry of the shareholder Alerion into the WPS shareholding structure through a reverse merger with a Newco used for the purpose, were only partially applicable.

According to the lawyers assisting the company, the result obtained with the annulment measure, albeit partial, strengthens the company's position in dealing with the appeal in the Supreme Court.

The company therefore decided to lodge an appeal. This was notified to the Supreme Court of Cassation on 5 December 2016.

It should also be noted that i) in May 2017, Equitalia (Italian tax collection agency) accepted the request to pay in 48 instalments 2 tax bills issued for a total of EUR 0.4 million with reference to the years 2010 and 2011 and ii) in December 2017, Equitalia accepted the request to pay in 72 instalments 2 tax bills issued for a total of EUR 0.9 million with reference to the years 2008 and 2009. The instalment payments ended in December 2023.

It should be noted that Alerion's exposure in the event of a possible loss would in any case be limited to 50%, by virtue of the commitment made by the previous shareholders, Moncada and Campione, at the time of the sale and purchase of the company shares, to bear 50% of the risk.

The lawyers following the litigation, however, deem the risk of losing the case as only possible, but not probable. Therefore, no provision was made in the Financial Statements for risks arising from the

aforementioned litigation. Payments made are shown under other receivables and were assessed as recoverable.

IRES litigation - IRAP - depreciation

It should be noted that some Group companies are in litigation with the Agenzia delle Entrate (Italian Tax Authority) in relation to the depreciation rates of their wind farms. In particular, the Agenzia delle Entrate served on the companies Callari S.r.l., Minerva S.r.l., Ordonia Energia S.r.l., Parco Eolico Licodia Eubea S.r.l. and Renergy San Marco S.r.l, notices of assessment disallowing the portion of amortisation, depreciation and impairment losses (exceeding the 4% rate) deducted for IRES and IRAP purposes in 2013, 2014, 2015 and, limited to Callari S.r.l., in 2016. The Company, based on the assessment of the tax experts assisting it and supported by the judgments rendered between the parties, decided not to change the tax treatment of the item for the years subject to depreciation and subsequent years and to challenge these assessments in court. All assessment notices were annulled with rulings in favour of the companies in first and second instance. The second instance judgments were appealed by the other party before the Court of Cassation. In 2023 the Companies availed themselves of the option to settle the disputes pending before the Court of Cassation on a facilitated basis pursuant to Article 1, paragraphs 186 et seq. Law No. 197/2022, subject to the payment of a total of EUR 0.1 million (equal to 5% of the higher ascertained taxes), based on the assessment of the defendants' counsel, who pointed out the objective economic convenience of the out-of-court settlement, which entailed an outlay of less than 2% of the overall risk of the disputes (considering higher taxes, penalties and interest). The disputes before the Court of Cassation are still pending, awaiting the declaration of extinction due to the cessation of the matter in dispute.

Land registry litigation pre-Law 208/2015

It should be noted that for the years prior to 2016, cases are still pending with the Agenzia delle Entrate concerning assessments on property yields. The companies set aside provisions totalling EUR 986 thousand.

Land registry litigation post Law 208/2015

In the year 2016, the Group's operating companies submitted the deeds for the cadastral update of the wind turbines pursuant to paragraphs 21 and 22 of Article 1 of Law 208/2015 (Stability Law 2016, so-called "Legge degli Imbullonati (Law of the Bolted)"). As of the 2016 financial year, the property tax was therefore calculated on the basis of the newly redetermined yield.

In early 2017, however, cadastral assessment notices were served on some Group companies, whereby the cadastral rents of wind turbines were increased as a result of the inclusion of the tower and other components in the calculation base. The companies have lodged appeals and, as at the Prospectus Date, these disputes are still pending.

With Circular No. Letter 28E of 16 October 2023, the Agenzia delle Entrate provided clarifications on the determination of the cadastral yield, with particular regard to the eligibility for direct assessment of the value of the support tower. In this regard, in light of the orientation expressed by the most recent case law, the Agency excluded the value of the tower from the cadastral estimate.

In the light of the above, the Agency invited the territorial structures to reconsider the disputes and abandon the claim for the higher income assessed referring to the wind tower.

Taking into account the well-established orientation of the Supreme Court of Cassation and the recent Circular 28E mentioned above, with reference to cadastral disputes, the risk of losing the case in relation to the higher amount of the cadastral yields deriving from the inclusion by the Tax Authorities of the tower in their calculation is now considered remote, while the risk relating to further elements of the adjustments made by the Tax Authorities to the cadastral yields, given the still varied orientation of the case law on the

matter, can be estimated, at least prudentially, as still probable. The outcome of the property tax disputes is obviously dependent on that of cadastral disputes, so the related tax risk is related and similar to the latter.

The provision for risks as at 31 December 2024 amounted to EUR 1.2 million (EUR 1.8 million as at 31 December 2023). The change refers to the settlement of some disputes with local entities concerning IMU property tax audits.

CUP litigation

In May 2021, the Province of Foggia approved, with effect from 1 January, a new Regulation for the application of the Single Property Fee (CUP) and the simultaneous repeal of the COSAP Regulation. This regulation envisages the application of a standard unit tariff that would lead to a reduction of the fees for the use of the subsoil compared to COSAP. However, a safeguard clause was introduced in the same regulation, allowing local authorities to regulate this fee in such a way as to ensure that the revenue is not less than that from previous taxes (COSAP). The companies Ordonia Energia S.r.l. and Renergy San Marco S.r.l. challenged the Regulation before the Regional Administrative Court of Puglia, which will be extinguished due to inactivity as the Regulation was annulled in another judgement, later confirmed by the Council of State.

In 2023, the two companies challenged the regulatory provision approved by the Province of Foggia before the Puglia Regional Administrative Court on the grounds that it was inconsistent with the aforementioned Council of State ruling, and paid the CUP contribution to the extent deemed appropriate. The companies set aside EUR 0.1 million equal to the higher contribution claimed.

Article 15-bis of Decree-Law No. 4 of 27 January 2022 ("Support Decree ter")

The introductory appeal was notified in September 2022 and had as its object the annulment of the implementing resolutions issued by ARERA, in the part in which Article 15 of Decree-Law No. 4/2022 introduced an extraordinary measure (the so-called "two-way mechanism"), applicable to certain types of renewable plants (incentivised photovoltaic plants and renewable plants - including wind power - not incentivised and in operation since 2010).

By decision No. 357/2023, the Regional Administrative Court of Milan upheld pilot judgment R.G. 1770/2022 - brought by another operator - and to the effect annulled ARERA's application acts, finding that: (i) although the contrary nature of the provision to the EU Regulation was not the subject of independent censure, it constituted a useful hermeneutical canon for the assessment of the conformity of Article 15 bis with Community law as a whole; (ii) Article 15 bis, at least from the point of view of literal interpretation, is contrary to Community and national law, since it does not allow the "coverage of operating and investment costs" to be ensured, nor does it affect only the "infra-marginal profits" actually made; (iii) an interpretation of Article 15 bis in conformity with constitutional and Community law is in any event possible.

The aforesaid ruling was suspended by the Council of State with Order No. 1126 of 22 March 2023 (hearing on the merits to be held on 5 December 2023), rendered in appeal R.G. 10025/2022: the appellate court - while not agreeing with the rulings of the court of first instance concerning the extension of ARERA's regulatory power - held that any assessment of the compatibility of the provisions sub iudice with the European legislation that had come into force (e.g., EU Regulation 1854/2022) was not prejudiced, where contained in specific grounds of complaint.

In the light of these developments, the Milan Regional Administrative Court saw the need to assess the conformity of Article 15 bis of Decree-Law 4/2022 with the EU Regulation and set for 21 June 2023 a hearing for the discussion of the appeals still pending.

In particular, the Regional Administrative Court of Milan, in the context of judgment R.G. 1764/2022, issued Order No. 1744/2023 of 7 July 2023, in which it found a potential conflict between Article 15 bis and the European Union legislation and, as a result, submitted the following questions to the Court of Justice of the European Union.

The case was registered by the Court of Justice of the European Union under case number C - 423/23; the case was discussed at the hearing held on 6 November 2024 and the Court has yet to decide thereon.

Only after the decision of the Court of Justice of the European Union will the pending judgements before the Regional Administrative Court of Milan also be settled. We expect a decision by the Regional Administrative Court by the end of 2025.

Taking note of the pending before the Court of Justice of the European Union of case C - 423/23, the Council of State postponed the discussion of appeal R.G 10025/2022 to a date to be determined.

Article 37 of Decree-Law No. 21 of 21 March 2022

Certain companies of the Group ("The Companies") appealed to the Regional Administrative Court of Lazio for the annulment, subject to precautionary suspension, of the Circular of 17 June 2022 of the Agenzia delle Entrate (Italian Revenue Agency) with which indications were given on the fulfilment of the extraordinary payment terms, pursuant to Article 37 of the Decree-Law of 21 March 2022 (Ukraine Bis Decree).

Article 37 introduced "an extraordinary solidarity levy" on revenues earned between 1 October 2021 and 30 April 2022 that exceed the threshold set by the same provision.

At the same time as the appeal, the implementation measure of the Agenzia delle Entrate of 17 June 2022 was also challenged, in which indications were given as to the "fulfilments, including declaratory ones, and the methods of payment of the extraordinary contribution, pursuant to Article 37 of Decree-Law No. 21 of 21 March 2022."

The Regional Administrative Court issued a ruling declining jurisdiction. The ruling was appealed by the Companies to the Council of State, which upheld and confirmed the competence of the Regional Administrative Court to decide on the legitimacy of the measure issued by the Agenzia delle Entrate and the disputes pursuant to Article 37 of Law Decree 21/2022.

In April 2023, the companies filed a tax appeal against the tacit refusal of the request for reimbursement of the contribution paid. The introductory appeal was notified in September 2022 and had as its object the annulment of the measure of the Director of the Agenzia delle Entrate prot. no. 221978 of 17 June 2022, by which it implemented Article 37 of Legislative Decree no. 21/2022, imposing on all energy market operators the payment of the so-called solidarity contribution provided for in the primary regulation.

Subsequent to the filing of the original application and the publication of EU Regulation No 2022/1854 of 6 October 2022, the Company, by way of additional grounds notified on 29 November 2022, expanded the

scope of the action, complaining of the direct conflict of Article 37 of Law Decree 21/2022 and the implementing measures with the same EU Regulation.

In early 2023, a public hearing was held for the discussion of the merits of the judgments, at the outcome of which the Regional Administrative Court ordered the suspension pursuant to the combined provisions of Articles 79 and 295 of the Code of Civil Procedure for the following reasons:

i. in disputes concerning the same contested acts, several cassation appeals have been lodged on grounds of jurisdiction pursuant to Article 362(1) of the Code of Civil Procedure, and that the question of jurisdiction has priority, from a logical-legal point of view, over all the others raised in the proceedings, ordered awaiting the decision on the question of jurisdiction by the United Sections of the Court of Cassation. In a judgement published on 19 October 2023, collection number 29035/2023, the United Sections established the jurisdiction of the administrative court to settle disputes - such as the present one - concerning the measures implementing Article 37 of Decree-Law No. 21/2022 as administrative acts with a general content, which are unquestionably contestable before the Administrative court, by virtue of the provision in Art. 7, paragraphs 1 and 4 of the Administrative Process Code. We expect the merits of the judgments to be decided by the Rome Regional Administrative Court by the end of the year 2025.

ii. the Tax Court of First Instance, hearing the same issues in substantially similar disputes, having regard to the prospect of multiple profiles of constitutional illegitimacy of the rules governing the matter, raised before the Constitutional Court the question of the legitimacy of those rules for violation of Articles 3, 23, 41, 42, 53, 117 of the Constitution and, mediately, of Article 1 of the First Protocol to the European Convention on Human Rights. With judgement no. 111/2024 the Constitutional Court held that the claims regarding the constitutional legitimacy of Art. 37 of Decree Law no. 21/2022 were groundless.

Article 1 paragraphs 115 -121 Budget Law 2023 No. 197/2022

Introduced by Article 1 paragraph 115 of Law 127 of 29 December 2022, the contribution is determined by applying a rate of 50 per cent to the portion of total income earned in the tax period prior to 1 January 2023, as determined for IRES purposes, that exceeds, by at least 10 per cent, the average total income earned in the previous four tax periods. In any event, it is payable up to a quota equal to 25 per cent of the value of the net assets at the end of the financial year preceding the one in progress on 1 January 2022.

The introductory appeals filed by the companies of the Group were notified in April 2023 and concerned the annulment of the measures taken by the Agenzia delle Entrate for the application of Article 1, paragraphs 115 et seq. of Law No. 197 of 28 December 2022, in order to request their reform, after granting precautionary measures.

The Rome Regional Administrative Court initially rejected the application for precautionary protection; the companies appealed for precautionary protection before the Council of State, which ordered the Rome Regional Administrative Court, pursuant to Article 55, para. 10 of the Code of the Administrative Process, to set the public hearing for the discussion of the merits of the judgments as soon as possible.

The Rome Regional Administrative Court has set a hearing for 21 November 2023 for only a few pilot judgments - including one involving a company assisted by DLA Piper.

Following this hearing, the Rome Regional Administrative Court, by order no. 733/2024 of 16 January 2024, raised the issue of the constitutional legitimacy of Article 1, paragraphs 115 et seq. of Law no. 197 of 28 December 2022 with reference to Articles 3, 53 and 117 of the Constitution, and in particular:

1. The Regional Administrative Court found that there was a conflict between the national rule and the constraints arising from EU law and, specifically, EU Regulation 1854/2022;

2. The Regional Administrative Court held that the above-mentioned provisions were not suitable for identifying and determining precisely the extra profits realised that the rule intended to tax for the purpose of equalisation, with the consequent breach also of Articles 3 and 53 of the Constitution and, therefore, of the principles of equality and ability to pay.

At the hearing that was held on 28 January 2025, the Constitutional Court issued order no. 21/2025, asking the Court of Justice of the European Union for a preliminary ruling on compatibility. Pending this ruling, the case before the Constitutional Court has been put on hold.

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One-way compensation mechanism or price cap - L. 197/2022

Paragraphs 30-38 of Article 1 of Law 127 of 29 December 2022 provide that, in implementation of Council Regulation (EU) 2022/1854 of 6 October 2022, as of 1 December 2022 and until 30 June 2023, a cap will be applied on market revenues obtained from the production of electricity through a one-way compensation mechanism. It is envisaged that the Gestore dei Servizi Elettrici (GSE) will collect from producers the difference between the pre-established reference price of EUR 180 per MW/h and the market price, which is equal to the monthly average of the hourly zone market price, calculated as a weighted average for non-programmable plants on the basis of the individual plant's production profile.

Other minor disputes

In addition, there are other smaller disputes pending at the Group level for which the Company has decided to set aside the necessary funds.

In view of the status of the lawsuits and taking into account the opinions of its legal advisors, the amount of the provision for risks in the Financial Statements is deemed adequate.

41. INVESTMENTS ACCOUNTED FOR USING THE EQUITY METHOD [DETAIL]

Details of the Share of profits of investments accounted for using the equity method are shown below:

(EUR thousands)	Profit 31.12.2024	% of ownership	Profit pro-rata
New Green Molise S.r.l.	4,437	50.00%	2,219
Ecoenergia Campania S.r.l.	521	50.00%	261
Alerion Clean Power RO S.r.l.	(877)	49.00%	(430)
Mitoc Partner S.r.l.	(130)	36.75%	(65)
Phoenix Catalyst S.r.l.	(5)	36.75%	(2)
Phoenix Ceres S.r.l.	(5)	36.75%	(2)
Phoenix Genesis S.r.l.	(5)	36.75%	(2)
Phoenix Nest S.r.l.	(4)	36.75%	(2)
Parco Eolico Santa Croce del Sannio House S.r.l.	(14)	50.00%	(7)
Alperion S.r.l. (formerly Naonis Wind S.r.l.)	266	50.00%	133
Tre Torri Energia S.r.l.	(33)	49.00%	(16)
Share of profits of investments accounted for using the equity method	4,151		2,087

For each company, the current and non-current assets, liabilities, expenses and revenues recognised in the consolidated financial statements as at 31 December 2024 are shown below.

Ecoenergia Campania S.r.l.

Ecoenergia Campania S.r.l. is a company that owns a wind farm in Lacedonia, in the province of Avellino, with an installed capacity of 15 MW. The following table shows current and non-current assets and liabilities, and costs and revenues related to the investee, recognised in the Alerion Group's consolidated financial statements as of 31 December 2024, according to the equity method valuation of the investment:

Ecoenergia Campania S.r.l. (EUR thousands)

	31.12.2024	31.12.2023
Non-Current Assets	5,889	6,648
Current Assets	2,423	3,588
<i>of which Cash and cash equivalents</i>	<i>1,851</i>	<i>2,822</i>
Total assets	8,312	10,236
Equity	4,595	5,372
Non-current liabilities	373	377
Current liabilities	3,344	4,487
Total liabilities and equity	8,312	10,236
	2024	2023
Total Revenues and Income	2,254	3,378
Costs	(1,733)	(2,087)
<i>of which Amortisation, depreciation and impairment losses</i>	<i>(751)</i>	<i>(751)</i>
<i>of which Income Taxes</i>	<i>(248)</i>	<i>(558)</i>
Profit for the year	521	1,291
Dividends distributed	(1,297)	(2,328)
	31.12.2024	31.12.2023
Net assets	4,595	5,372
Percentage held in participation	50%	50%
Book value of the shareholding	2,298	2,686

New Green Molise S.r.l.

New Green Molise S.r.l. is a company that owns a wind farm in San Martino in Pensilis, in the province of Campobasso, with an installed capacity of 58 MW. The following table shows current and non-current assets and liabilities, and costs and revenues related to the investee, recognised in the Alerion Group's consolidated financial statements as of 31 December 2024, according to the equity method valuation of the investment:

New Green Molise S.r.l. (EUR thousands)

	31.12.2024	31.12.2023
Non-Current Assets	50,151	54,255
Current Assets	10,774	15,271
<i>of which Cash and cash equivalents</i>	<i>6,620</i>	<i>13,880</i>
Total assets	60,925	69,526
Equity	39,267	39,439
Non-current liabilities	8,550	10,467
<i>of which Non-current financial liabilities</i>	<i>8,160</i>	<i>10,074</i>
Current liabilities	13,108	19,620
<i>of which Current financial liabilities</i>	<i>1,277</i>	<i>974</i>
Total liabilities and equity	60,925	69,526
	2024	2023
Total Revenues and Income	14,121	13,733
Costs	(9,684)	(9,456)
<i>of which Amortisation, depreciation and impairment losses</i>	<i>(4,152)</i>	<i>(4,138)</i>
<i>of which Income Taxes</i>	<i>(2,298)</i>	<i>(2,098)</i>
Profit for the year	4,437	4,277
Dividends distributed	(4,609)	(4,392)
	31.12.2024	31.12.2023
Net assets	39,267	39,439
Percentage held in participation	50%	50%
Book value of the shareholding	19,634	19,720

Tre Torri Energia S.r.l.

Tre Torri Energia S.r.l. is a company with a project under development to build plants for electricity production from photovoltaic sources. Alerion owns 49% of the company's shares. The following table shows current and non-current assets and liabilities, and costs and revenues related to the investee, recognised in the Alerion Group's consolidated financial statements as of 31 December 2024, according to the equity method valuation of the investment:

Tre Torri Energia S.r.l.

	31.12.2024	31.12.2023
Non-Current Assets	553	512
Current Assets	216	107
Total assets	769	619
Equity	116	109
Non-current liabilities	651	510
<i>of which Non-current financial liabilities</i>	2	503
Total liabilities and equity	769	619
	2024	2023
Total Revenues and Income	2	22
Costs	(35)	(45)
Profit for the year	(33)	(23)
	31.12.2024	31.12.2023
Net assets	116	109
Percentage held in participation	49%	49%
Book value of the shareholding	56	53

Alerion Clean Power RO S.r.l.

Alerion Clean Power RO S.r.l. is a pure holding company for project companies necessary for business development in Romania. The company holds interests in the companies Mitoc Partners S.r.l., Phoenix Catalist S.r.l., Phoenix Ceres S.r.l., Phoenix Genesis S.r.l. and Phoenix Nest S.r.l., each of which owns a project under development for the construction of a wind-powered electricity generation plant in Romania.

Alerion owns 49% of the shares of the company Alerion Clean Power RO S.r.l. The following table shows current and non-current assets and liabilities, and costs and revenues related to the investee, recognised in the Alerion Group's consolidated financial statements as of 31 December 2024, according to the equity method valuation of the investment:

Alerion Clean Power RO S.r.l.	31.12.2024	31.12.2023
Non-Current Assets	10,309	6,286
Current Assets	318	226
Total assets	10,626	6,512
Equity	(1,454)	(577)
Non-current liabilities	11,873	5,786
<i>of which Non-current financial liabilities</i>	<i>11,873</i>	<i>5,786</i>
Current liabilities	207	1,303
<i>of which Current financial liabilities</i>	<i>57</i>	<i>82</i>
Total liabilities and equity	10,626	6,512
	2024	2023
Total Revenues and Income	11	0
Costs	(888)	0
Profit for the year	(877)	0
	31.12.2024	31.12.2023
Net assets	(1,454)	(577)
Percentage held in participation	49%	49%
Book value of the shareholding	(712)	(283)

At 31 December 2024, the negative net value of the consolidated equity of Alerion Clean Power RO S.r.l. was entirely written off.

Mitoc Partners S.r.l.

Mitoc Partners S.r.l. is a company that owns a project under development to build a wind power plant in Romania. Alerion owns 36.75% of the company's shares. The following table shows current and non-current assets and liabilities, and costs and revenues related to the investee, recognised in the Alerion Group's consolidated financial statements as of 31 December 2024, according to the equity method valuation of the investment:

Mitoc Partners S.r.l.

	31.12.2024	31.12.2023
Non-Current Assets	4,439	1,204
Current Assets	119	87
Total assets	4,557	1,291
Equity	3,287	317
Non-current liabilities	1,140	881
<i>of which Non-current financial liabilities</i>	<i>1,140</i>	881
Current liabilities	130	93
Total liabilities and equity	4,557	1,291
	2024	2023
Costs	(130)	(223)
Profit for the year	(130)	(223)
	31.12.2024	31.12.2023
Net assets	3,287	317
Percentage held in participation	36.75%	36.75%
Book value of the shareholding	1,208	116

Phoenix Catalyst S.r.l.

Phoenix Catalyst S.r.l. is a company that owns a project under development to build a wind power plant in Romania. Alerion owns 36.75% of the company's shares. The following table shows current and non-current assets and liabilities, and costs and revenues related to the investee, recognised in the Alerion Group's consolidated financial statements as of 31 December 2024, according to the equity method valuation of the investment:

Phoenix Catalyst S.r.l.

	31.12.2024	31.12.2023
Non-Current Assets	592	492
Current Assets	13	12
Total assets	605	504
Equity	507	411
Non-current liabilities	86	79
<i>of which Non-current financial liabilities</i>	<i>86</i>	<i>79</i>
Current liabilities	12	13
Total liabilities and equity	605	504
	2024	2023
Costs	(5)	(6)
Profit for the year	(5)	(6)
	31.12.2024	31.12.2023
Net assets	507	411
Percentage held in participation	36.75%	36.75%
Book value of the shareholding	186	151

Phoenix Ceres S.r.l.

Phoenix Ceres S.r.l. is a company that owns a project under development to build a wind power plant in Romania. Alerion owns 36.75% of the company's shares. The following table shows current and non-current assets and liabilities, and costs and revenues related to the investee, recognised in the Alerion Group's consolidated financial statements as of 31 December 2024, according to the equity method valuation of the investment:

Phoenix Ceres S.r.l.	31.12.2024	31.12.2023
Non-Current Assets	592	492
Current Assets	13	12
Total assets	605	504
Equity	507	411
Non-current liabilities	86	78
<i>of which Non-current financial liabilities</i>	<i>86</i>	<i>78</i>
Current liabilities	12	15
Total liabilities and equity	605	504
	2024	2023
Costs	(5)	(6)
Profit for the year	(5)	(6)
	31.12.2024	31.12.2023
Net assets	507	411
Percentage held in participation	36.75%	36.75%
Book value of the shareholding	186	151

Phoenix Genesis S.r.l.

Phoenix Genesis S.r.l. is a company that owns a project under development to build a wind power plant in Romania. Alerion owns 36.75% of the company's shares. The following table shows current and non-current assets and liabilities, and costs and revenues related to the investee, recognised in the Alerion Group's consolidated financial statements as of 31 December 2024, according to the equity method valuation of the investment:

Phoenix Genesis S.r.l.

	31.12.2024	31.12.2023
Non-Current Assets	592	492
Current Assets	13	11
Total assets	605	503
Equity	505	410
Non-current liabilities	82	75
<i>of which Non-current financial liabilities</i>	<i>82</i>	<i>75</i>
Current liabilities	18	18
Total liabilities and equity	605	503
	2024	2023
Costs	(5)	(7)
Profit for the year	(5)	(7)
	31.12.2024	31.12.2023
Net assets	505	410
Percentage held in participation	36.75%	36.75%
Book value of the shareholding	186	151

Phoenix Nest S.r.l.

Phoenix Nest S.r.l. is a company that owns a project under development to build a wind power plant in Romania. Alerion owns 36.75% of the company's shares. The following table shows current and non-current assets and liabilities, and costs and revenues related to the investee, recognised in the Alerion Group's consolidated financial statements as of 31 December 2024, according to the equity method valuation of the investment:

Phoenix Nest S.r.l.

	31.12.2024	31.12.2023
Non-Current Assets	522	421
Current Assets	22	22
Total assets	544	443
Equity	240	144
Non-current liabilities	293	286
<i>of which Non-current financial liabilities</i>	<i>293</i>	<i>286</i>
Current liabilities	11	13
Total liabilities and equity	544	443
	2024	2023
Costs	(4)	(5)
Profit for the year	(4)	(5)
	31.12.2024	31.12.2023
Net assets	240	144
Percentage held in participation	36.75%	36.75%
Book value of the shareholding	88	53

Parco Eolico Santa Croce del Sannio House S.r.l.

Parco Eolico Santa Croce del Sannio House S.r.l. is a company owning a project under development for the construction, in the municipality of Manfredonia (FG), of a wind power plant with a total capacity of 29.6 MW. Alerion owns 50% of the company's shares. The following table shows current and non-current assets and liabilities, and costs and revenues related to the investee, recognised in the Alerion Group's consolidated financial statements as of 31 December 2024, according to the equity method valuation of the investment:

Parco Eolico Santa croce del Sannio House S.r.l.	(EUR thousands)	
	31.12.2024	31.12.2023
	4	3
Non-Current Assets	199	197
Current Assets	55	72
<i>of which Cash and cash equivalents</i>	<i>44</i>	<i>60</i>
Total assets	254	269
Equity	161	175
Non-current liabilities	80	77
<i>of which Non-current financial liabilities</i>	<i>75</i>	<i>72</i>
Current liabilities	13	17
<i>of which Current financial liabilities</i>	<i>11</i>	<i>11</i>
Total liabilities and equity	254	269
	2024	2023
Total Revenues and Income	-	6
Costs	(14)	(15)
Profit for the year	(14)	(9)
	31.12.2024	31.12.2023
	4	3
Net assets	161	175
Percentage held in participation	50%	50%
Book value of the shareholding	80	88

Naonis Wind S.r.l. (Alperion S.r.l.)

Naonis Wind S.r.l. (Alperion S.r.l.) is a company that owns a wind farm in the municipality of Cerignola, with a total capacity of 11 MW. Alerion owns 50% of the company's shares. The following table shows current and non-current assets and liabilities, and costs and revenues related to the investee, recognised in the Alerion Group's consolidated financial statements as of 31 December 2024, according to the equity method valuation of the investment:

Naonis Wind S.r.l. (EUR thousands)	31.12.2024	31.12.2023
Non-Current Assets	193,035	0
Current Assets	14,621	0
<i>of which Cash and cash equivalents</i>	<i>9,710</i>	<i>0</i>
Total assets	207,656	0
Equity	99,841	0
Non-current liabilities	81,914	0
<i>of which Non-current financial liabilities</i>	<i>49,924</i>	<i>0</i>
Current liabilities	25,901	0
<i>of which Current financial liabilities</i>	<i>17,071</i>	<i>0</i>
Total liabilities and equity	207,656	0
	2024	2023
Total Revenues and Income	1,829	0
Costs	(1,563)	0
<i>of which Amortisation, depreciation and impairment losses</i>	<i>(931)</i>	<i>0</i>
<i>of which Interest Expense</i>	<i>(379)</i>	<i>0</i>
<i>of which Income Taxes</i>	<i>101</i>	<i>0</i>
Profit for the year	266	0
Comprehensive income statement		
Effective portion of gains/(losses) on cash flow hedging instruments related to companies whose investments are accounted for using the equity method	153	0
<i>Related tax</i>	<i>(37)</i>	<i>0</i>
Total Other comprehensive income that could be reclassified to profit or loss, net of tax effect	116	0
	31.12.2024	31.12.2023
Net assets	99,841	0
Percentage held in participation	50%	0
Book value of the shareholding	49,921	0

It should be noted that as of the date of this report, the above companies have complied with the financial covenants of their respective project financing contracts.

Compania Eoliana S.A.

Compania Eoliana S.A., in which Alerion holds a 49.75% stake, owns development projects in Romania that are no longer viable. In view of this, the value of the equity investment and the related shareholder loan was fully written down in the 2016 financial year.

42. DISCLOSURE PURSUANT TO ARTICLE 149-DUODECIES OF THE CONSOB ISSUERS' REGULATION

The following table shows the fees for the year 2024 for audit and non-audit services rendered by the audit firm and entities belonging to its network.

<i>(values in Thousands of Euro)</i>	Service provider	2024 fees
Parent Company Audit	KPMG S.p.A.	144
Auditing of subsidiaries	KPMG S.p.A. and KPMG abroad	507
Audit of companies valued using the equity method	KPMG S.p.A.	35
Other services parent company (1)	KPMG S.p.A.	101
Other services (unbundling)	KPMG S.p.A.	31
Total		818

¹: Procedures for the verification of the financial parameters provided for in the "Regulation of the bond loan Alerion Clean Power S.p.A. 2019-2025", the "Regulation of the bond loan Alerion Clean Power S.p.A. 2021-2027", the "Regulation of the bond loan Alerion Clean Power S.p.A. 2022-2028" and the "Regulation of the bond loan Alerion Clean Power S.p.A. 2023-2029". Green Bond 2024-2030 issue consultancy.

Certification of the Consolidated Financial Statements as at 31 December 2024

pursuant to Article 154-bis, paragraph 5, of Legislative Decree No. 58 of 24 February 1998 and Article 81-ter of Consob Regulation No. 11971 of 14 May 1999

1. The undersigned Josef Gostner and Stefano Francavilla, in their capacity as, respectively, Chief Executive Officer and Manager in charge of financial reporting of Alerion Clean Power S.p.A., attest, also taking into account the provisions of Article 154-bis, paragraphs 3 and 4, of Legislative Decree No. 58 of 24 February 1998:

- the suitability in relation to the characteristics of the enterprise;
- the effective application of administrative and accounting procedures for the preparation of the Consolidated Financial Statements during the financial year 2024.

2. It is further attested that:

2.1 The Consolidated Financial Statements as at 31 December 2024:

- have been drawn up in accordance with the applicable international accounting standards recognised by the European Community pursuant to Regulation (EC) No. 1606/2002 of the European Parliament and of the Council of 19 July 2002;
- correspond to the entries in the books and records;
- provide a true and fair view of the assets and liabilities, profit and loss, and financial position of the issuer and the group of companies included in the consolidation.

2.2 The Directors' Report includes a reliable analysis of the development and results of operations as well as the situation of the issuer and the undertakings included in the consolidation as a whole, together with a description of the principal risks and uncertainties to which they are exposed.

Milan, 13 March 2025

The Chief Executive Officer

Josef Gostner

Manager in charge of financial reporting

Stefano Francavilla



KPMG S.p.A.
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(The accompanying translated consolidated financial statements of the Alerion Clean Power Group constitute a non-official version which is not compliant with the provisions of the Commission Delegated Regulation (EU) 2019/815. This independent auditors' report has been translated into English solely for the convenience of international readers. Accordingly, only the original Italian version is authoritative.)

Independent auditors' report pursuant to article 14 of Legislative decree no. 39 of 27 January 2010 and article 10 of Regulation (EU) no. 537 of 16 April 2014

*To the shareholders of
Alerion Clean Power S.p.A.*

Report on the audit of the consolidated financial statements

Opinion

We have audited the consolidated financial statements of the Alerion Clean Power Group (the "group"), which comprise the consolidated statement of financial position as at 31 December 2024, the consolidated income statement and the consolidated comprehensive income statement, the consolidated cash flows statement and the consolidated statement of changes in equity for the year then ended and notes thereto, which include material information on the accounting policies.

In our opinion, the consolidated financial statements give a true and fair view of the financial position of the Alerion Clean Power Group as at 31 December 2024 and of its financial performance and cash flows for the year then ended in accordance with the IFRS Accounting Standards issued by the International Accounting Standards Board and endorsed by the European Union, as well as the Italian regulations implementing article 9 of Legislative decree no. 38/05.

Basis for opinion

We conducted our audit in accordance with the International Standards on Auditing (ISA Italia). Our responsibilities under those standards are further described in the "*Auditors' responsibilities for the audit of the consolidated financial statements*" section of our report. We are independent of Alerion Clean Power S.p.A. (the "parent") in accordance with the ethics and independence rules and standards applicable in Italy to audits of financial statements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Key audit matters

Key audit matters are those matters that, in our professional judgement, were of most significance in the audit of the consolidated financial statements of the current year. These matters were addressed in the context of our audit of the consolidated financial statements as a whole, and in forming our opinion



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thereon, and we do not provide a separate opinion on these matters.

Recoverability of intangible assets with a finite useful life and property, plant and equipment

Notes to the consolidated financial statements: note 5 "Impairment test of property, plant and equipment and intangible assets"

Key audit matter	Audit procedures addressing the key audit matter
<p>The consolidated financial statements at 31 December 2024 include intangible assets with a finite useful life of €266.1 million and property, plant and equipment of €590.2 million.</p> <p>The directors tested intangible assets with a finite useful life totalling €207.7 million and property, plant and equipment totalling €403.4 million for impairment by checking that their carrying amount did not exceed their recoverable amount.</p> <p>They did not test assets relating to the companies in their pre-operating phase or companies acquired by the group during the year, since their carrying amounts had already been assessed upon their initial recognition during the year.</p> <p>Annually or more frequently, if necessary, the directors test intangible assets with a finite useful life and property, plant and equipment for impairment allocated to the different cash-generating units (CGUs) relating to operating companies, by comparing their carrying amount to their value in use, calculated using the discounted cash flow model.</p> <p>The process and methods for measuring and determining each CGU's recoverable amount (based on its value in use) are very complex and entail the use of estimates which, by their very nature, are uncertain and subjective about:</p> <ul style="list-style-type: none"> the expected cash flows, calculated by taking into account the general economic performance and that of the group's sector, the actual cash flows for recent years and the projected growth rates. In this context, the key assumptions are those about the assets' useful lives and estimated recoverable amounts, expected electricity prices, forecast electricity production and the evolution of the regulatory framework; the financial parameters used to calculate the discount rate of the expected cash flows. <p>For the above reasons and due to the materiality of the relevant captions, we believe that the recoverability of intangible assets with a finite useful life and property, plant and equipment is a key audit matter.</p>	<p>Our audit procedures included:</p> <ul style="list-style-type: none"> understanding the process adopted to prepare the impairment test approved by the parent's board of directors and the key controls implemented by the group; checking the accuracy of the CGUs' scope and of the allocation of the carrying amounts and assets and liabilities to the individual CGUs; checking whether how the directors carried out impairment tests complied with the IFRS; understanding the process adopted for preparing the forecasts, on which basis the expected cash flows used for impairment testing have been estimated; analysing the reasonableness of the assumptions used by the group to prepare the forecasts; checking any discrepancies between the previous year forecast and actual financial figures, in order to check the accuracy of the estimation process; checking the mathematical accuracy of the model used to calculate value in use; checking the sensitivity analysis presented in the notes in relation to the main key assumptions used for impairment testing; assessing the appropriateness of the disclosures provided in the notes about the recoverability of the carrying amount of intangible assets with an indefinite useful life and property, plant and equipment. <p>We carried out these procedures with the assistance of our own valuation experts who independently recalculated the main assumptions used, including by means of a comparison with external data and information.</p>



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Responsibilities of the parent's directors and board of statutory auditors ("Collegio Sindacale") for the consolidated financial statements

The directors are responsible for the preparation of consolidated financial statements that give a true and fair view in accordance with the IFRS Accounting Standards issued by the International Accounting Standards Board and endorsed by the European Union and the Italian regulations implementing article 9 of Legislative decree no. 38/05 and, within the terms established by the Italian law, for such internal control as they determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

The directors are responsible for assessing the group's ability to continue as a going concern and for the appropriate use of the going concern basis in the preparation of the consolidated financial statements and for the adequacy of the related disclosures. The use of this basis of accounting is appropriate unless the directors believe that the conditions for liquidating the parent or ceasing operations exist, or have no realistic alternative but to do so.

The *Collegio Sindacale* is responsible for overseeing, within the terms established by the Italian law, the group's financial reporting process.

Auditors' responsibilities for the audit of the consolidated financial statements

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

As part of an audit in accordance with ISA Italia, we exercise professional judgement and maintain professional scepticism throughout the audit. We also:

- identify and assess the risks of material misstatement of the consolidated financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control;
- obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the group's internal control;
- evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the directors;
- conclude on the appropriateness of the directors' use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the group's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditors' report to the related disclosures in the consolidated financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditors' report. However, future events or conditions may cause the group to cease to continue as a going concern;



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Independent auditors' report
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- evaluate the overall presentation, structure and content of the consolidated financial statements, including the disclosures, and whether the consolidated financial statements represent the underlying transactions and events in a manner that achieves fair presentation;
- obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the group to express an opinion on the consolidated financial statements. We are responsible for the direction, supervision and performance of the group audit. We remain solely responsible for our audit opinion.

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

We also provide those charged with governance with a statement that we have complied with the ethics and independence rules and standards applicable in Italy and communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, the measures taken to eliminate those threats or the safeguards applied.

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the consolidated financial statements of the current year and are, therefore, the key audit matters. We describe these matters in our auditors' report.

Other information required by article 10 of Regulation (EU) no. 537/14

On 5 September 2019, the parent's shareholders appointed us to perform the statutory audit of its separate and consolidated financial statements as at and for the years ending from 31 December 2020 to 31 December 2028.

We declare that we did not provide the prohibited non-audit services referred to in article 5.1 of Regulation (EU) no. 537/14 and that we remained independent of the parent in conducting the statutory audit.

We confirm that the opinion on the consolidated financial statements expressed herein is consistent with the additional report to the *Collegio Sindacale*, in its capacity as audit committee, prepared in accordance with article 11 of the Regulation mentioned above.

Report on other legal and regulatory requirements

Opinion on the compliance with the provisions of Commission Delegated Regulation (EU) 2019/815

The parent's directors are responsible for the application of the provisions of Commission Delegated Regulation (EU) 2019/815 with regard to regulatory technical standards on the specification of a single electronic reporting format (ESEF) to the consolidated financial statements at 31 December 2024 to be included in the annual financial report.

We have performed the procedures required by Standard on Auditing (SA Italia) 700B in order to express an opinion on the compliance of the consolidated financial statements with Commission Delegated Regulation (EU) 2019/815.

In our opinion, the consolidated financial statements at 31 December 2024 have been prepared in XHTML format and have been marked up, in all material respects, in compliance with the provisions of Commission Delegated Regulation (EU) 2019/815.



Alerion Clean Power Group
Independent auditors' report
31 December 2024

Opinion and statement pursuant to article 14.2.e)/e-bis)/e-ter) of Legislative decree no. 39/10 and article 123-bis.4 of Legislative decree no. 58/98

The parent's directors are responsible for the preparation of the group's directors' report and report on corporate governance and ownership structure at 31 December 2024 and for the consistency of such reports with the related consolidated financial statements and their compliance with the applicable law.

We have performed the procedures required by Standard on Auditing (SA Italia) 720B in order to:

- express an opinion on the consistency of the directors' report and certain specific information presented in the report on corporate governance and ownership structure required by article 123-bis.4 of Legislative decree no. 58/98 with the consolidated financial statements;
- express an opinion on the consistency of the directors' report and certain specific information presented in the report on corporate governance and ownership structure required by article 123-bis.4 of Legislative decree no. 58/98 with the applicable law;
- issue a statement of any material misstatements in the directors' report and certain specific information presented in the report on corporate governance and ownership structure required by article 123-bis.4 of Legislative decree no. 58/98.

In our opinion, the directors' report and the specific information presented in the report on corporate governance and ownership structure required by article 123-bis.4 of Legislative decree no. 58/98 are consistent with the group's consolidated financial statements at 31 December 2024 and have been prepared in compliance with the applicable law.

With reference to the above statement required by article 14.2.e-ter) of Legislative decree no. 39/10, based on our knowledge and understanding of the entity and its environment obtained through our audit, we have nothing to report.

Milan, 24 March 2025

KPMG S.p.A.

(signed on the original)

Silvia Di Francesco
Director

Separate financial statements of Alerion Clean Power S.p.A. **2024**

STATEMENT OF FINANCIAL POSITION

Assets

<i>(values in Euro)</i>	Notes	31.12.2024	of which Related Parties	31.12.2023	of which Related Parties
NON-CURRENT ASSETS:					
Intangible assets:					
Intangible assets	4	17,716		23,633	
Property, plant and equipment	5	3,330,101		3,631,393	
Investments in subsidiaries	6	381,098,988		387,366,726	
Investments in joint ventures and associates	7	54,874,892		17,505,854	
Financial receivables and other non-current financial assets	17	528,958,394	529,249,990	418,296,608	418,532,457
Deferred tax assets	33	6,723,091		9,433,976	
TOTAL NON-CURRENT ASSETS		975,003,182		836,258,190	
CURRENT ASSETS:					
Trade receivables	8	6,803,384	6,803,384	7,611,465	7,611,462
Current tax assets	9	3,635,898		4,060,199	
Other current assets	10	77,641,187	60,828,147	67,768,289	65,604,395
Financial receivables and other current financial assets	18	97,119,432	32,089,999	77,227,742	10,148,963
Cash and cash equivalents	20	279,939,491		127,302,770	
Derivative financial instruments	19	-		7,373,383	
TOTAL CURRENT ASSETS		465,139,392		291,343,848	
TOTAL ASSETS		1,440,142,574		1,127,602,038	

STATEMENT OF FINANCIAL POSITION

Liabilities and Equity

<i>(values in Euro)</i>	Note s	31.12.2024	of which Related Parties	31.12.2023	of which Related Parties
EQUITY	15	326,966,667		314,229,269	
NON-CURRENT LIABILITIES:					
Non-current financial liabilities	21	755,385,734		690,252,629	
Derivative financial instruments	23	323,360	-	351,568	-
Post-employment benefits and other employee benefits	24	872,142		786,873	
Deferred tax liabilities	33	634,360		1,379,189	
Provisions for future risks and charges	25	449,362		151,761	
Other non-current liabilities	11	1,927,800	-	2,249,100	-
TOTAL NON-CURRENT LIABILITIES		759,592,758		695,171,120	
CURRENT LIABILITIES:					
Current financial liabilities	22	312,448,483	90,769,681	54,585,426	52,699,630
Derivative financial instruments	23	6,758,596		-	
Trade payables	12	9,876,743	7,586,609	49,909,927	11,275,142
Other current liabilities	14	24,499,327	17,582,368	13,706,296	5,275,707
TOTAL CURRENT LIABILITIES		353,583,149		118,201,649	
TOTAL LIABILITIES		1,113,175,907		813,372,769	
TOTAL EQUITY AND LIABILITIES		1,440,142,574		1,127,602,038	

INCOME STATEMENT

<i>(values in Euro)</i>	Note s	2024	of which Related Parties	2023	of which Related Parties
Net gains on equity investments	27	88,832,857	78,587,795	84,229,252	74,549,814
Other revenue and income	28	4,666,456	4,584,156	6,781,753	5,017,970
TOTAL REVENUE AND INCOME		93,499,313		91,011,005	
Operating costs					
Personnel expenses	29	3,316,610		2,964,425	
Other operating costs	30	11,929,432	6,998,184	17,652,610	12,320,215
Accruals to provisions for risks	31	3,959		998,811	
Total operating costs		15,250,001		21,615,846	
Amortisation, depreciation and impairment losses					
Amortisation and depreciation		390,960		386,943	
Total amortisation, depreciation and impairment losses		390,960		386,943	
OPERATING PROFIT		77,858,352		69,008,216	
Financial income		9,458,208		15,879,649	
Financial costs		(42,184,674)		(18,093,996)	
Total net financial costs	32	(32,726,466)		(2,214,347)	
PROFIT (LOSS) BEFORE TAX		45,131,886		66,793,869	
Income taxes					
Current		7,958,335		919,765	
Deferred		(2,563,327)		(683,315)	
Total income taxes	33	5,395,008		236,450	
PROFIT FOR THE YEAR		50,526,894		67,030,319	

COMPREHENSIVE INCOME STATEMENT

<i>(values in Euro)</i>	2024	2023
PROFIT FOR THE YEAR (A)	50,526,894	67,030,319
Net gains (losses) from fair value measurement of financial assets measured at fair value through other comprehensive income	(2,156,585)	4,137,938
Related tax	601,687	(1,154,485)
Total Other comprehensive income that could be reclassified to profit or loss, net of tax effect (b1)	(1,554,898)	2,983,453
Net actuarial gains (losses) on defined benefit plans (IAS 19)	15,825	(51,993)
Related tax	(4,415)	14,506
Total other comprehensive income not subsequently reclassified to profit or loss, net of tax effect (b2)	11,410	(37,487)
COMPREHENSIVE INCOME (A) + (B)	48,983,406	69,976,285

CASH FLOW STATEMENT

	Notes	2024	of which Related Parties	2023	of which Related Parties
<i>(values in Euro)</i>					
A. Cash flows from operating activities					
Profit for the year		50,526,894		67,030,319	
Amortisation, depreciation and impairment losses		390,960		386,943	
Financial income and expense	32	32,724,028		2,229,348	
Net gains (losses) on equity investments	27	(88,832,857)	(78,587,795)	(84,229,252)	(74,549,814)
Share-based payments	15	699,022		601,804	
Increase (decrease) in post-employment benefits	24	105,050		90,523	
Increase (decrease) in provision for risks and charges	25	3,959		(656,189)	
Increase (decrease) in deferred tax liabilities	33	2,563,327		683,315	
(Increase) decrease in trade receivables and other assets	8 - 9 - 10	(10,955,002)	5,584,326	20,718,433	(6,211,513)
Increase (decrease) in trade payables and other liabilities	12 - 13 - 14	(45,689,954)	8,618,128	26,036,478	5,004,603
Income tax paid	33	-		(39,803,939)	
Total cash flows generated by operating activities		(58,464,573)		(6,912,217)	
B. Cash flows from investing activities					
(Investments) disposals of property, plant and equipment	5	(51,607)		(59,080)	
(Investments) disposals of equity investments	6 - 7	33,149,000		(26,170,556)	
Total cash flows used in investing activities		33,097,393		(26,229,636)	
C. Cash flows from financing activities					
Increase (decrease) in bonds issued	21 - 22	229,614,099		167,751,387	
(Increase) decrease in financial assets	17 - 18	(106,831,588)	(94,588,518)	(118,619,995)	(210,910,866)
Dividends received		49,459,529		29,835,013	
Increase (decrease) in banks loans and borrowings	21 - 22	49,619,889		23,244,080	
Increase (decrease) in other financial liabilities/assets	18	-		10,000,000	
Dividends paid	15	(32,624,784)		(35,003,775)	
Purchase of treasury shares	15	(4,286,897)		(7,787,317)	
Financial expense paid		(6,946,347)		(5,395,907)	
Total cash flows generated by (used in) financing activities		178,003,901		64,023,486	
D. Cash flows for the year (A+B+C)		152,636,721		30,881,633	
E. Opening cash and cash equivalents		127,302,770		96,421,137	
F. Closing cash and cash equivalents (D+E)		279,939,491		127,302,770	

STATEMENT OF CHANGES IN EQUITY

STATEMENT OF CHANGES IN EQUITY - 12-month period ending 31 December 2024

(values in Euro)	Share capital	Treasury share reserve	Share premium	Legal reserve	Other equity-related reserves	Other reserves (**)	Retained earnings reserves	Profit for the year	Equity
Balance as of January 01, 2024	161,137,410	(12,581,148)	21,400,391	10,007,363	5,673,903	5,009,132	56,551,899	67,030,319	314,229,269
Allocation of previous year's profit	-	-	-	3,351,516	-	-	63,678,803	(67,030,319)	-
Profit for the year	-	-	-	-	-	-	-	50,526,894	50,526,894
Other comprehensive income (loss)	-	-	-	-	-	(1,543,488)	-	-	(1,543,488)
Comprehensive income	-	-	-	-	-	(1,543,488)	-	50,526,894	48,983,406
Dividends approved and/or distributed	-	-	-	-	-	-	(32,658,133)	-	(32,658,133)
Purchase of treasury shares	-	(4,286,897)	-	-	-	-	-	-	(4,286,897)
Share-based incentive plan reserve	-	266,806	-	-	-	139,633	292,583	-	699,022
Balance at December 31, 2024	161,137,410	(16,601,239)	21,400,391	13,358,879	5,673,903	3,605,277	87,865,152	50,526,894	326,966,667

(**) "Other reserves" includes the IFRS FTA reserve.

STATEMENT OF CHANGES IN EQUITY - 12-month period ending 31 December 2023

(values in Euro)	Share capital	Treasury share reserve	Share premium	Legal reserve	Other equity-related reserves	Other reserves (**)	Retained earnings reserves	Profit for the year	Equity
Balance as of January 01, 2023	161,137,410	(5,315,342)	21,400,391	5,289,079	5,673,903	2,257,727	1,913,929	94,365,683	286,722,780
Allocation of previous year's profit	-	-	-	4,718,284	-	-	89,647,399	(94,365,683)	-
Profit for the year	-	-	-	-	-	-	-	67,030,319	67,030,319
Other comprehensive income (loss)	-	-	-	-	-	2,945,966	-	-	2,945,966
Comprehensive income	-	-	-	-	-	2,945,966	-	67,030,319	69,976,285
Dividends approved and/or distributed	-	-	-	-	-	-	(35,039,310)	-	(35,039,310)
Purchase of treasury shares	-	(7,787,317)	-	-	-	-	-	-	(7,787,317)
Share-based incentive plan reserve	-	521,511	-	-	-	50,412	29,881	-	601,804
Derivatives	-	-	-	-	-	(244,973)	-	-	(244,973)
Balance at December 31, 2023	161,137,410	(12,581,148)	21,400,391	10,007,363	5,673,903	5,009,132	56,551,899	67,030,319	314,229,269

(**) "Other reserves" includes the IFRS FTA reserve.

For comments on the individual items, please refer to Note 15 "Equity" below.

BASIS OF PREPARATION AND NOTES

1. CORPORATE INFORMATION

The parent company Alerion Clean Power S.p.A. (hereinafter "Parent" or "Alerion" or "ACP" or "company") is a legal entity organised under the laws of the Italian Republic. The ordinary shares of Alerion are listed on the electronic circuit of the Milan Stock Exchange - Euronext Milan. The registered office of the Alerion Group (hereinafter referred to as "Group" or "Alerion Group") is in Milan, at Via Renato Fucini 4.

The publication of Alerion's financial statements for the year ending 31 December 2024 was authorised by resolution of the directors on 13 March 2025.

2. BASIS OF PREPARATION

These financial statements are prepared in accordance with the IFRSs issued *by the International Accounting Standards Board* and endorsed by the European Union and in force as of 31 December 2024 as well as on the basis of the measures issued in implementation of Article 9 of Legislative Decree No. 38/2005. These IFRSs also include all revised International Accounting Standards (referred to as 'IAS') and all interpretations of the International Financial Reporting Interpretation Committee ('IFRIC'), previously referred to as the Standing Interpretations Committee ('SIC').

However, these financial statements comply with the provisions of Articles 2423 et seq. of the Civil Code, as shown in these Notes, which have been prepared in accordance with Article 2427 of the Civil Code and constitute, pursuant to and for the purposes of said Article 2423, an integral part of the financial statements. The amounts in the Statement of Financial Position, Income Statement, Statement of Comprehensive Income, Statement of Cash Flows and Statement of Changes in Equity are expressed in euro units, while those in the notes are in thousands, unless otherwise indicated. With regard to the methods used to convert accounting data expressed in eurocents into units of euro, all amounts in the Statement of Financial Position and Income Statement were converted by rounding to the lower unit of euro in the event that the eurocents were less than 50, and to the higher unit in the event that the eurocents were 50 or more.

2.1 LEGAL OBLIGATIONS ARISING FROM GROUP MEMBERSHIP

The company has prepared consolidated financial statements because, together with the subsidiaries indicated in the specifications, it exceeds the limits dictated by Article 27 of Legislative Decree No. 127 of 9/4/1991 (as amended by Law No. 52 of 6/2/1996).

2.2 FINANCIAL STATEMENT FORMATS ADOPTED

In compliance with the provisions of Consob Resolution No. 15519 of 27 July 2006, below are the indications of the format adopted with respect to the format indicated in IAS 1 for the statement of financial position, income statement, statement of comprehensive income, statement of changes in equity, as well as the method used to represent cash flows in the statement of cash flows with respect to those indicated in IAS 7.

In the income statement, it was decided to present an analysis of costs using a classification based on the nature of the costs; while in the statement of financial position, it was decided to present current and non-current assets, and current and non-current liabilities, as separate classifications, in accordance with IAS 1. Changes in equity during the period are shown in a column format reconciling the opening and closing balances of each equity item. The cash flow statement represents cash flows by classifying them into

operating, investing and financing activities. In particular, cash flows from operating activities are reported, as required by IAS 7, using the indirect method, whereby the profit or loss for the year is adjusted by the effects of transactions of a non-cash nature, any deferrals or accruals of past or future operating cash receipts or payments, and items of income or expense associated with cash flows from investing or financing activities.

Lastly, it should be noted that, in compliance with the above resolution, in the statement of financial position, income statement and cash flow statement, the amounts of positions or transactions with related parties and income components (positive and/or negative) deriving from events or transactions whose occurrence is non-recurring, or from those transactions or events that do not recur frequently in the ordinary course of business, have been highlighted in specific sub-items, if of a significant amount.

2.3 DISCRETIONARY VALUATIONS AND SIGNIFICANT ACCOUNTING ESTIMATES

The preparation of the financial statements requires the directors to make discretionary judgements, estimates and assumptions that affect the values of revenues, expenses, assets and liabilities and the disclosure of contingent liabilities at year-end. Actual results may differ from these estimates. Estimates are used to detect:

Recoverable amount of non-current assets

Non-current assets include intangible assets with a finite life (mainly rights and concessions related to authorisations and management rights for wind farms) and property, plant and equipment (mainly plant and machinery in operation or under construction related to wind farms in the portfolio). Management periodically reviews the carrying value of non-current assets held and used when facts and circumstances warrant such a review. This activity is performed using estimates of the useful life of non-current assets, expected cash flows and appropriate discount rates to calculate the economic value. Therefore, this review of the carrying value of non-current assets is based on a set of hypothetical assumptions regarding future events and actions of the governing bodies that may not necessarily occur in the expected timeframe.

Deferred tax assets

Deferred tax assets are recognised for all temporary differences and tax loss carryforwards, to the extent that it is probable that there will be adequate future taxable profits against which such losses can be utilised. Significant discretion is required of the directors in determining the amount of deferred tax assets that may be recognised. They must estimate the likely timing and amount of future taxable profits as well as a planning strategy for future taxes.

Employee benefits - Post-employment benefits

The provision for post-employment benefits is determined using actuarial valuations. Actuarial valuation requires making assumptions about discount rates, future salary increases, turnover and mortality rates. Due to the long-term nature of these plans, these estimates are subject to a significant degree of uncertainty.

Rights of use and lease liabilities

The determination of usage rights and lease liabilities under IFRS 16 introduces certain judgments involving the definition of certain accounting policies and the use of assumptions and estimates mainly in relation to the definition of the lease term and the definition of the incremental borrowing rate.

Other estimation processes

Estimates are also used to record provisions for bad debts, accruals to provisions for risks and charges, write-downs of assets and of the fair value of derivative financial instruments.

Estimates and assumptions are reviewed periodically and the effects of any changes are reflected immediately in the income statement.

2.4 SUMMARY OF THE MAIN ACCOUNTING POLICIES

This section summarises the most significant evaluation criteria adopted by Alerion.

Intangible assets with a finite life

In accordance with the provisions of IAS 38, intangible assets include costs, including incidental expenses, incurred for the acquisition of assets and resources, without physical substance, to be used in the production of goods or the provision of services, to be leased to third parties, or to be used for administrative purposes, provided that the cost can be reliably measured and the asset is clearly identifiable and controlled by the company that owns it. Goodwill, when acquired for consideration, is also recorded.

Separately acquired intangible assets are recognised at cost borne, and expenses incurred subsequent to initial acquisition are added to the cost of intangible assets to the extent that these expenses are capable of generating future economic benefits. Intangible assets acquired through business combinations are capitalised at fair value at the date of acquisition.

Non-current assets with a finite useful life are systematically depreciated on a straight-line basis over each period to take into account their remaining useful life. The carrying value is reviewed annually for impairment whenever there is an indication that the asset may be impaired, in accordance with IAS 36 "Impairment Test". Any impairments are deducted from the value of the asset.

When they are incurred, research costs are charged to the income statement. Development costs incurred in connection with a specific project are capitalised when their future recovery is deemed reasonably certain and after verification of all conditions required by IAS 38. Subsequent to the initial recognition of development costs, they are measured at cost, decreased by amortisation or any write-downs. Capitalised development costs are amortised on the basis of their future usefulness over the period in which the expected future revenues will arise from the same project.

The carrying value of development costs is reviewed annually for impairment or, more frequently, whenever there is an indication of impairment.

Depreciation is calculated on a straight-line basis over the estimated useful life of the assets, as follows:

Amortisation rates for intangible assets	Rates
Patents and intellectual property rights	from 5% to 10%

Property, plant and equipment

Property, plant and equipment are shown in the Financial Statements at historical cost and are systematically depreciated in relation to their residual possibility of utilisation, with the exception of land and assets held for sale, which are not depreciated but written down if their fair value is lower than their cost in the Financial Statements.

The depreciation process takes place on a straight-line basis at rates deemed representative of the estimated useful life reviewed annually; for assets acquired during the year, rates are applied pro-rata temporis, taking into account the actual use of the asset during the year. Costs incurred for improvements are only charged as an increase to the assets concerned when they produce actual increases in their value.

Ordinary maintenance costs are charged to the Income Statement in the year in which they are incurred, while extraordinary maintenance costs, if they result in a significant increase in productivity or useful life, are added to the value of the assets to which they relate and are depreciated over the remaining useful life of the asset. Depreciation is calculated on a straight-line basis over the estimated useful life of the assets, as follows:

Depreciation rates for property, plant and equipment	Rates
Buildings	8.33%
Other assets	from 9% to 10%

Impairment of assets (impairment test)

IAS 36 requires the assessment of the existence of impairment of tangible, intangible and financial assets in the presence of indicators that this may exist. In the case of goodwill and other intangible assets with an indefinite life or assets not yet available for use, this assessment must be performed at least annually.

The recoverability of recorded values is verified by comparing the book value recorded in the Financial Statements with the higher of the net sales price, if an active market exists, and the value in use of the asset.

The value of use is generally defined on the basis of the discounting of the expected cash flows from the use of the asset, or from an aggregation of assets (cash generating units) as well as the value that is expected from disposal at the end of useful life. The cash-generating units have been identified consistently with the Group's organisational and business structure, as homogeneous aggregations that generate independent cash inflows from the continuous use of the assets attributable to them.

Impairment losses incurred by continuing operations are recognised in the income statement in the cost categories consistent with the function of the asset that resulted in the impairment loss. At each year-end, the Group also assesses whether there are any indicators of a decrease in previously recognised impairment losses and, if such indicators exist, makes a new estimate of recoverable amount. The value of an asset previously written down may only be reinstated if there have been changes in the estimates used to determine the asset's recoverable amount since the last impairment was recognised. In this case, the carrying amount of the asset is increased to the recoverable amount, but the value thus increased may not exceed the carrying amount that would have been determined, net of depreciation, had no impairment loss been recognised in prior years. Any reversal is recognised as income in the income statement; after a reversal of an impairment loss is recognised, the depreciation charge for the asset is adjusted in future periods to allocate the adjusted carrying amount, net of any residual value, on a straight-line basis over its remaining useful life.

Financial instruments

Financial instruments include other investments (excluding investments in subsidiaries, joint ventures and associates), non-current loans and receivables, trade and other receivables originated by the company, and other current financial assets such as cash and cash equivalents. Cash and cash equivalents are bank and post office deposits, readily negotiable securities representing temporary investments of cash and financial receivables due within three months. This also includes financial payables, trade and other payables and other financial liabilities as well as derivative instruments.

The Company has adopted IFRS 9 "Financial Instruments". IFRS 9 requires the classification and measurement of financial assets based on the business model by which these assets are managed, taking into account the characteristics of their cash flows. In this regard, the Company classifies financial assets on the basis of how the Group manages them in order to achieve its objectives and the contractual cash flow characteristics of these financial assets. The following should be noted:

As of 1 January 2018, IFRS 9 "Financial Instruments" replaced IAS 39 "Financial Instruments: Recognition and Measurement". IFRS 9 introduces new requirements for the classification and measurement of financial assets based on the business model by which these assets are managed, taking into account the characteristics of their cash flows. In this regard, it should be noted that:

- the Company's financial assets that have been assigned business models whose objective is the holding of assets for the purpose of collecting contractual cash flows ("held-to-collect") have been measured at amortised cost;
- the Company's financial assets that have been assigned business models whose objective is pursued through both the collection of contractual cash flows and the sale of financial assets according to the holding and expected turnover of the financial assets ("held-to-collect and sell") have been classified as financial assets measured at fair value with an impact on the statement of comprehensive income;
- financial assets that have been assigned a different business model from the above ("other") have been classified as financial assets at fair value through profit or loss.

The categories under IAS 39, namely, held-to-maturity assets, loans and receivables, and available-for-sale assets, are eliminated.

As a result of the entry into force of the new standard, the Company analysed the financial assets existing as at 1 January 2019 in the new categories provided, based on the business model and contractual cash flow characteristics expected for these financial assets.

The analysis of the business model was conducted by mapping the financial assets on the basis of how the Group manages them in order to achieve its objectives.

For the purposes of classifying financial assets into the new categories under IFRS 9, the analysis of the business model was accompanied by an analysis of contractual flows (the "SPPI test"). In this regard, the Company assessed whether the characteristics of the contractual cash flows allow for measurement at amortised cost ("held-to-collect") or at fair value with impact on the statement of comprehensive income ("held-to-collect and sell").

All financial assets are initially recognised at cost, which corresponds to fair value increased by purchase-related expenses. The Company determines the classification of its financial assets after initial recognition and, where appropriate and permitted, revises this classification at the end of each financial year.

Impairment of financial assets

With reference to the "expected loss" impairment model required by IFRS 9 and the items in the financial statements, the Company applies the following methodological approach:

- The Expected Credit Loss ("ECL") is determined by multiplying the value of the exposure by the probability of default of the counterparty (relative to the corresponding time horizon) and by a fixed loss given default equal to 60%; it should be noted that the value of the exposure was set equal to the current recognised value and therefore no discount factors were applied (since, being calculated at the same rate, the rise factor would have been the same);
- The probability of default of the counterparty is calculated on the basis of the relevant CDS spread (for transactions with a time horizon of up to 6 months, however, the 6-month CDS spread was used) based on the following formula:

$$PD = 1 - e^{-spread60\% \cdot durata}$$

- For items consisting of current accounts, which are not characterised by a predefined maturity, the time horizon of application of the ECL is defined as follows:

- o "Free" current accounts: expected duration of one month (on the assumption that any problems with the counterparty would be intercepted within this time frame, with the consequent shifting of the related cash to other institutions);

- o Current accounts related to Project Financing: identification of a "stable" component as project-linked (with application, in the absence of significant credit deterioration, of the ECL over a one-year horizon) versus a residual circulating component (with an associated horizon of three months).

Investments in subsidiaries, associates and jointly controlled companies

Investments in subsidiaries, associates and jointly controlled entities are accounted for using the cost method, in accordance with IAS 27. The initial cost is equal to the costs incurred for the purchase or incorporation or is defined by expert opinion in the case of acquisitions by contribution.

When there is an indication that the investment may be impaired, its recoverable amount is estimated, according to the methodology outlined in IAS 36 "Impairment of Assets", in order to determine any loss to be recognised in the income statement.

Other investments

Investments other than those held in subsidiaries, associates and jointly controlled entities are recognised at the date of first acquisition at purchase cost, increased by any directly attributable transaction costs. The Company values these instruments at market value (fair value) and changes are recorded in a specific equity reserve. This change (FVOCI) is also reported among the items that cannot be reclassified to other comprehensive income in the income statement; therefore, only any dividends received will be recognised in the Group's income statement. IFRS 9 also provides for an alternative treatment that allows fair value changes to be recognised in profit or loss (FVTPL). The choice of accounting treatment (FVTPL or FVOCI), to be assessed on an investment-by-investment basis, is to be considered irrevocable once adopted. Any exceptions in the first entry will be highlighted in the commentary note to the entry.

Financial receivables

Loans are initially recognised at cost, which corresponds to the fair value of the consideration received net of incidental loan acquisition costs. After initial recognition, loans are measured at amortised cost using the effective interest rate method. The amortised cost is calculated taking into account the issuance costs and any discounts or premiums expected at the time of settlement. Any gain or loss is recognised in the income statement when the liability is extinguished or, in the case of impairment, over the amortisation period.

Trade receivables and other receivables

Trade receivables, which generally have maturities in the short term, are recognised at the nominal amount stated on the invoice, net of the allowance for doubtful accounts determined in accordance with the "expected loss" impairment model required by IFRS 9. This impairment model is supplemented by any additional write-downs recorded as a result of specific doubtful conditions on individual loan positions, at the time of their identification.

When, due to the payment terms granted, a financial transaction takes place, receivables are measured using the amortised cost method by discounting the nominal value to be received, and recognising the discount as financial income in the period of its maturity.

Receivables in foreign currencies are aligned with the year-end exchange rate, and gains or losses arising from the adjustment are recognised in the income statement under the item where the transaction was originally recognised.

Cash and cash equivalents

Cash and cash equivalents include cash on hand, bank and postal sight deposits and investments in securities made in the course of treasury management activities, which have a short-term maturity, are highly liquid and subject to an insignificant risk of changes in value.

They are entered at nominal value.

Loans payable

All loans are initially recognised at the fair value of the consideration received net of incidental loan acquisition costs.

After initial recognition, loans are measured at amortised cost using the effective interest rate method.

Any gain or loss is recognised in the income statement when the liability is extinguished, as well as through the amortisation process.

Provisions for risks and charges

Provisions for risks and charges are made when the Company has a present obligation (legal or constructive) as a result of a past event, an outflow of resources to meet that obligation is probable, and a reliable estimate of the amount can be made.

When the Company believes that a provision for risks and charges will be partly or fully reimbursed, for example in the case of risks covered by insurance policies, the indemnity is recognised separately as an asset if, and only if, it is practically certain. In this case, the cost of any provision is presented in the income statement net of the amount recognised for the indemnity.

If the discount effect on the value of money is significant, provisions are discounted using a pre-tax discount rate that reflects, where appropriate, the specific risks of the liabilities. When the discounting is performed, the increase in the allocation due to the passage of time is reported as a financial expense.

Share-based payments

The Group implements share-based payment transactions settled with equity instruments as part of the remuneration policy adopted for the Chief Executive Officer and key management personnel.

The most recent long-term incentive plans provide for the allocation to recipients, who may be: Executive Directors and/or Executives with Strategic Responsibilities, and/or employees and/or contractors with strategically important roles of an incentive consisting of an equity component and a monetary component. The purpose of the Plan is to grant shares free of charge if certain performance targets are achieved at the end of a vesting period.

In order to regulate the equity component through the free assignment of Group shares, a share buy-back programme was approved to service these plans. For further details on incentive plans based on shares, please refer to the note on "Share-based Payments".

The Group recognises the services rendered by beneficiaries as personnel expenses and indirectly estimates their value, and the corresponding increase in equity, based on the fair value of the equity instruments at the grant date. This fair value is based on the observable market price of the Group's shares, taking into account the terms and conditions under which the shares were granted (except for vesting conditions excluded from fair value measurement).

The cost for these share-based payment transactions settled with equity instruments is recognised in the income statement, with a balancing entry in a specific equity item, over the period in which the service and performance conditions are satisfied (vesting period).

The total recognised cost is adjusted at each year-end up to the vesting date to reflect the best estimate available to the Group of the number of equity instruments for which the service conditions and non-market performance conditions are expected to be satisfied, so that the amount recognised at the end is based on the actual number of equity instruments that will satisfy the service conditions and non-market performance conditions at the vesting date.

Liabilities for Employee Benefits

Implementing the provisions of IAS 19, employee benefits to be paid out subsequent to the termination of employment (Staff Severance Provision) are subject to actuarial valuations that must take into account a number of variables (such as mortality, expected future salary changes, expected inflation rate, etc.). The amendment to IAS 19 "Employee Benefits" requires all actuarial gains or losses to be recognised immediately in the "Other comprehensive income" so that the entire net amount of the defined benefit provision is recognised in the statement of financial position. The amendment also stipulated that changes between one year and the next in the defined benefit provision must be broken down into three components: cost components related to service during the year must be recognised in the income statement as "service costs"; net financial costs calculated by applying the appropriate discount rate to the net balance of the defined benefit provision at the beginning of the year must be recognised in the income statement as such; and actuarial gains and losses arising from the remeasurement of the liability must be recognised in "Other comprehensive income".

Trade and other payables

Payables are valued at nominal value.

When, due to the payment terms agreed upon, a financial transaction takes place, payables measured using the amortised cost method are discounted to their nominal value to be paid, with the discount being recognised as a financial expense.

Payables in foreign currencies are aligned with the year-end exchange rate, and gains or losses arising from the adjustment are recognised in the income statement under the item where the transaction was originally recognised.

INCOME STATEMENT

Revenues and income

Revenues are recognised on the basis of the accounting model provided for in IFRS 15, which provides for, as fundamental steps:

- identification of the contract with the customer;
- identification of the performance obligations contained in the contract;
- the determination of the price;
- the allocation of price to the performance obligations of the contract;
- the criteria for recognising revenue when the entity meets each performance obligation, which may occur at a point in time or over time.

Revenues are recognised to the extent that it is probable that economic benefits will accrue to Alerion and the amount can be reliably determined. Revenues are shown net of discounts, vouchers and returns.

The following specific revenue recognition criteria must always be met before revenue is recognised in the income statement.

In particular:

- dividends are recognised when the right of the shareholders to receive payment arises (date of the assignment resolution of the shareholders' meeting);
- realised gains on equity investments are recognised when the sale of equity investments is realised and the significant risks and rewards of ownership have been transferred;
- value adjustments of financial assets represent the adjustment to market value of listed equities held for trading. The market value is given by the stock market prices at year-end or on the periodic statement date;
- revenues from the provision of services are recognised on the basis of the satisfaction of each performance obligation as required by IFRS 15, i.e. upon completion of the transfer of the promised good or service to the customer when the customer obtains control of the good or service, which may occur at a point in time or over time.

All revenues are measured at the fair value of their consideration; when the financial effect related to the deferral of collection is significant and the collection dates can be reliably estimated, the related financial component is recognised under net financial costs.

Financial income and costs

Financial income and costs are recognised on an accrual basis, according to the passage of time, using the effective rate.

Costs

Operating costs and other operating expenses are recognised in the financial statements when they are incurred on an accrual basis and related to revenues, when they do not produce future economic benefits or when they do not qualify for recognition as assets in income statement.

When the deferred payment agreement includes a financial component, the consideration is discounted and the difference between the nominal value and the fair value is recognised in the income statement as a financial cost.

Income taxes

Current income taxes are recognised on the basis of estimated taxable income in accordance with applicable rates and regulations, taking into account applicable exemptions and tax credits.

Deferred taxes are recognised when it is probable that sufficient taxable income will be available in future years to utilise the deferred tax asset.

Deferred taxes are recognised for all taxable temporary differences, except where such liabilities arise from the initial recognition of goodwill.

Deferred tax assets and liabilities are calculated on the temporary differences between the value attributed to assets and liabilities in the Financial Statements and the corresponding values recognised for tax purposes, on the basis of the rates in force at the time in which the temporary variances are applied. When results are recognised directly in equity, current taxes, deferred tax assets and deferred tax liabilities are also recognised in equity.

It should be noted that, with the submission of the Income Form SC 2022, relating to the financial year 2021, the consolidating company Alerion Clean Power S.p.A., as Parent Company, renewed its adhesion to the tax consolidation scheme in which some of its subsidiaries take part.

The option will allow participating group companies to offset their respective tax results with a clear benefit not only for the companies, but also for the Group leader as a whole.

The companies adhering to the national tax consolidation scheme have signed an agreement in order to regulate and specify the mutual fulfilments, obligations and responsibilities from adhering to this scheme. In particular, specific provisions are aimed at ensuring that participation in the national consolidation does

not result in economic and financial disadvantages for the consolidated companies compared to the situation that those companies would have been in if they had not participated in that regime, or if, having met the requirements, they had exercised the option for group taxation with their subsidiaries.

Value Added Tax

Revenues, expenses and assets are recognised net of value-added taxes except where:

- such tax applied to the purchase of goods or services is non-deductible, in which case it is recognised as part of the purchase cost of the asset or part of the cost item recognised in the income statement;
- refers to trade receivables and payables shown including the value of the tax.

The net amount of indirect sales taxes that can be recovered from or paid to the Treasury is included in the Financial Statements under trade receivables or trade payables, depending on the sign of the balance.

Earnings per share

Basic earnings per share are calculated by dividing the Company's economic result by the weighted average number of shares outstanding during the year, net of treasury shares purchased by Alerion Clean Power S.p.A. during the year. For the purpose of calculating the diluted earnings per share, the weighted average number of outstanding shares, net of treasury shares purchased by Alerion Clean Power S.p.A. during the year, is modified by assuming the conversion of all potential shares having a dilutive effect (assignment of new issues to beneficiaries of stock option plans).

The profit for the year is also adjusted for the after-tax effects of the conversion.

Changes in International Accounting Standards

Alerion's financial statements are prepared and comply with the international accounting standards and related interpretations approved by the IASB and endorsed in accordance with the procedure set forth in Article 6 of EC Regulation No. 1606 of 19 July 2002.

The financial statements as at 31 December 2024 have been prepared in accordance with the historical cost criterion, with the exception of the other participations, which are recorded at fair value.

IFRS ACCOUNTING STANDARDS, AMENDMENTS AND INTERPRETATIONS APPLIED FROM 1 JANUARY 2024

The following IFRS accounting standards, amendments and interpretations have been applied for the first time by the Group as of 1 January 2024:

- On 23 January 2020, the IASB published an amendment entitled "Amendments to IAS 1 Presentation of Financial Statements: Classification of Liabilities as Current or Non-current" and on 31 October 2022 published an amendment entitled "Amendments to IAS 1 Presentation of Financial Statements: Non-Current Liabilities with Covenants". The documents are intended to clarify how to classify debts and other short-term or long-term liabilities. The directors do not expect a significant effect on the Group's consolidated financial statements from the adoption of this amendment.
- On 22 September 2022, the IASB published an amendment entitled "Amendments to IFRS 16 Leases: Lease Liability in a Sale and Leaseback". The document requires the seller-lessee to measure the lease liability arising from a sale and leaseback transaction so as not to recognise an income or loss that relates to the retained right of use. The directors do not expect a significant effect on the Group's consolidated financial statements from the adoption of this amendment.
- With Regulation (EU) No. 2024/1317 of 15 May 2024, the European Commission endorsed the document "Supplier Finance Arrangements (Amendments to IAS 7 Statement of Cash Flows and IFRS 7 Financial instruments: Disclosures)", published by the IASB Board on 25 May 2023. The amendments to IAS 7 and IFRS 7 introduce new disclosure requirements with regard to supply financing arrangements so as to enable users of financial statements to assess the effects of such arrangements on the entity's liabilities, cash flows and exposure to liquidity risk.

IFRS ACCOUNTING STANDARDS, AMENDMENTS AND INTERPRETATIONS NOT YET ENDORSED BY THE EUROPEAN UNION

Document title	Date of publication	Entry into force	EU Regulation
Lack of exchangeability (Amendments to IAS 21)	15 Aug 2023	1 Jan 2025	Currently being approved
Amendments to the classification and measurement of financial instruments (Amendments to IFRS 9 and IFRS 7)	30 May 2024	1 Jan 2026	Currently being approved
IFRS 18 Presentation and disclosure in financial statements	9 Apr 2024	1 Jan 2027	Currently being approved
IFRS 19 Subsidiaries without public accountability: disclosures	9 May 2024	1 Jan 2027	Approval process not yet launched

3. FINANCIAL RISK MANAGEMENT POLICY

Financial risk management is an integral part of the management of the Parent Company's activities, which, on behalf of all Group companies, defines the risk categories and for each type of transaction and/or instrument indicates the operating methods and limits.

All instruments at fair value are classified as Level 2 as they are measured at Mark to Model based on observable market parameters.

In fact, in view of its nature as a holding company, the Parent Company habitually operates with financial instruments; in particular, the Parent Company's core business involves investing in securities representing the capital of companies, both listed on regulated and unlisted markets. Investments are made on a medium- to long-term basis, as well as for trading purposes, in accordance with the Articles of Association and the laws and regulations in force. The Parent Company may also grant loans to or negotiate loans on behalf of investee companies, in order to support their development plans in accordance with its own portfolio investment return objectives.

Below is the breakdown of financial assets and liabilities required by IFRS 7 within the categories required by IFRS 9:

(values in Thousands of Euro)

A- Financial assets as at 31.12.2024	Note	Held to collect	Held to collect and sell	Other
Current financial assets:				
Cash and cash equivalents	20			279,939
Financial receivables and other current financial assets	18	32,165	64,955	-
Trade receivables	8	6,803		
Non-current financial assets:				
Financial receivables and other non-current financial assets	17	528,958		
Total A - Assets		567,926	64,955	279,939

(values in Thousands of Euro)

B - Financial liabilities as at 31.12.2024	Notes	Financial instruments at fair value by designation	Liabilities at amortised cost
Current financial debt:			
Payables to bondholders for interest	22		(186,480)
Lease liabilities IFRS16	23		(332)
Bank loans and borrowings	22		(37,912)
Payables to subsidiaries for cash pooling	22		(86,562)
Payables to subsidiaries and affiliated companies	22		(1,162)

Derivative financial instruments	23	(6,759)		
Trade payables	12		(9,877)	
Non-current financial liabilities:				
Bank loans and borrowings	21		(39,094)	
Lease liabilities IFRS16	21		(2,952)	
Derivative financial instruments	22	(323)		
Bonds issued	21		(713,340)	
Total B - Liabilities		(7,082)	(1,077,710)	-

(values in Thousands of Euro)

A- Financial assets as at 31.12.2023	Notes	Held to collect	Held to collect and sell	Other
Current financial assets:				
Cash and cash equivalents	20			127,303
Financial receivables and other current financial assets	18	10,227	67,000	-
Trade receivables	8	7,611		
Non-current financial assets:				
Financial receivables and other non-current financial assets	17	418,297		
Total A - Assets		436,135	67,000	127,303

(values in Thousands of Euro)

B - Financial liabilities as at 31.12.2023	Notes	Financial instruments at fair value by designation	Liabilities at amortised cost
Current financial liabilities:			
Payables to bondholders for interest	22		(3,721)
Lease liabilities IFRS16	23		(321)
Bank loans and borrowings	22		(4,690)
Payables to subsidiaries for cash pooling	22		(44,745)
Payables to subsidiaries and affiliated companies	22		(1,109)
Derivative financial instruments	23	-	
Trade payables	12		(49,910)

Non-current financial liabilities:

Bank loans and borrowings	21		(22,776)	
Lease liabilities IFRS16	21		(3,236)	
Derivative financial instruments	22	(352)		
Bonds issued	21		(664,241)	
Total B - Liabilities		(352)	(794,748)	-

Fair value and calculation models used

The following table shows the amounts corresponding to the fair value of the classes of financial instruments broken down on the basis of the methods and calculation models used to determine them.

The fair value of equity investments recognised at cost was not calculated because they are investments in equity instruments that do not have a quoted market price in an active market.

(values in Thousands of Euro)

A - Financial assets at 31.12.2024	Carrying amount		Fair value	
	Current	Non-current	Cost	Discounted cash flow
Financial receivables and other current financial assets	64,955	-	-	64,955
Total A - Assets	64,955	-	-	64,955

(values in Thousands of Euro)

B - Financial liabilities at 31.12.2024	Carrying amount		Fair value	
	Current	Non-current	Cost	Discounted cash flow
Bank loans and borrowings	(37,912)	(39,094)	-	(78,111)
Bonds issued	(186,480)	(713,340)	-	(971,621)
Total B - Liabilities	(224,392)	(752,434)	-	(1,049,732)

(values in Thousands of Euro)

A - Financial assets at 31.12.2023	Carrying amount		Fair value	
	Current	Non-current	Cost	Discounted cash flow
Financial receivables and other financial assets	67,000	-	-	67,000
Total A - Assets	67,000	-	-	67,000

<i>(values in Thousands of Euro)</i> B - Financial liabilities at 31.12.2023	Carrying amount		Fair value	
	Current	Non-current	Cost	Discounted cash flow
Bank loans and borrowings	(4,690)	(22,776)		
Bonds issued	(3,721)	(664,241)		
Total B - Liabilities	(8,411)	(687,017)	-	-

Type of risks covered

In connection with its transactions in financial instruments, the Parent Company is exposed to the following risks. From a procedural point of view, the Board of Directors assesses each transaction of a significant amount in advance, periodically verifies the Parent Company's risk exposure and defines market risk management policies.

Please refer to the section "Principal Risks and Uncertainties" in the **Directors' Report** regarding additional risks that may affect the investees belonging to the Alerion Group.

1. Commodity price risk

The Group is primarily exposed to the price volatility risk related to electricity, i.e. the price risk related to the variability of future revenues from electricity sales due to fluctuations in the sales prices of this commodity.

Generally speaking, the risk management strategy pursued by the Group with reference to energy risk management is aimed at containing the volatility induced by variations in electricity market prices on its margins and the consequent stabilisation of the related cash flows generated by the sale of the electricity produced by its generation plants from renewable sources.

The Group trades commodity derivatives ("commodity swaps") in order to mitigate the price risk attributable to a specific risk component embedded in the sale prices of the electricity generated. The underlying risk management objective is, therefore, to protect the value of future electricity sales from unfavourable movements in the risk component embedded in the sales prices contracted with its customer base.

Ultimately, the objective of the Group's accounting-designated hedging relationships is to set the value of the risk component associated with highly probable revenues from electricity sales, through commodity swap trading.

2. Credit risk

The nature of the Parent Company's receivables derives mainly from financial assets and services rendered to subsidiaries.

The credit risk concerning financial assets is mainly represented by the interest-bearing loans outstanding with subsidiaries: the parent company grants the cash necessary for the development and sustainability of the investments made in the wind power sector by the investee SPVs. The centralised management of the finance and treasury function makes it possible to reduce exposure to credit risk through constant monitoring of compliance with the financial constraints set out in the project finance models adopted by the project company (SPV) to develop individual investment plans.

The table below summarises the balances of trade receivables from third parties and subsidiaries, as none of the other financial assets described above were past due or impaired at year-end:

(values in
Thousands of Euro)

31 December 2024	Net trade receivables	Gross past-due amount				Total past- due	Individual impairment losses
		<i>within 4 months</i>	<i>from 5 to 8 months</i>	<i>from 9 to 12 months</i>	<i>more than one year</i>		
Customers	218	-	-	-	218	218	(218)
Subsidiaries	6,803	-	-	-	-	-	-
Total	7,021	-	-	-	218	218	(218)

(values in
Thousands of Euro)

31 December 2023	Net trade receivables	Gross past-due amount				Total past- due	Individual impairment losses
		<i>Within 4 months</i>	<i>from 5 to 8 months</i>	<i>from 9 to 12 months</i>	<i>more than one year</i>		
Customers	218	-	-	-	218	218	(218)
Subsidiaries	7,611	-	-	-	-	-	-
Total	7,829	-	-	-	218	218	(218)

As for Subsidiaries, a credit risk is not deemed likely given the company's full control of all financial flows.

3. Liquidity risk

Liquidity risk can manifest itself in the difficulty of finding, at market economic conditions, the financial resources needed to meet contractual commitments.

It may arise from the insufficiency of available resources to meet financial obligations on the pre-established terms and deadlines in the event of a sudden revocation of revocable financing facilities or from the possibility that the company may have to meet its financial liabilities before their natural maturity.

As a result of the bond issue, the Parent Company's financial structure is concentrated almost exclusively on long-term maturities. There were no short-term credit lines held by Alerion Clean Power S.p.A. as of 31 December 2024.

The Parent Company has cash and margins available on bank credit lines adequate to meet temporary cash needs and deliberate investments, as well as the theoretical risk of repayment of on-demand credit lines, through the Group's financial management.

The maturity analysis shown here was carried out by estimating future cash flows, the amounts of which were entered taking into account the first date on which payment may be required. The assumptions underlying the *maturity analysis* are:

- cash flows are not discounted;
- cash flows are posted in the reference *time band* based on the first due date (*worst case scenario*) under the terms of the contract;

- all instruments held at the end of the financial year for which payments have already been contractually designated are included; future commitments that are planned but not yet recorded in the Financial Statements are not included;
- when the amount payable is not fixed (e.g. future interest repayments), cash flows are valued at market conditions at the reporting date (forward rates current at year-end);
- cash flows include both the interest and principal portion until maturity of financial liabilities recognised at year-end.

**Liquidity analysis
- 2024**

<i>(values in Thousands of Euro)</i>	Note	Carrying amount	on deman d	within 6 months	from 6 to 12 month s	from 1 to 2 years	from 2 to 3 years	from 3 to 4 years	from 4 to 5 years	after 5 years	Total cash flows
Bonds issued	21-22	(899,820)		(186,171)	(715)	-	(200,000)	(100,000)	(170,000)	(250,000)	(906,886)
Liabilities to subsidiaries and related parties	11	(87,724)		(87,724)							(87,724)
Bank loans and borrowings	21-22	(77,006)		(34,820)	(3,092)	(7,798)	(7,143)	(18,143)	(3,643)	(2,768)	(77,407)
Derivative financial instruments	22	(7,082)		(5,738)	(1,021)	(323)					(7,082)
Trade payables	12	(9,876)		(9,876)							(9,876)
Total		(1,081,509)	-	(226,729)	(4,828)	(8,121)	(207,143)	(118,143)	(173,643)	(252,768)	(991,375)

**Liquidity analysis
as at 31.12.2023**

<i>(values in Thousands of Euro)</i>	Note	Carrying amount	on deman d	within 6 months	from 6 to 12 month s	from 1 to 2 years	from 2 to 3 years	from 3 to 4 years	from 4 to 5 years	after 5 years	Total cash flows
Bonds issued	21-22	(667,962)		(2,783)	(938)	(200,000)		(200,000)	(100,000)	(170,000)	(673,721)
Liabilities to subsidiaries and related parties	11	(45,854)		(45,854)							(45,854)
Bank loans and borrowings	21-22	(27,466)	(43)	(2,191)	(2,190)	(4,381)	(4,161)	(3,500)	(11,000)		(27,466)
Derivative financial instruments	22	(352)		(352)							(352)
Trade payables	12	(49,910)		(49,910)							(49,910)
Total		(791,543)	(43)	(101,089)	(3,128)	(204,381)	(4,161)	(203,500)	(111,000)	(170,000)	(797,302)

As for Liabilities to subsidiaries, a credit risk is not deemed likely given the company's full control of all financial flows.

4. Interest-rate risk

The interest rate risk to which the Parent Company is exposed is mainly originated by payables to banks and linked to the volatility of the Euribor curve, and as at 31 December 2024 it is therefore mainly limited to the loan to Crédit Agricole for nominal EUR 50,500 thousand, net of accessory costs. However, the Company normalised this risk by signing an interest rate swap derivative contract with this loan as the underlying.

It should be noted that there is no interest rate risk with respect to the Bonds.

Sensitivity analysis

Financial instruments exposed to interest rate risk were subject to sensitivity analysis at the date of the financial statements. The assumptions underlying the model are as follows:

- for bank current account exposures and loans from subsidiaries, the amount of financial costs/income is restated by applying the change of +100/-25 bps multiplied by the values recorded in the Financial Statements and a time interval equal to the financial year;
- for loans with a repayment schedule, the change in financial costs is determined by applying the change of +100/-25 bps to the loan's borrowing rate at each refixing date multiplied by the principal outstanding during the year.

Sensitivity analysis - 2024		2025 profit or loss		2024 profit or loss	
(values in Thousands of Euro)	Carrying amounts	+100bp Euribor	-25bp Euribor	+100bp Euribor	-25bp Euribor
Bonds issued	(670,000)	(6,700)	1,675	(5,000)	1,250
Liabilities to subsidiaries and related parties	(87,724)	(877)	219	(11)	3
Bank loans and borrowings	(77,006)	(770)	193	(44)	11
Loans to subsidiaries	561,123	5,609	(1,402)	2,694	(673)
Total		(2,738)	685	(2,361)	590

4. INTANGIBLE ASSETS WITH A FINITE LIFE

Intangible assets with a finite life amounted to EUR 18 thousand as of 31 December 2024 (EUR 24 thousand as of 31 December 2023) and mainly related to expenses incurred for the acquisition of software.

5. PROPERTY, PLANT AND EQUIPMENT

Property, plant and equipment amounted to EUR 3,330 thousand as at 31 December 2024 (EUR 3,631 thousand as at 31 December 2023), composed as follows:

<i>(thousands of Euros)</i>	Buildings	Other assets	Total property, plant and equipment
Gross carrying amount at 01.01.2024	4,057	403	4,460
Accumulated depreciation	(606)	(223)	(829)
Carrying amount at 01.01.2024	3,789	173	3,631
Increases in the period:			
Increases	-	51	51
Other increases	-	58	58
Total increases	-	109	109
Decreases:			
Depreciation	(338)	(47)	(385)
Other decreases	-	(25)	(25)
Total decreases	(338)	(72)	(410)
Gross carrying amount at 31.12.2024	4,057	512	4,544
Accumulated depreciation	(944)	(295)	(1,214)
Carrying amount at 31.12.2024	3,113	217	3,330

The item "Buildings" refers to the recognition of EUR 4,057 thousand, in accordance with IFRS 16, of the building in Via Fucini 4, Milan, for which the Company has an office lease agreement. Depreciation for the year amounted to EUR 338 thousand.

The item "Other assets" refers to telephone equipment, furniture and electronic office machines. The change from the previous year mainly relates to i) the purchase of electronic machines during the year in the amount of EUR 51 thousand, ii) the adjustment of values referring to assets recognised in accordance with IFRS 16 for a positive net book value of EUR 33 thousand, and iii) depreciation for the year in the amount of EUR 47 thousand.

6. INVESTMENTS IN SUBSIDIARIES

Investments in subsidiaries amounted to EUR 381,099 thousand as at 31 December 2024 (EUR 387,367 thousand as at 31 December 2023). Below are the details:

(values in Thousands of Euro)

Name	31.12.2024			31.12.2023		
	No. of shares/quotas	Nominal amount	Carrying amount	No. of shares/quotas	Nominal amount	Carrying amount
Alerion Servizi Tecnici e Sviluppo S.r.l.	100%	100	713	100%	100	713
Alerion Bioenergy S.r.l. in liquidation	100%	10	-	100%	10	-
Alerion Real Estate S.r.l. in liquidation	100%	90	673	100%	90	673
FRI-EL Albareto S.r.l.	100%	10	5,200	100%	10	5,200
Green Energy Sardegna S.r.l.	100%	10	7,700	100%	10	7,700
Eolica PM S.r.l.	100%	20	17,950	100%	20	17,950
Callari S.r.l.	100%	1,000	9,982	100%	1,000	9,982
Dotto S.r.l.	100%	10	7,724	100%	10	7,724
Alerion Spain S.L.	51%	100	4,766	51%	100	2,608
Eolo S.r.l.	100%	750	3,418	100%	750	3,418
Krupen Wind S.r.l.	100%	10	166	100%	10	166
Minerva S.r.l.	100%	14	10,079	100%	14	10,079
Ordonia Energia S.r.l.	100%	435	7,965	100%	435	7,965
Parco Eolico Licodia Eubea S.r.l.	80%	100	5,508	80%	100	5,508
Renergy San Marco S.r.l.	100%	108	18,690	100%	108	18,690
Wind Power Sud S.r.l.	100%	10	31,789	100%	10	31,789
FRI-EL Ichnusa S.r.l.	100%	10	57,737	100%	10	57,737
Anemos Wind S.r.l.	100%	50	3,500	100%	50	3,500
FW Holding S.r.l.	100%	100	71,557	100%	100	71,557
FRI-EL Nulvi Holding S.r.l.	90%	3,000	19,800	90%	3,000	19,800
Alerion Iberia S.L.	100%	50	200	100%	50	150
Alperion S.r.l. (formerly Naonis Wind S.r.l.)	0%	0	-	100%	20	2,411
Enermac S.r.l.	0%	0	-	100%	40	14,885
Fucini 4 S.r.l.	100%	10	2,010	100%	10	2,010
Alerion Investments S.r.l.	100%	10	10	100%	10	10
Alerion Service S.r.l.	100%	100	6,000	100%	100	6,000
FRI-EL Anzi Srl	100%	50	26,831	100%	50	26,831
FRI-EL Guardionara Srl	100%	10	34,965	100%	10	34,965
Alerion Seddanus Srl	100%	10	3,500	100%	10	3,500
FRI-EL Solar Srl	100%	10	5,936	100%	10	5,936
Alerion UK Ltd	100%	1 GBP	-	100%	1 GBP	-
Alerion Romania S.A. in liquidation	95%	100 RON	-	95%	100 RON	-
Alerion Renewable RO Srl	51%	10,000 RON	7,908	51%	10,000 RON	7,908
Alerion Energy RO Srl	100%	10,000 RON	2	100%	10,000 RON	2
Alerion Ireland Ltd	100%	1	-	100%	1	-
Alerion Arlena S.r.l. *	100%	10	8,820	0%	10	-
Alerion Bulgaria A.D.	92.5%	50 LEV	-	92.5%	50 LEV	-
Total investments in subsidiaries			381,099			387,367

* Acquired/incorporated in 2024

The EUR 6,268 thousand decrease in investments in subsidiaries is mainly due i) to the effects of the corporate reorganisation and equity recycling transaction, with a negative effect of EUR 17,296 thousand, and ii) to the completed acquisition of the stake in Alerion Arlena S.r.l. by FRI-EL S.p.A., in the amount of EUR 8,820 thousand.

As already stated in "Significant events during the financial year", on 12 November 2024 the company sold to Alperia Greenpower S.r.l., wholly owned by Alperia S.p.A., 50% of its stake in Naonis Wind S.r.l. (which later became Alperion S.r.l.) for EUR 49,673 thousand, the full owner of Enermac S.r.l., Generai S.r.l. and Bioenergia S.r.l.

The list of subsidiaries at the end of the financial year, with the information required by Article 2427, No. 5) of the Civil Code, is shown below:

Alerion Servizi Tecnici e Sviluppo S.r.l.

Alerion Servizi Tecnici e Sviluppo S.r.l.	<i>(values in Thousands of Euro)</i>
<i>Registered office: Milan, Via Fucini 4</i>	
Quota capital	100
Investment percentage	100%
2024 profit	21,549
Equity at 31 December 2024 (including the profit for the year)	26,928
Carrying amount	713
Equity of the subsidiaries at 31 December 2024 (including the profit for the year)	(2,551)

Alerion Servizi Tecnici e Sviluppo S.r.l. is the operating company of the Alerion Group active in the engineering and construction of wind power plants on behalf of third parties, leveraging the development and construction experience gained by the Group over the years.

During 2024, the subsidiary continued to manage both its own development projects and those followed through its subsidiaries.

The carrying value of the investment at 31 December 2024 was EUR 713 thousand, net of an impairment provision of EUR 3,857 thousand.

Alerion Bioenergy S.r.l. in liquidation

Alerion Bioenergy S.r.l.	<i>(values in Thousands of Euro)</i>
<i>Registered office: Milan, Via Fucini 4</i>	
Quota capital	10
Investment percentage	100%
2024 loss	(6)
Equity at 31 December 2024 (including the profit for the year)	(48)
Carrying amount	-

During the financial year 2024, the Company continued the liquidation activities decided on 12 April 2017. It should be noted that the item "Provisions for future risks and charges" includes a provision to cover the accumulated losses of the investee company in the amount of EUR 57 thousand.

Alerion Real Estate S.r.l. in liquidation

Alerion Real Estate S.r.l. in liquidation	<i>(values in Thousands of Euro)</i>
<i>Registered office: Milan, Via Fucini 4</i>	
Quota capital	90
Investment percentage	100%
2024 profit	-
Equity at 31 December 2024 (including the profit for the year)	648
Carrying amount	673

During the financial year 2024, the Company continued the liquidation activities decided on 27 December 2006. The carrying value of the investment at 31 December 2024 was EUR 673 thousand, net of an impairment provision of EUR 317 thousand.

FRI-EL Albareto S.r.l.

FRI-EL Albareto S.r.l.	<i>(values in Thousands of Euro)</i>
<i>Registered office: Bolzano, Piazza del Grano 3</i>	
Quota capital	10
Investment percentage	100%
2024 profit	1,873
Equity at 31 December 2024 (including the profit for the year)	4,837
Carrying amount	5,200

FRI-EL Albareto S.r.l. is a company that owns a wind farm with an installed capacity of 19.8 MW in Emilia-Romagna, in the municipality of Albareto. On 27 June 2019, the construction phase of the plant was completed and it was therefore commissioned. The company signed a project financing contract, for a total of EUR 22.9 million, with a pool of banks composed of Unicredit S.p.A. and Natixis - Milan Branch, which acted as Structuring MLA and Hedging Banks, and Unicredit S.p.A. also as Agent Bank.

The results achieved made it possible to meet the payment of the Project Finance instalments according to the repayment schedule.

Electricity production in 2024 was 44,462 MWh, compared to 51,924 MWh in 2023.

The carrying value of the investment as at 31 December 2024 was EUR 5,200 thousand.

Green Energy Sardegna S.r.l.

Green Energy Sardegna S.r.l.	<i>(values in Thousands of Euro)</i>
<i>Registered office: Bolzano, Piazza del Grano 3</i>	
Quota capital	10
Investment percentage	100%
2024 profit	2,873
Equity at 31 December 2024 (including the profit for the year)	6,640
Carrying amount	7,700

Green Energy Sardegna S.r.l. is a company that owns a wind farm in Sardinia, in the municipalities of Villacidro and San Gavino Monreale, with an installed capacity of 30.8 MW. On 31 January 2019, the construction phase of the plant was completed and it was therefore commissioned.

The company signed a project financing agreement for an amount of EUR 33 million, signed with UniCredit S.p.A. and Natixis - Milan Branch, which acted as Structuring MLA and Hedging Banks, and UniCredit S.p.A. also as Agent Bank.

The results achieved made it possible to meet the payment of the Project Finance instalments according to the repayment schedule.

Electricity production in 2024 was 71,365 MWh, compared to 65,920 MWh in 2023.

The carrying value of the investment as at 31 December 2024 was EUR 7,700 thousand.

Eolica PM S.r.l.

Eolica PM S.r.l.	<i>(values in Thousands of Euro)</i>
<i>Registered office: Bolzano, Piazza del Grano 3</i>	
Quota capital	20
Investment percentage	100%
2024 profit	5,876
Equity at 31 December 2024 (including the profit for the year)	10,718
Carrying amount	17,950

Eolica P.M. S.r.l. is a company that owns a wind farm with an installed capacity of 51.8 MW in Campania, in the municipalities of Morcone and Pontelandolfo. On 1 August 2019, the construction phase of the plant was completed and it was therefore put into operation.

The company signed a project financing agreement for a total of EUR 53.2 million with a pool of banks consisting of UniCredit S.p.A. and Natixis - Milan Branch, which acted as Structuring MLA and Hedging Banks, and UniCredit also as Agent Bank.

The results achieved made it possible to meet the payment of the Project Finance instalments according to the repayment schedule.

Electricity production in 2024 was 124,824 MWh, compared to 147,833 MWh in 2023.

The carrying value of the investment as at 31 December 2024 was EUR 17,950 thousand.

Callari S.r.l.

Callari S.r.l.	<i>(values in Thousands of Euro)</i>
<i>Registered office: Milan, Via Fucini 4</i>	
Quota capital	1,000
Investment percentage	100%
2024 profit	1,209
Equity at 31 December 2024 (including the profit for the year)	7,411
Carrying amount	9,982

Callari S.r.l. is a company that owns a wind farm in the province of Catania, with an installed capacity of 36 MW. In 2024, the company continued its activity of generating electricity from wind power, which it started in February 2009, producing 46,668 MWh, compared to 52,792 MWh in 2023.

The carrying value of the investment as at 31 December 2024 was EUR 9,982 thousand.

Dotto S.r.l.

Dotto S.r.l.	<i>(values in Thousands of Euro)</i>
<i>Registered office: Milan, Via Fucini 4</i>	
Quota capital	10
Investment percentage	100%
2024 loss	(608)
Equity at 31 December 2024 (including the profit for the year)	6,494
Carrying amount	7,724

Dotto S.r.l. is a company that owns a wind farm in the municipality of Ciorlano (CE), with an installed capacity of 20 MW. The company continued to generate electricity from wind power in 2024, producing 13,565 MWh compared to 18,291 MWh in 2023.

The carrying value of the investment at 31 December 2024 was EUR 7,724 thousand, net of an impairment provision of EUR 8,955 thousand.

Eolo S.r.l.

Eolo S.r.l.	<i>(values in Thousands of Euro)</i>
<i>Registered office: Milan, Via Fucini 4</i>	
Quota capital	750
Investment percentage	100%
2024 profit	188
Equity at 31 December 2024 (including the profit for the year)	1,109
Carrying amount	3,418

Eolo S.r.l. is a company that owns a wind farm located in the municipality of Albanella (SA), with an installed capacity of 8.5 MW. The company continued to generate electricity from wind power in 2024, producing 8,098 MWh compared to 9,636 MWh in 2023.

The carrying value of the investment at 31 December 2024 is EUR 3,418 thousand, net of an impairment provision of EUR 1,031 thousand.

Minerva S.r.l.

Minerva S.r.l.	<i>(values in Thousands of Euro)</i>
<i>Registered office: Milan, Via Fucini 4</i>	
Quota capital	14
Investment percentage	100%
2024 profit	1,559
Equity at 31 December 2024 (including the profit for the year)	6,685
Carrying amount	10,079

Minerva S.r.l. is a company that owns a wind farm located in the municipality of Castel di Lucio (ME), with an installed capacity of 23 MW and started up in June 2010.

The Company continued to generate electricity from wind power in 2024, producing 32,096 MWh compared to 30,670 MWh in 2023.

The carrying value of the investment as at 31 December 2024 was EUR 10,079 thousand, net of an impairment provision of EUR 7,634 thousand.

Ordona Energia S.r.l.

Ordona Energia S.r.l.	<i>(values in Thousands of Euro)</i>
<i>Registered office: Milan, Via Fucini 4</i>	
Quota capital	435
Investment percentage	100%
2024 profit	1,175
Equity at 31 December 2024 (including the profit for the year)	9,613
Carrying amount	7,965

Ordona Energia S.r.l. is a company that owns a wind farm in Ordona (FG), with an installed capacity of 34 MW and started up in May 2009.

The company continued to generate electricity from wind power in 2024, producing 56,752 MWh compared to 57,309 MWh in 2023.

The carrying value of the investment as at 31 December 2024 was EUR 7,965 thousand.

Parco Eolico Licodia Eubea S.r.l.

Parco Eolico Licodia Eubea S.r.l.	<i>(values in Thousands of Euro)</i>
<i>Registered office: Milan, Via Fucini 4</i>	
Quota capital	100
Investment percentage	80%
2024 profit	608
Equity at 31 December 2024 (including the profit for the year)	5,067
Carrying amount	5,508

Parco Eolico Licodia Eubea S.r.l. is a company owning a wind farm located in the municipality of Licodia Eubea (CT), with an installed capacity of 22 MW, and started up in September 2010. The remaining 20% of the capital is held by the shareholder Nova Energia S.r.l.

The company continued to generate electricity from wind power in 2024, producing 29,741 MWh compared to 32,155 MWh in 2023.

The carrying value of the investment as at 31 December 2024 was EUR 5,508 thousand, net of an impairment provision of EUR 8,161 thousand.

Renergy San Marco S.r.l.

Renergy San Marco S.r.l.	<i>(values in Thousands of Euro)</i>
<i>Registered office: Milan, Via Fucini 4</i>	
Quota capital	108
Investment percentage	100%
2024 profit	2,729
Equity at 31 December 2024 (including the profit for the year)	19,402
Carrying amount	18,690

Renergy San Marco S.r.l. is a company that owns a wind farm in the municipality of San Marco in Lamis (FG), with an installed capacity of 44.2 MW, which started up in July 2009.

The company continued to generate electricity from wind power in 2024, producing 59,970 MWh compared to 58,338 MWh in 2023.

The carrying value of the investment as at 31 December 2024 was EUR 18,690 thousand.

Wind Power Sud S.r.l.

Wind Power Sud S.r.l.	(values in Thousands of Euro)
<i>Registered office: Milan, Via Fucini 4</i>	
Quota capital	10
Investment percentage	100%
2024 profit	1,082
Equity at 31 December 2024 (including the profit for the year)	28,292
Carrying amount	31,789

Wind Power Sud S.r.l. is a company that owns a wind farm in the municipalities of Agrigento and Naro (AG), with an installed capacity of 33.2 MW.

The company continued to generate electricity from wind power in 2024, producing 48,173 MWh compared to 49,827 MWh in 2023.

The carrying value of the investment as at 31 December 2024 was EUR 31,789 thousand, net of an impairment provision of EUR 650 thousand.

FRI-EL Ichnusa S.r.l.

FRI-EL Ichnusa S.r.l.	(values in Thousands of Euro)
<i>Registered office: Bolzano, Piazza del Grano 3</i>	
Quota capital	10
Investment percentage	100%
2024 profit	3,015
Equity at 31 December 2024 (including the profit for the year)	35,776
Carrying amount	57,737
Equity of the subsidiaries at 31 December 2024 (including the profit for the year)	34,972

Fri-El Ichnusa S.r.l. is a holding company that owns 100% of Fri-El Campidano S.r.l., a company that owns a wind farm in the municipality of Campidano (SU), with an installed capacity of 70 MW. The company was acquired on 1 August 2019 for EUR 59,719 thousand, which corresponds to the carrying value of the investment as at 31 December 2024.

Anemos Wind S.r.l.

Anemos Wind S.r.l.	<i>(values in Thousands of Euro)</i>
<i>Registered office: Milan, Via Fucini 4</i>	
Quota capital	50
Investment percentage	100%
2024 profit	3,414
Equity at 31 December 2024 (including the profit for the year)	8,025
Carrying amount	3,500

Anemos Wind S.r.l. is a company that owns a wind farm in Regalbuto (EN), with an installed capacity of 50 MW.

Electricity production in 2024 was 56,309 MWh, compared to 59,910 MWh in 2023.

The company was acquired on 14 November 2019 through a bankruptcy auction for EUR 3,500 thousand, which corresponds to the carrying value of the shareholding as at 31 December 2024.

In 2022, the company signed a project finance agreement with Banco BPM S.p.A. for a total countervalue of EUR 18,500 thousand, which was disbursed at the same time. The loan matures on 31 December 2028 and carries an interest rate equal to the 6-month Euribor plus a spread of 1.550%. On 12 May 2022, the Company entered into an interest rate swap derivative contract with Banco BPM, with an effective date of 30 June 2022 and a termination date of 31 December 2028, aimed at stabilising Euribor interest rate fluctuations by providing that the Company pays a fixed rate of 1.389%.

The results achieved made it possible to meet the payment of the Project Finance instalments according to the repayment schedule.

Krupen Wind S.r.l.

Krupen Wind S.r.l.	<i>(values in Thousands of Euro)</i>
<i>Registered office: Milan, Via Fucini 4</i>	
Quota capital	10
Investment percentage	100%
2024 profit	345
Equity at 31 December 2024 (including the profit for the year)	1,129
Carrying amount	166
Equity of the subsidiaries at 31 December 2024 (including the profit for the year)	6,852

Krupen Wind S.r.l., incorporated on 11 January 2013, is a company operating in the sector of energy production from renewable sources and is the owner through 51% control of four vehicle companies acquired on 19 December 2013 of a wind farm in operation in Krupen (Bulgaria), with a total installed capacity of 12 MW.

The carrying value of the investment as at 31 December 2024 was EUR 166 thousand.

Alerion Spain S.L.

Alerion Spain S.L.	<i>(values in Thousands of Euro)</i>
<i>Registered office: Barcelona, Calle Angli 31 - Spain</i>	
Quota capital	100
Investment percentage	51%
2024 loss	(1,010)
Equity at 31 December 2024 (including the profit for the year)	2,085
Carrying amount	4,766
Equity of the subsidiaries at 31 December 2024 (including the profit for the year)	7,355

Alerion Spain S.L. is a company under Spanish law, incorporated on 16 January 2019 and 51% owned by Alerion Clean Power S.p.A., which owns a wind farm in the municipality of Aliaga (Teruel, Spain), with an installed capacity of 36 MW.

FW Holding S.r.l.

FW Holding S.r.l.	<i>(values in Thousands of Euro)</i>
<i>Piazza del grano, 3 - 39100 Bolzano</i>	
Quota capital	100
Investment percentage	100%
2024 profit	6,179
Equity at 31 December 2024 (including the profit for the year)	54,030
Carrying amount	71,557
Equity of the subsidiaries at 31 December 2024 (including the profit for the year)	113,372

On 27 February 2020, the Company approved the acquisition of the entire share capital of FW Holding S.r.l., which owns stakes in FRI-EL Ricigliano S.r.l., owner of a wind farm in operation in the Municipality of Ricigliano with an installed capacity of 36 MW, and in FRI-EL Basento S.r.l., which in turn owns FRI-EL Grottole S.r.l., owner of a wind farm in operation in the Municipality of Grottole (MT) with an installed capacity of 54 MW. The acquisition was completed through the purchase of the stakes held by Winco Energgreen S.p.A. and Fri-El Green Power S.p.A. in FW Holding S.r.l., each representing 50% of the company's share capital. The historical cost of the investment is EUR 71,557 thousand.

FRI-EL Nulvi Holding S.r.l.

FRI-EL Nulvi Holding S.r.l.	<i>(values in Thousands of Euro)</i>
<i>Piazza del grano, 3 - 39100 Bolzano</i>	
Quota capital	3,000
Investment percentage	90%
2024 profit	1,916
Equity at 31 December 2024 (including the profit for the year)	22,283
Carrying amount	19,800
Equity of the subsidiaries at 31 December 2024 (including the profit for the year)	21,920

On 27 February 2020, the Company approved the acquisition of a 90% stake in the share capital of Fri-El Nulvi Holding S.r.l. (hereinafter "Nulvi"), which owns a stake in FRI-EL Anglona S.r.l., owner of an operating wind farm with a total installed capacity of 29.75 MW and located in the municipalities of Nulvi and Tergu (SS). In particular, Alerion acquired a 60% stake in the share capital of Nulvi from Fri-El Green Power S.p.A. and a further 30% stake in the share capital from BBL S.r.l. The acquisition cost of the shareholding was EUR 19,800 thousand.

Alerion Iberia S.L.

Alerion Iberia S.L.	<i>(values in Thousands of Euro)</i>
<i>Calle Angli, 31 - 08017 Barcelona, Spain</i>	
Quota capital	50
Investment percentage	100%
2024 loss	(53)
Equity at 31 December 2024 (including the profit for the year)	31
Carrying amount	200

On 29 April 2020, Alerion Clean Power S.p.A. incorporated Alerion Iberia S.L. with a share capital of EUR 50 thousand.

Alerion Romania S.A. in liquidation

Alerion Romania S.A. in liquidation	<i>(values in Thousands of Euro)</i>
<i>Registered office: Oradea, Cetatii square n.1, Bihor County, Romania</i>	
Quota capital	100 RON
Investment percentage	95%
2024 profit	-
Equity at 31 December 2024 (including the profit for the year)	(1,409)
Carrying amount	-
Equity of the subsidiaries at 31 December 2024 (including the profit for the year)	(308)

Alerion Romania S.A. is a company under Romanian law, 95% owned by Alerion Clean Power S.p.A. The company has been in liquidation since 2014, and closure activities took place during the year. Although the investee company had a negative net worth as at 31 December 2024, there is no obligation to replenish it in accordance with the laws in force in Romania.

It should be noted, however, that the carrying value of the investment as of 31 December 2024 was fully written down in prior years and that Alerion Clean Power S.p.A. has a financial receivable, also fully written down, of EUR 2,993 thousand from the subsidiary, which, if waived, would reconstitute the value of equity.

Alerion Bulgaria OOD S.A.

Alerion Bulgaria OOD S.A.	<i>(values in Thousands of Euro)</i>
<i>Registered office: Sofia, 6th Septemvri str. 6A, Bulgaria</i>	
Quota capital	90 LEV
Investment percentage	92.50%
2024 loss	(18)
Equity at 31 December 2024 (including the profit for the year)	(92)
Carrying amount	-

Alerion Bulgaria OOD S.A. is a company under Bulgarian law 92.5% owned by Alerion Clean Power S.p.A. Despite the fact that the investee company had a negative net worth as at 31 December 2024, there is no obligation to replenish it in accordance with the laws in force in Bulgaria.

It should be noted, however, that the carrying value of the investment at 31 December 2024 was fully written down in previous years and that Alerion Clean Power S.p.A.

Fucini 4 S.r.l.

Fucini 4 S.r.l.	<i>(values in Thousands of Euro)</i>
<i>Registered office: Milan, Via Fucini 4</i>	
Quota capital	10
Investment percentage	100%
2024 loss	(106)
Equity at 31 December 2024 (including the profit for the year)	1,855
Carrying amount	2,010

Fucini 4 S.r.l. is a company under the laws of Italy, incorporated on 13 July 2021 by Alerion Clean Power S.p.A. for the purpose of purchasing, renovating and maintaining the Group's headquarters building located in Milan, via Fucini 4.

On 14 January 2022, the company signed a mortgage loan contract with Banco BPM S.p.A. for an amount of EUR 3,850 thousand with a variable rate equal to 6-month Euribor plus a spread of 1.6 basis points. At the same time, a fixed-rate IRS swap contract was entered into with Banco BPM S.p.A., in order to hedge the Company against fluctuations in the variable rate underlying the loan.

Alerion Investments S.r.l.

Alerion Investments S.r.l.	<i>(values in Thousands of Euro)</i>
<i>Registered office: Milan, Via Fucini 4</i>	
Quota capital	10
Investment percentage	100%
2024 loss	(204)
Equity at 31 December 2024 (including the profit for the year)	260
Carrying amount	10

Alerion Investments S.r.l. is a company under Italian law, incorporated by the Company with a share capital of EUR 10 thousand on 2 August 2022, for the purpose of using financial resources in debt or equity instruments in the share capital of other companies in order to maximise their remuneration. By express provision of the By-laws, Alerion Investments S.r.l. will not engage in transactions involving the collection or investment of financial resources from the public, nor in the issuance of guarantees in favour of third parties.

Alerion UK Ltd

Alerion UK Ltd	<i>(values in Thousands of Euro)</i>
<i>Registered office: Gateway Hhouse, Old Hall Road, Bromborough, Wirral, United Kingdom</i>	
Quota capital	1 GBP
Investment percentage	100%
2024 loss	(818)
Equity at 31 December 2024 (including the profit for the year)	(1,789)
Carrying amount	-

Alerion UK Ltd was incorporated on 29 July 2022 by the Company by the payment of £ 1. The company's purpose is to promote both wind and photovoltaic development initiatives related to the UK.

Alerion Service S.r.l.

Alerion Service S.r.l.	<i>(values in Thousands of Euro)</i>
<i>Registered office: Bolzano, Piazza del Grano 3</i>	
Quota capital	100
Investment percentage	100%
2024 profit	549
Equity at 31 December 2024 (including the profit for the year)	6,815
Carrying amount	6,000
Equity of the subsidiaries at 31 December 2024 (including the profit for the year)	(593)

On 25 May 2022, the Company acquired from FRI-EL Service S.r.l. the subsidiary Alerion Service S.r.l., a company established in 2022 in order to receive the contribution of FRI-EL Service S.r.l.'s business unit active in wind farm maintenance services. The company was acquired at a countervalue of EUR 6,000 thousand, which corresponds to the carrying value of the investment.

FRI-EL Anzi S.r.l.

FRI-EL Anzi S.r.l.	<i>(values in Thousands of Euro)</i>
<i>Piazza del grano, 3 - 39100 Bolzano</i>	
Quota capital	50
Investment percentage	100%
2024 profit	1,922
Equity at 31 December 2024 (including the profit for the year)	10,978
Carrying amount	26,831

FRI-EL Anzi S.r.l. is a company owning a wind farm in the municipality of Anzi (PZ), locality Cupolicchio - Acqua La Pila, with an installed capacity of 16 MW, which started operation in 2011.

On 21 April 2023, the Company acquired 51% of the share capital of FRI-EL Anzi S.r.l. from RWE Renewables Italia S.r.l., bringing its stake from 49% to 100%.

The company was acquired at a countervalue of EUR 18,831 thousand, which increased the value of the investment from EUR 8,000 thousand to EUR 26,831 thousand.

In 2024, the company continued to generate electricity from wind power, producing 29,883 MWh (35,879 MWh in 2023).

FRI-EL Guardionara S.r.l.

FRI-EL Guardionara S.r.l.	<i>(values in Thousands of Euro)</i>
<i>Piazza del grano, 3 - 39100 Bolzano</i>	
Quota capital	10
Investment percentage	100%
2024 profit	2,647
Equity at 31 December 2024 (including the profit for the year)	16,312
Carrying amount	34,965

FRI-EL Guardionara S.r.l. is a company that owns a wind farm in the municipalities of San Basilio and Siurgus Donigala (CA), with an installed capacity of 24.7 MW, which started operations in June 2010.

On 21 April 2023, the Company acquired 51% of the share capital of FRI-EL Guardionara S.r.l. from RWE Renewables Italia S.r.l., bringing its stake from 49% to 100%.

The company was acquired at a countervalue of EUR 25,465 thousand, which increased the value of the investment from EUR 9,500 thousand to EUR 34,965 thousand.

In 2024, the company continued to generate electricity from wind power, producing 41,364 MWh (40,610 MWh in 2023).

Alerion Seddanus S.r.l.

Alerion Seddanus S.r.l.	<i>(values in Thousands of Euro)</i>
<i>Piazza del grano, 3 - 39100 Bolzano</i>	
Quota capital	10
Investment percentage	100%
2024 profit	851
Equity at 31 December 2024 (including the profit for the year)	922
Carrying amount	3,500

On 30 March 2023, the Company acquired from FRI-EL S.p.A. and Pro-Invest S.r.l. respectively 75% and 25% of the share capital of Alerion Seddanus S.r.l.

The company was acquired at a countervalue of EUR 3,500 thousand, which corresponds to the carrying value of the investment.

It should be noted that in April 2024 the two wind farms in the municipality of Villacidro (SU), with a total capacity of 13.5 MWp each, entered into production.

FRI-EL Solar S.r.l.

FRI-EL Solar S.r.l.	<i>(values in Thousands of Euro)</i>
<i>Piazza del grano, 3 - 39100 Bolzano</i>	
Quota capital	10
Investment percentage	100%
2024 loss	(214)
Equity at 31 December 2024 (including the profit for the year)	4,296
Carrying amount	5,936
Equity of the subsidiaries at 31 December 2024 (including the profit for the year)	(10,199)

On 27 October 2023, the Company acquired 100% of the share capital of FRI-EL Solar S.r.l. from FRI-EL S.p.A.

The company was acquired at a countervalue of EUR 5,936 thousand, which corresponds to the carrying value of the investment.

FRI-EL Solar S.r.l. owns a share representing 49% of the share capital of the company Tre Torri Energia S.r.l. which, in turn, owns the projects for the construction and subsequent operation of the photovoltaic farms named PV Argentone, PV San Felice and PV Tre Torri.

The share representing the remaining 51% of the share capital of Tre Torri Energia is owned by the company Enerwind S.r.l., which acts as developer.

FRI-EL Solar S.r.l. also owns 100% of the share capital of the companies Aresol S.r.l. and Ecosolis S.r.l., incorporated by deed dated 3 November 2023 and having as their corporate purpose the development of

projects for the construction of plants for electricity production from renewable sources, in particular photovoltaic, as well as their construction and subsequent management. It should be noted that on 21 November 2024 the first production tests of the wind plant in Grottole, developed by FRI-EL Solar S.r.l., with a total capacity of 14 MWp, were launched.

Alerion Renewable RO S.r.l.

Alerion Renewable RO S.r.l.	<i>(values in Thousands of Euro)</i>
<i>Registered office: Bucuresti Sectorul 2, Calea Floreasca nr. 175, partea B, Etaj 3</i>	
Quota capital	75,769,740 RON
Investment percentage	51%
2024 profit	68
Equity at 31 December 2024 (including the profit for the year)	15,323
Carrying amount	7,908
Equity of the subsidiaries at 31 December 2024 (including the profit for the year)	(662)

Alerion Renewable RO S.r.l. is a company incorporated on 25 July 2023, whose share capital is 51% owned by Alerion Clean Power S.p.A. The subsidiary's main activity is that of holding company for investments in photovoltaic power production companies, some of which are operational with a total installed capacity of 22 MW, and some of which are under development.

Alerion Energy RO S.r.l.

Alerion Energy RO S.r.l.	<i>(values in Thousands of Euro)</i>
<i>Registered office: Bucuresti Sectorul 2, Calea Floreasca nr. 175, partea B, Etaj 3</i>	
Quota capital	10,000 RON
Investment percentage	100%
2024 loss	(2,775)
Equity at 31 December 2024 (including the profit for the year)	(3,626)
Carrying amount	2
Equity of the subsidiaries at 31 December 2024 (including the profit for the year)	(5,988)

Alerion Energy RO S.r.l. is a company incorporated on 26 July 2023, whose share capital is wholly owned by Alerion Clean Power S.p.A. The subsidiary's main activity is that of holding company for investments in renewable energy production companies, some of which are operational with a total installed capacity of 102 MW, and some of which are under development.

Alerion Ireland Ltd

Alerion Ireland Ltd	<i>(values in Thousands of Euro)</i>
<i>Registered office: Office 428, WATERFRONT, 1 HORGAN'S QUAY, CORK, Ireland</i>	
Quota capital	1
Investment percentage	100%
2024 loss	(124)
Equity at 31 December 2024 (including the profit for the year)	(170)
Carrying amount	-

Alerion Ireland Ltd was incorporated on 20 July 2023 by the Company by the payment of EUR 1. The company's purpose is to promote both wind and photovoltaic development initiatives related to Ireland.

Alerion Arlena S.r.l.

Alerion Arlena S.r.l.	<i>(values in Thousands of Euro)</i>
<i>Piazza del grano, 3 - 39100 Bolzano</i>	
Quota capital	10
Investment percentage	100%
2024 loss	(92)
Equity at 31 December 2024 (including the profit for the year)	227
Carrying amount	8,820

On 7 November 2024, the Company completed the acquisition of 100% of the share capital of Alerion Arlena S.r.l. from FRI-EL S.p.A.

Alerion Arlena S.r.l. is carrying out the design and analysis activities necessary for the development and construction of a wind farm in the municipalities of Arlena di Castro (VT), Tuscania (VT) and Cellere (VT), consisting of 7 wind turbines, for a total capacity of 29.4 MW.

The company was acquired at a countervalue of EUR 8,820 thousand, which corresponds to the carrying value of the investment.

Impairment Test

In accordance with the requirements of International Accounting Standard IAS 36, an impairment test was performed, which was approved by the Board of Directors on 13 March 2025, to determine that investments in subsidiaries and investments accounted for using the equity method were recognised in the Financial Statements as of 31 December 2024 at a value not exceeding their recoverable amount.

The Company assesses at each year-end whether there is an indication that the investments may be impaired. If there is any indication of this, the entity shall estimate the recoverable amount of those assets.

In accordance with a specific internal policy, the directors may conduct impairment tests of investments in subsidiaries, joint ventures and associates even in the absence of impairment indicators.

In assessing whether there was an indication that the investments in question might be impaired, indications from information sources both internal and external to the Group were considered. In particular, potential impairment indicators were identified in the medium- to long-term price scenarios and in the difference between the carrying value of investments and the corresponding share of equity. The values subject to impairment testing do not include equity investments acquired or established by the Company during the year, the value of which was recognised at fair value at the date of acquisition, and equity investments related to non-operating businesses but belonging to the segment called Holding in the segment reporting prepared for the consolidated financial statements. Please refer to the section "Investments in Subsidiaries" for a list of the companies acquired during the year; in particular, for the investments not included in the annual impairment test, the positive result obtained by comparing the carrying value with the corresponding portion of equity held is shown.

Climate Risk

The Alerion Group mitigates the potential impacts of climate risk by adopting appropriate measures such as (i) planning the installation of new sites in diversified geographical areas, monitoring the trend of anemometric data to improve meteorological forecasting and scheduling plant shutdowns according to periods of less windy weather, and (ii) limiting the potential risks of damage to plants due to adverse weather events that cannot be controlled or planned through insurance policies and maintenance contracts. In preparing the impairment test, in line with the impairment methodology adopted by the Group, the potential climate risk impacts were reflected in the determination of the prospective cash flows, taking into account, for example, the potential lower yields related to reduced electricity production due to the adverse weather conditions experienced (basing these projections, among other things, on the historical averages of productivity of the individual wind farms) and the operating costs related to the stipulation of insurance policies.

In accordance with IAS 36 - Impairment of Assets, the recoverable value of investments was checked. This value was estimated by determining their economic value, based on the cash flows that these companies are able to generate. Based on the strategic and organisational choices adopted by the Group, when testing these activities, reference was made to individual projects/plants, each of which can be identified with a company. These companies represent the smallest identifiable cash-generating units, as the assets subject to impairment testing are not capable of generating cash inflows independent of those arising from the other assets or groups of assets belonging to the individual companies. The results of the impairment analyses, carried out at the level of individual CGUs, were grouped by reference area (Geographical Areas) consistently with the Group's organisational and business structure.

Values subject to impairment testing do not include investments in non-operational companies or those that were acquired by the Group during the year and whose value was not tested during the year, as they were recognised at fair value at the date of acquisition upon first-time consolidation, and for which no indicators of possible impairment have emerged.

The economic value of the various operating companies was estimated using a cash flow schedule determined on the basis of the expected economic life of the various assets net of debt outstanding at the valuation date. It should be noted that the methodology used to determine the residual value at the end of the explicit valuation period, included in the estimate of the economic value of each CGU, was changed by using instead the expected value from the disposal of the residual asset at 31 December 2023.

Given the particular type of business, which envisages investments with medium-term returns and cash flows over a long-term horizon, the plan period exceeds 5 years. In particular, to determine the recoverable amount of wind power plants, the present value of operating cash flows was estimated - considering investment levels suitable for maintaining plant operational efficiency - based on the duration of the individual concessions of the various projects, averaging 29 years from the start of production.

Cash flow projections are based on the following assumptions:

- expected production of wind farms based on the historical productivity averages of the individual farms;
- expected sales prices extrapolated from market projections of the electricity price curve. With regard to incentives, however, the regulatory requirements for the sector were taken into account;
- production costs derived from historical analyses or from the standard costs achieved by comparable initiatives;
- Disposal value determined as the expected value from the disposal of the residual asset based on the provisions of the relevant standard (IAS 36).

The individual plans of the operating companies were approved by the Sole Director of the relevant operating companies or by their Board of Directors, as applicable.

In preparing the impairment test, the potential climate risk impacts were reflected in the determination of the prospective cash flows, taking into account, for example, the potential lower yields related to reduced electricity production due to the adverse weather conditions experienced (basing these projections, among other things, on the historical averages of productivity of the individual wind farms) and the operating costs related to the stipulation of insurance policies.

The resulting flows, calculated net of taxation, were then discounted at a rate representing the weighted average cost of capital (WACC) for Italy of 5.14% (6.09% as at 31 December 2023), for Spain of 4.84% (5.68% as at 31 December 2023), 7.00% for Romania (7.60% as at 31 December 2023) and 5.91% for Bulgaria (6.78% as at 31 December 2023), also calculated net of tax.

It should be noted that the estimate of the latent taxation on the implicit capital gains of participations was carried out by the Company's management under the assumption that the requirements of the "Participation exemption" tax facility were met.

Based on the outcome of the impairment test, it was assessed that the carrying value was consistent with the values resulting from the analyses performed. Therefore, no write-down was deemed necessary.

<i>(values in thousands)</i>	Book value recorded under equity investments	Headroom
data as at 31 December 2024		
Shareholdings in subsidiaries grouped by areas of reference in line with the Group's organisational and business structure		
Wind power plants operating in Italy		
North	5,200	48,466
Centre-South	100,649	223,656
South	53,487	63,719
Sicily	60,858	101,216
Sardinia	120,202	135,412
Total	340,395	572,468
Wind farms operating abroad		
Spain	4,767	48,132
Bulgaria	166	11,740

Total	4,932	59,872
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Interests in joint ventures and associated companies grouped according to areas consistent with the organisational and business structure of the Group

Wind power plants operating in Italy		
Centre-South	2,406	5,729
South	14,240	30,019
Total	16,646	35,748
Grand total	361,973	668,088

Please find below a table showing the extent of the untested value of investments in accordance with the points made above on the reasons for exclusion:

<i>(values in thousands)</i>	at 31 December 2024	Values subject to Impairment Test	Difference
Investments in consolidated subsidiaries	381,099	345,327	35,772
Investments in joint ventures	54,875	16,646	38,229
Total	435,974	361,973	74,001

Sensitivity analysis

The result of the impairment test is derived from information available to date and reasonable estimates on the development of, among other things, windiness, electricity prices, production costs and interest rates. In this context, a sensitivity analysis was performed on the recoverable value of this investment under the assumption of a reduction in electricity selling prices and an increase in the discount rate. In particular, in relation to the volatility of electricity prices, which has characterised the electricity market in recent years, the following sensitivity analyses were carried out with respect to the "base case", both with electricity prices 10% lower and with a discount rate increased by 1 basis points.

In particular, it is noted that:

- assuming a 10% reduction in electricity prices over the entire plan period, the carrying value of these assets would not change;
- following a 1% increase in the discount rate, the carrying value of these assets would not change;
- following a 10% decrease in overall production compared to the historical average, the carrying value of these assets would not change.

It should also be noted that the recoverable amount would be equal to the reference book value, understood as headroom of zero, under the following assumptions; i) reduction in energy prices, ii) increase in the discount rate, and iii) reduction in production for the individual CGUs divided into the reference areas used:

	Average price change reducing headroom to zero	Average change in output reducing headroom to zero	WACC rate reducing headroom to zero
Shareholdings in subsidiaries grouped by areas of reference in line with the Group's organisational and business structure			
Wind power plants operating in Italy			
North	-73%	-72%	35%
Centre-South	-42%	-43%	21%
South	-54%	-54%	36%
Sicily	-48%	-48%	97%
Sardinia	-56%	-55%	29%
Italy average	-55%	-54%	44%
Wind power plants operating abroad			
Spain	-86%	-87%	39%
Bulgaria	-46%	-62%	*
Abroad average	-66%	-74%	39%
Interests in joint ventures and associated companies grouped according to areas consistent with the organisational and business structure of the Group			
Wind power plants operating in Italy			
Centre-South	-59%	-60%	57%
South	-62%	-61%	52%
Mean value	-61%	-61%	55%

*The value of the shareholding in the subsidiary in Bulgaria is not sufficiently relevant and would therefore require a change in the valuation ratios out of scale

The Directors will, however, systematically monitor the performance of the aforementioned external and uncontrollable variables for any adjustments to the estimates of the recoverability of the carrying value of the investment in the separate financial statements.

The valuation and estimation processes related to the valuation of the recoverable amount of investments were based on the most recent budgets and multi-year plans that consider internal and market assumptions defined by taking into account both external and internal variables. In any case, it should be noted that a reduction in electricity prices would be partially mitigated in the following year by the redetermination in increase of the feed-in tariff recognised by the Gestore dei Servizi Elettrici S.p.A., if any, due to the structure of the formula for determining the tariff.

7. INVESTMENTS IN JOINT VENTURES AND ASSOCIATES

Investments in joint ventures and associates, which are stated at cost, amounted to EUR 54,875 thousand at 31 December 2024 (EUR 17,506 thousand at 31 December 2023). Below are the details:

(values in Thousands of Euro)

Name	31.12.2024			31.12.2023		
	No. of shares/quotas	Nominal amount	Carrying amount	No. of shares/quotas	Nominal amount	Carrying amount
New Green Molise S.r.l.	50%	10	14,240	50%	10	14,240
Ecoenergia Campania S.r.l.	50%	100	2,406	50%	100	2,406
Alperion S.r.l. (formerly Naonis Wind S.r.l.)	50%	10	37,369	0%	0	0
Alerion Clean Power RO S.r.l.	49%	50,000 RON	860	49%	50,000 RON	860
Total investments in joint ventures and associates			54,875			17,506

As indicated above, following the corporate reorganisation and ensuing equity recycling transaction, the investment in Alperion S.r.l. was reclassified among investments in joint ventures and associates.

The investments in the remaining joint ventures New Green Molise S.r.l. and Ecoenergia Campania S.r.l. were tested for impairment as described in the "Impairment test" section of the previous note.

The list of affiliated participations at the end of the financial year, with the information required by Article 2427, No. 5) of the Civil Code, is shown below.

New Green Molise S.r.l.

New Green Molise S.r.l.	(values in Thousands of Euro)
<i>Registered office: Naples, Via Diocleziano 107</i>	
Quota capital	10
Investment percentage	50%
2024 profit	4,782
Equity at 31 December 2024 (including the profit for the year)	36,068
Portion attributable to the company	18,034
Carrying amount	14,240

New Green Molise S.r.l. is a company that owns a wind farm located in the municipality of San Martino in Pensilis (CB), with an installed capacity of 58 MW and started up in October 2010.

The company had a Project Financing loan agreement in place since 2010 of EUR 93.4 million with Intesa San Paolo S.p.A. (formerly Banca Infrastrutture Innovazione e Sviluppo S.p.A.), UniCredit S.p.A. (formerly Unicredit Medio Credito Centrale S.p.A.), Banca Popolare dell'Emilia Romagna sc (formerly Meliorbanca S.p.A.), UBI S.c.p.A. (formerly Centrobanca Banca di Credito Finanziario e Mobiliare S.p.A.) and in 2013

repaid early a portion of this loan in the amount of EUR 9.3 million. On 30 June 2022, New Green Molise S.r.l. extinguished the project finance loan and the related derivative contract early. The company continued to generate electricity from wind power in 2024, producing 98,072 MWh compared to 108,908 MWh in 2023. The carrying value of the investment as at 31 December 2024 was EUR 14,240 thousand.

Ecoenergia Campania S.r.l.

Ecoenergia Campania S.r.l.	<i>(values in Thousands of Euro)</i>
<i>Registered office: Cervinara, Via Cardito 14</i>	
Quota capital	100
Investment percentage	50%
2024 profit	527
Equity at 31 December 2024 (including the profit for the year)	4,412
Portion attributable to the company	2,206
Carrying amount	2,406

Ecoenergia Campania S.r.l. is a company that owns a wind farm in Lacedonia, in the province of Avellino, with an installed capacity of 15 MW. The Company continued to generate electricity from wind power in 2024, producing 22,684 MWh compared to 26,079 MWh in 2023. The carrying value of the investment as at 31 December 2024 was EUR 2,406 thousand.

Alperion S.r.l. (formerly Naonis Wind S.r.l.)

Alperion S.r.l. (formerly Naonis Wind S.r.l.)	<i>(values in Thousands of Euro)</i>
<i>Piazza del grano, 3 - 39100 Bolzano</i>	
Quota capital	20
Investment percentage	50%
2024 profit	1,231
Equity at 31 December 2024 (including the profit for the year)	76,648
Carrying amount	37,369
Equity of the subsidiaries at 31 December 2024 (including the profit for the year)	7,406

On 22 October 2020, the Company acquired 100% of the share capital of Naonis Wind S.r.l., a company that holds the authorisation for the construction and operation of a wind power plant located in the municipality of Cerignola (FG), hamlet "Tre Santi - Posta Crusca", with a total capacity of 12.6 MW. As said above, on 12 November 2024, 50% of the shares held by Alperion in the Company were sold to Alperia Greenpower S.r.l., wholly owned by Alperia S.p.A., pursuant to a corporate reorganisation

transaction that led the Company to acquire, in the course of 2024, full ownership of the companies Enermac S.r.l., Bioenergia S.r.l., and Generali S.r.l..

On the same day, the Shareholders' Meeting approved the company's new Articles of Association, which changed its name from Naonis Wind S.r.l. to Alperion S.r.l. and moved its offices from Milan to Bolzano.

The carrying value of the investment was EUR 37,369 thousand.

The company continued to generate electricity from wind power in 2024, producing 21,207 MWh compared to 22,455 MWh in 2023.

Alerion Clean Power RO S.r.l.

Alerion Clean Power RO S.r.l.	<i>(values in Thousands of Euro)</i>
<i>Registered office: Bucuresti Sectorul 2, Calea Floreasca nr. 175, partea B, Etaj 3</i>	
Quota capital	34,700,000 RON
Investment percentage	49%
2024 loss	(877)
Equity at 31 December 2024 (including the profit for the year)	(1,453)
Portion attributable to the company	(712)
Carrying amount	860
Equity of the subsidiaries at 31 December 2024 (including the profit for the year)	(1,304)

Alerion Clean Power RO S.r.l. is a company incorporated on 25 May 2021, whose share capital is wholly owned by Alerion Clean Power S.p.A. The subsidiary's main activity is that of holding company for a number of the Group's Romanian subsidiaries and as a promoter of wind development initiatives related to Romania.

8. TRADE RECEIVABLES

Trade receivables amounted to EUR 6,803 thousand (EUR 7,611 thousand as at 31 December 2023) and consisted of:

<i>(values in Thousands of Euro)</i>	31.12.2024	31.12.2023	Change
Subsidiaries	6,243	7,598	(1,355)
Joint venture	560	13	547
Total trade receivables	6,803	7,611	(808)

For terms and conditions for related party transactions, please refer to the note "Details of related party and intragroup transactions as at 31 December 2024".

Trade receivables are non-interest-bearing and generally have a maturity of 30-45 days.

9. CURRENT TAX ASSETS

As at 31 December 2024, current tax assets amounted to EUR 3,636 thousand (EUR 4,060 thousand as at 31 December 2023), broken down as follows:

<i>(values in Thousands of Euro)</i>	31.12.2024	31.12.2023	Change
IRES	3,407	3,647	(240)
IRAP	229	229	-
Other tax assets	-	184	(184)
Total tax assets	3,636	4,060	(424)

10. OTHER CURRENT ASSETS

Other current assets amounted to EUR 77,642 thousand as at 31 December 2024 (EUR 67,768 thousand as at 31 December 2023) and consisted of:

<i>(values in Thousands of Euro)</i>	31.12.2024	31.12.2023	Change
Tax assets	2,408	922	1,486
Other assets with subsidiaries and related parties	59,885	64,244	(4,359)
Other assets	15,349	2,602	12,747
Total other current assets	77,642	67,768	9,874

Receivables from tax authorities consist mainly of tax credits for VAT.

Receivables from subsidiaries and affiliated companies consist mainly of i) receivables for dividends resolved but not yet paid by subsidiaries; ii) receivables arising in connection with the Group's tax consolidation.

11. OTHER NON-CURRENT LIABILITIES

Other non-current liabilities amounted to EUR 1,928 thousand (EUR 2,249 thousand as at 31 December 2023) and mainly refer to payables for the purchase of equity investments with a maturity of more than 12 months.

12. TRADE PAYABLES

Trade payables as at 31 December 2024 amounted to EUR 9,877 thousand (EUR 49,910 thousand as at 31 December 2023) and consisted of:

<i>(values in Thousands of Euro)</i>	31.12.2024	31.12.2023	Change
Third parties	2,291	38,635	(36,344)
FGP Group	-	1	(1)
Subsidiaries	7,586	11,274	(3,688)
Total trade payables	9,877	49,910	(40,033)

Trade debts do not bear interest and are normally settled at 60 days.

For terms and conditions relating to related parties, see the note "Details of Related Party and Intragroup Transactions as at 31 December 2024".

14. OTHER CURRENT LIABILITIES

Other current liabilities amounted to EUR 24,499 thousand (EUR 13,706 thousand as of 31 December 2023), and were composed as follows:

<i>(values in Thousands of Euro)</i>	31.12.2024	31.12.2023	Change
Deferred remuneration and fees	1,223	863	360
Taxes	282	309	(27)
Social security charges payable	377	295	82
Liabilities for the acquisition of equity investments	-	1,050	(1,050)
Sundry liabilities to subsidiaries and related parties	20,628	11,072	9,556
Other sundry liabilities	1,989	117	1,872
Total other current liabilities	24,499	13,706	10,793

"Sundry liabilities to subsidiaries and related parties" consist mainly of payables arising in connection with the Group's tax consolidation and Group VAT and of other payables to the subsidiary Alerion Servizi Tecnici e Sviluppo S.r.l.

For terms and conditions for related party transactions, please refer to the note "Details of related party and intragroup transactions as at 31 December 2024".

15. EQUITY

The company's equity as of 31 December 2024 amounted to EUR 326,967 thousand, an increase of EUR 12,737 thousand compared to the equity of EUR 314,229 thousand as of 31 December 2023.

The main changes that occurred relate to:

- increase of EUR 50,527 thousand for the profit for the year 2024;
- increase of EUR 11 thousand due to actuarial gains/losses from defined benefit plans (IAS 19) recognised in the statement of comprehensive income;
- decrease of EUR 1,555 thousand due to gains/losses resulting from the fair value measurement of bonds, recorded as financial assets, and from the fair value measurement of the variable interest rate derivative instrument related to the loans taken out with Crédit Agricole, recognised directly in the statement of comprehensive income net of the tax effect;
- decrease for the purchase of treasury shares in the amount of EUR 4,287 thousand;
- increase of EUR 140 thousand for the recognition of the effects for the year 2024 of the 2023-2025 share-based incentive plan (stock grant). In accordance with IFRS 2, this reserve refers to long-term incentive plans (stock grant plan) that provide for the assignment to executive directors and/or managers with strategic responsibilities, and/or employees and/or contractors with strategically important roles, of an incentive represented by a share component. The purpose of the Plans is to grant shares free of charge if certain performance targets are achieved at the end of a vesting period. The maximum total number of shares allocated to the beneficiaries (obtained upon achievement of the overperformance under the terms and conditions set forth in the reference regulation) is 43,145 shares for the 2021-2022 plan and 34,332 shares for the 2023-2025 plan, resulting from the allocation of treasury shares. The Company recognises the services rendered by beneficiaries as personnel expenses and indirectly estimates their value, and the corresponding increase in equity, based on the fair value of the equity instruments at the grant date, as required by the accounting standard. On 12 March 2024, the 20,730 shares of the 2023-2025 plan were assigned to their respective beneficiaries for the year 2023, taking them from the treasury shares in portfolio; at the same time, the treasury share reserve was adjusted by EUR 267 thousand and the IFRS 2 reserve was adjusted to close out the previous entries, recording an effect on the result reserve of EUR 293 thousand;
- decrease of EUR 32,658 thousand following the partial distribution of available reserves. It should be noted that the Company's Shareholders' Meeting, held on 22 April 2024, approved the proposal to distribute a dividend to be paid starting from 8 May 2024 with detachment date on 6 May 2024 of coupon no. 13, through the partial use of reserves, of EUR 0.61 per outstanding ordinary share (net of treasury shares), gross or net of withholding taxes, depending on the applicable tax regime. The dividend was paid on the terms and in the manner decided by the Shareholders' Meeting.

Details of the individual items are given below:

- Alerion's share capital amounted to EUR 161,137 thousand as of 31 December 2024 (unchanged from 31 December 2023) and consisted of 54,229,403 ordinary shares;
- The treasury share reserve as of 31 December 2024 was negative for EUR 16,601 thousand (negative for EUR 12,581 thousand as of 31 December 2023) and refers to the purchase countervalue of the 691,480 treasury shares held by the company. The reserve changed from its value at 31 December 2023 due to i) the purchase of treasury shares during the year for a countervalue of EUR 4,287 thousand, ii) following the allocation of 20,730 shares to the beneficiaries of the 2023-2025 share-based incentive plan for a countervalue of EUR 267 thousand;
- the share premium amounted to EUR 21,400 thousand, unchanged with respect to 31 December 2023, and related to: i) the premium of EUR 0.02 per share on the capital increase that took place in 2003; ii) the premium of EUR 0.55 per share on the capital increase that took place in 2008, net of adjustments for costs incurred, functional to the capital increases; iii) the difference between the value related to the purchase of treasury shares cancelled in 2012 and their par value, plus purchase commissions;

- the legal reserve amounted to EUR 13,359 thousand at 31 December 2024, an increase compared to 31 December 2023 as a result of the allocation to the legal reserve of a portion of the profit for the year 2023;
- other capital reserves amounted to EUR 5,674 thousand, unchanged from 31 December 2023, and included the reserve from the merger by incorporation of Alerion Energie Rinnovabili S.p.A. and the reserve from the sale of treasury shares.
As a result of the merger by incorporation of Alerion Energie Rinnovabili S.p.A. into Alerion Clean Power S.p.A., which took place in December 2019, a negative reserve emerged as a result of the cancellation of the equity investment already held by the merging company against the countervalue of the merged company's merger capital, amounting to EUR 44,799 thousand. The negative reserve thus generated was used for the voluntary reduction of share capital in the amount of EUR 46,042 thousand, at the same time as the approval of the merger plan. This resulted in a positive reserve of EUR 1,243 thousand, unchanged as at 31 December 2024.
The reserve for the sale of treasury shares, amounting to EUR 4,431 thousand, was established in the 2020 financial year following the exchange of 1,123,227 treasury shares against 13.3% of the share capital of the three companies Andromeda Wind S.r.l., FRI-EL Anzi Holding S.r.l. and FRI-EL Guardionara S.r.l.;
- other reserves amounted to EUR 3,605 thousand as of 31 December 2024 and included the effects of the adoption of IFRS. Compared to 31 December 2023, the reserve i) decreased by EUR 11 thousand due to actuarial gains/losses from defined benefit plans (IAS 19) recognised in the statement of comprehensive income, ii) increased by EUR 1,492 thousand due to gains/losses resulting from the *fair value* measurement of bonds iii) decreased by EUR 62 thousand due to the effect of *fair value* measurement of the interest rate derivative contract, iv) increased by a total of EUR 140 thousand due to the effect of share-based incentive plans;
- the retained earnings reserves amounted to EUR 87,865 thousand as of 31 December 2023 (EUR 56,552 thousand as of 31 December 2023) and included the results for the year accumulated in previous years.

The reconciliation of equity as at 31 December 2024 and 31 December 2023 is shown in the Parent Company's financial statements.

Below is a table showing the individual items of equity broken down according to their availability, origin and use, as required by Article 2427, No. 7-bis of the Civil Code:

<i>(values in Thousands of Euro)</i>			Utilisations in previous years		
Nature / Description	Amount	Possible use	Available portion	to cover losses	for other reasons
Share capital	161,137	-	-		
Equity-related reserves:					
Share premium	21,400	A, B, C (*)	21,400		
Reserve from AER merger	1,243	A, B, C			
Other equity-related reserves	4,431	A, B			
Income-related reserves:					
Legal reserve	13,359	B			
Other distributable reserves	1,008	A, B, C	1,008		
Other non-distributable reserves	2,206	B			

Treasury share reserve	(16,601)	-	-
Share-based incentive plan reserve	699	-	-
Cash flow hedging reserve	(307)	-	-
Retained earnings	87,865	A, B, C	87,865
Total	276,440	110,273	-

(*) As allowed by article 2431 of the Italian Civil Code, the share premium can only be distributed in full if the legal reserve has reached the threshold set by article 2430.

Legend:

A: for capital increases

B: to cover losses

C: for distribution to shareholders

16. ACCOUNTING FINANCIAL INDEBTEDNESS OF ONGOING OPERATIONS

Accounting financial indebtedness as of 31 December 2024 was negative EUR 168,899 thousand (negative EUR 114,989 thousand as of 31 December 2023) and is composed as follows:

<i>(values in Euro)</i>	31.12.2024	31.12.2023
Cash and cash equivalents		
Cash equivalents	279,939,491	127,302,770
Total cash and cash equivalents	279,939,491	127,302,770
Current financial receivables		
Loans to subsidiaries, associates and joint ventures	32,090,000	10,148,963
Derivative financial instruments	0	7,373,383
Other financial assets	65,029,432	67,078,779
Total current financial receivables	97,119,432	84,601,125
Liquidity	377,058,923	211,903,895
Current financial liabilities		
Bank loans and borrowings	(32,642,010)	(59,940)
Liabilities to subsidiaries - shareholder loans	(1,162,180)	(1,108,726)
Liabilities to subsidiaries - cash pooling	(86,562,175)	(44,744,809)
Derivative financial instruments	(6,758,596)	-
Current lease liabilities IFRS16	(331,741)	(320,539)
Total current financial debt	(127,456,702)	(46,234,014)
Current portion of non-current financial debt		
Accrued interest on bonds	(186,480,127)	(3,721,301)
Current portion of non-current bank loans and borrowings	(5,270,250)	(4,630,111)
Total current portion of non-current financial debt	(191,750,377)	(8,351,412)
CURRENT FINANCIAL INDEBTEDNESS	(319,207,079)	(54,585,426)
NET CURRENT FINANCIAL INDEBTEDNESS	57,851,844	157,318,469
Non-current financial liabilities		
Bank loans and borrowings	(39,094,176)	(22,775,643)
Bonds	(713,339,575)	(664,241,041)
Derivative financial instruments	(323,360)	(351,568)
Lease liabilities IFRS16	(2,951,983)	(3,235,945)
Total non-current financial debt	(755,709,094)	(690,604,197)
NON-CURRENT FINANCIAL INDEBTEDNESS	(755,709,094)	(690,604,197)
NET FINANCIAL INDEBTEDNESS*	(697,857,250)	(533,285,728)
Financial receivables and other non-current financial assets	528,958,394	418,296,608
ACCOUNTING FINANCIAL INDEBTEDNESS	(168,898,856)	(114,989,120)

* Financial Indebtedness calculated as per ESMA 32-382-1138

Please refer to the relevant notes above for comments on the individual items.

17. FINANCIAL RECEIVABLES AND OTHER NON-CURRENT FINANCIAL ASSETS

Financial receivables and other non-current financial assets amounted to EUR 528,958 thousand as of 31 December 2024 (EUR 418,297 thousand as of 31 December 2023), broken down as follows:

<i>(values in Thousands of Euro)</i>	31.12.2024	31.12.2023	Change
Financial receivables:			
Loans to subsidiaries	475,635	390,726	84,909
Loans to joint ventures	28,286	9,403	18,883
Other non-current financial assets	25,037	18,168	6,869
Financial receivables and other non-current financial assets	528,958	418,297	110,661

Financial receivables from subsidiaries and Financial receivables from joint ventures mainly refer to the non-current amount financed by the Company to its subsidiaries and interests in joint ventures at the end of the financial year, remunerated at a market rate.

For terms and conditions for related party transactions, please refer to the note "Details of related party and intragroup transactions as at 31 December 2024".

18. FINANCIAL RECEIVABLES AND OTHER CURRENT FINANCIAL ASSETS

Current financial receivables amounted to EUR 97,119 thousand as of 31 December 2024 (EUR 77,228 thousand as of 31 December 2023) and are composed as follows:

<i>(values in Thousands of Euro)</i>	31.12.2024	31.12.2023	Change
Loans to subsidiaries	31,590	10,149	21,441
Loans to joint ventures	500	-	500
Bonds	64,955	67,000	(2,045)
Other assets	74	79	(5)
Total	97,119	77,228	19,891

"Loans to subsidiaries" and "Loans to joint ventures" mainly refer to the current amount of shareholders' loans to subsidiaries and joint ventures at the end of the financial year.

For terms and conditions for related party transactions, please refer to the note "Details of related party and intragroup transactions as at 31 December 2024".

The item "Bonds" refers to the Company's investment of cash and cash equivalents in bond instruments issued by leading counterparties, in order to ensure a return on cash in line with market rates.

19. DERIVATIVE FINANCIAL INSTRUMENTS (ASSETS)

There were no derivative financial instruments as at 31 December 2024 (EUR 7,373 thousand as at 31 December 2023).

20. CASH AND CASH EQUIVALENTS

These amounted to EUR 279,939 thousand as at 31 December 2024 (EUR 127,303 thousand as at 31 December 2023), and were composed as follows:

<i>(values in Thousands of Euro)</i>	31.12.2024	31.12.2023	Change
Bank deposits	269,741	87,299	182,442
Time deposits	10,195	40,000	(29,805)
Cash and cash equivalents on hand	3	4	(1)
Total cash and cash equivalents	279,939	127,303	152,636

The balance represents cash and cash equivalents at the end of the financial year.

The item Time Deposit refers to investments in cash remuneration instruments with a maturity of less than three months after the close of the financial year.

21. NON-CURRENT FINANCIAL LIABILITIES

"Non-current financial liabilities" as at 31 December 2024 amounted to EUR 755,386 thousand (EUR 690,253 thousand as at 31 December 2023) and were composed as follows:

<i>(values in Thousands of Euro)</i>	31.12.2024	31.12.2023	Change
Bank loans and borrowings	39,094	22,776	16,318
Lease liabilities IFRS16	2,952	3,236	(284)
Bonds issued	713,340	664,241	49,099
Total non-current financial liabilities	755,386	690,253	65,133

Bonds issued refer to:

- the 2021-2027 bond loan amounting to EUR 198,942 thousand and referring to the bond issue that the Company carried out on 3 November 2021, following the resolution passed by the Board of Directors on 8 October of the same year, for a total countervalue of EUR 200 million, with a term of 6 years and a minimum gross annual nominal rate of 2.25%;
- the 2022-2028 bond loan amounting to EUR 99,170 thousand and referring to the bond issue that the Company carried out on 15 May 2022, following the resolution passed by the Board of Directors on 21 April of the same year, for a total countervalue of EUR 100 million, with a term of 6 years and a minimum gross annual nominal rate of 3.5%.

- the 2023-2029 bond loan amounting to EUR 168,094 thousand and referring to the bond issue that the Company carried out on 10 November 2023, following the resolution passed by the Board of Directors on 21 April of the same year, for a total countervalue of EUR 170 million, with a term of 6 years and a minimum gross annual nominal rate of 6.75%.
- the 2024-2030 bond loan amounting to EUR 247,134 thousand and referring to the bond issue that the Company carried out on 11 December 2024, following the resolution passed by the Board of Directors on 18 November of the same year, for a total countervalue of EUR 250 million, with a term of 6 years and a minimum gross annual nominal rate of 4.75%.

As stated in "Significant events during the financial year", the residual payable relating to the 2019-2025 bond loan was reclassified among current financial liabilities as at 31 December 2024 in the amount of EUR 182,094 thousand following the early bond repayment communicated by the Group on 19 December 2024 and completed on 30 January 2025.

"Bank loans and borrowings" amounted to EUR 39,094 thousand, up by EUR 16,318 thousand, mainly as a result of the signing of a loan agreement with Crédit Agricole on 19 September 2024 for nominal EUR 25,500 thousand, net of accessory charges of EUR 230 thousand. In the course of the year, the company asked for the disbursement of a total amount of EUR 21,750 thousand. The loan is backed by a derivative contract with the same counterparty, signed on 9 October 2024, aimed at stabilising the change in cash flows due to market changes in interest rates (interest rate swap).

The "Lease liabilities IFRS16" amounting to EUR 2,952 thousand, refer, as indicated above, to the recognition of the building in Via Fucini 4, Milan following the signing of the office lease agreement in 2022.

22. CURRENT FINANCIAL LIABILITIES

Current financial liabilities amounted to EUR 312,448 thousand as at 31 December 2024 (EUR 54,585 thousand as at 31 December 2023), and were composed as follows:

<i>(values in Thousands of Euro)</i>	31.12.2024	31.12.2023	Change
Bank loans and borrowings	37,912	4,689	33,223
Loans from subsidiaries - cash pooling	86,562	44,745	41,817
Loans from subsidiaries and related parties	1,162	1,109	53
Lease liabilities IFRS16	332	321	11
Accrued interest on bonds	186,480	3,721	182,759
Total current financial liabilities	312,448	54,585	257,863

Loans from subsidiaries for cash pooling indicates the Company's payables to its subsidiaries with which it has signed centralised treasury management contracts during 2023 and 2024. The contracts provide for the transfer of the daily current account balance from the subsidiary to the parent company in order to optimise the Group's cash. The subsidiaries' stocks at the company are remunerated at a market rate.

Bank loans and borrowings amounted to EUR 37,912 thousand as of 31 December 2024 (EUR 4,689 thousand as of 31 December 2023). The increase is mainly due i) to the short-term credit lines granted to the company by primary banks in the amount of EUR 32,500 thousand and ii) to the current portion of loans taken out by the Company with Crédit Agricole in the amount of EUR 4,411 thousand.

"Bonds issued" amounted to EUR 186,480 thousand as at 31 December 2024 and corresponded, as indicated in "Non-current financial liabilities" i) to the short-term reclassification of the residual value of the 2019-2025 bond loan for EUR 182,094 thousand and ii) to the nominal interest accrued and not paid in the year from the 2019-2025, 2021-2027, 2022-2028, 2023-2029, 2024-2030 bond loans.

23. DERIVATIVE FINANCIAL INSTRUMENTS (LIABILITIES)

These amounted to EUR 7,082 thousand as at 31 December 2024 (EUR 352 thousand as at 31 December 2023), broken down as follows:

<i>(values in Thousands of Euro)</i>	31.12.2024	31.12.2023	Change
Non-current derivative financial instruments	323	352	(29)
Current derivative financial instruments	6,759	-	6,759
Total non-current and current derivative financial instruments	7,082	352	6,730

The item "Non-current and current derivative financial instruments" mainly refers i) to the fair value valuation of commodity swap derivative contracts entered into during the year and referring to the 2024 financial year and ii) to the fair value valuation of the derivative contract entered into with Crédit Agricole, aimed at limiting the change in cash flows due to market changes in interest rates (interest rate swap).

24. POST-EMPLOYMENT BENEFITS AND OTHER EMPLOYEE BENEFITS

The item Post-employment benefits includes the actuarial value of the Group's actual liability to all employees determined by applying the criteria set forth in IAS 19 and amounts to EUR 872 thousand at 31 December 2024 (EUR 787 thousand at 31 December 2023):

<i>(values in Thousands of Euro)</i>	31.12.2024	31.12.2023	Change
Post-employment benefits	872	787	85
Total post-employment benefits and other employee benefits	872	787	85

The actuarial and economic-financial assumptions used to define the fund are summarised below:

Actuarial and financial assumptions used to apply IAS 19

Calculation date	31/12/2024
Mortality rate	IPS55 tables
Disability rates	INPS-2000 tables
Staff turnover rate	2.00%
Discount rate*	3.38%
Salary increase rate	1.00%
Advance payment rate	1.00%
Inflation rate	2.00%

*Prices at 31 December 2024 of the benchmark index iBoxx Corporate EUR with a 10+ duration and AA rating

As of 31 December 2024, Alerion Clean Power S.p.A. had 37 employees; a breakdown is provided below:

	As at 31.12.2023	Increases	Decreases	As at 31.12.2024	Average
Executives	3	0	0	3	3.0
Middle managers and office workers	31	6	(3)	34	32.0
Blue-collar employees	0	0	0	0	0.0
Total employees	34	6	(3)	37	35.0

25. PROVISIONS FOR FUTURE RISKS AND CHARGES

Provisions for future risks and charges amounted to EUR 449 thousand as of 31 December 2024 (EUR 152 thousand as of 31 December 2023), composed as follows:

<i>(values in Thousands of Euro)</i>	31.12.2023	Accruals	Releases/utilisations	31.12.2024
Provision for legal disputes	101	-	(101)	-
Provision for investee losses	51	6	-	57
Other provisions	-	392	-	392
Total provisions for future risks and charges	152	398	(101)	449

The Provision for coverage of investee losses amounts to EUR 57 thousand and refers to the coverage of losses incurred in excess of the value of equity of the investee company Alerion Bioenergy S.r.l. in liquidation (see par. Investments in Subsidiaries).

26. COMMITMENTS AND GUARANTEES

Contractual commitments undertaken by the Parent Company and guarantees given to third parties as at 31 December 2024 are summarised below:

- Sureties or guarantees given by the company and received by third parties in the interest of Alerion-owned companies, totalling EUR 104,054 thousand. Of which EUR 59,554 thousand relating to loans and EUR 43,895 thousand relating to contracts and obligations toward commercial counterparties, intended for the development and construction of wind or photovoltaic farms;
- Sureties or guarantees given by the company and received by third parties in the interest of third parties, totalling EUR 96 thousand;
- Sureties or guarantees given by third parties and received by the company in the interest of third parties, totalling EUR 59,056 thousand, of which EUR 52,000 thousand relating to loans;
- Sureties or guarantees given by third parties and received by third parties in the interest of the company, totalling EUR 27 thousand, relating solely to loans;

- Sureties or guarantees given by third parties and received by third parties in the interest of Alerion-owned companies, in which the company is a co-obligor, totalling EUR 32,792 thousand. Of which EUR 10,300 thousand relating to environmental restoration obligations and EUR 25,227 thousand relating to contracts and obligations toward commercial counterparties, intended for the development and construction of wind or photovoltaic farms.

INCOME STATEMENT

27. NET GAINS ON EQUITY INVESTMENTS

Net gains on equity investments amounted to EUR 88,833 thousand (EUR 84,229 thousand in 2023), broken down as follows:

<i>(values in Thousands of Euro)</i>	2024	2023	Change
Dividends from investees	32,638	62,857	(30,219)
Net financial income from subsidiaries	17,325	7,451	9,874
Net financial income from joint ventures	463	4,241	(3,778)
Financial income from other undertakings	193	-	193
Net gains on equity investments	38,739	12,303	26,436
Impairment losses on equity investments	(28)	(2,603)	2,575
Other financial expense	(497)	(20)	(477)
Net gains on equity investments	88,833	84,229	4,604

"Dividends from investees" amounted to EUR 32,638 thousand and consisted of dividends declared by subsidiaries during the year.

For terms and conditions for related party transactions, please refer to the note "Details of related party and intragroup transactions as at 31 December 2024".

"Net financial income from subsidiaries" and "Net financial income from joint ventures" mainly consist of net interest income accrued in the year and payable by associates, investees and joint ventures.

"Net gains from equity investments" mainly refers to the capital gains deriving from the sale of investments following completion of the intra-group corporate reorganisation and equity recycling transactions with Alperia Greenpower S.r.l., as mentioned above.

28. OTHER REVENUE AND INCOME

Other revenue and income amounted to EUR 4,666 thousand in 2024 (EUR 6,782 thousand in 2023), broken down as follows:

<i>(values in Thousands of Euro)</i>	2024	2023	Change
Other intra-group revenues	4,584	5,018	(434)
Other revenues	82	1,764	(1,682)
Other revenue and income	4,666	6,782	(2,116)

These mainly refer to i) fees accrued to subsidiaries for services rendered of an administrative, corporate and financial nature in the amount of EUR 3,641 thousand, ii) the waiver of fees in favour of the company by employees holding corporate offices in group companies in the amount of EUR 805 thousand.

29. PERSONNEL EXPENSES

Personnel expenses amounted to EUR 3,317 thousand in 2024 (EUR 2,964 thousand in 2023) and are broken down as follows:

<i>(values in Thousands of Euro)</i>	2024	2023	Change
Wages, salaries and social security contributions	3,087	2,757	330
Post-employment benefits	116	116	-
Other personnel expenses	114	91	23
Total personnel expenses	3,317	2,964	353

The higher personnel expenses are attributable to the net increase in the workforce in 2024.

30. OTHER OPERATING COSTS

Other operating costs amounted to EUR 11,929 thousand in 2024 (EUR 17,653 thousand in 2023), broken down as follows:

<i>(values in Thousands of Euro)</i>	2024	2023	Change
Services:			
Directors' fees	1,753	1,609	144
Statutory auditors' fees	218	217	1
Consultants and collaborators' fees	7,894	14,072	(6,178)
Company management, requirements and financial reporting	314	323	(9)
Office maintenance, utilities and other costs	643	538	105
Other costs	315	290	25
Total services	11,137	17,049	(5,912)
Use of third party assets	536	341	195
Other operating costs	256	263	(7)
Total other operating costs	11,929	17,653	(5,724)

Other operating costs decreased mainly due to the recharging by subsidiaries of the economic effects of derivative instruments settled during the year in the amount of EUR 5,541 thousand.

For more details on costs with investee companies, please refer to the note "Details of Transactions with Related Parties and Intra-Group as at 31 December 2024".

31. ACCRUALS TO PROVISIONS FOR RISKS

They amount to EUR 4 thousand (EUR 999 thousand in 2023) and are composed as follows:

<i>(values in Thousands of Euro)</i>	2024	2023	Change
Provisions for risks	-	109	(109)
Bad debt provision	4	890	(886)
Provisions for risks	4	999	(995)

The item "Bad debt provision" refers to adjustments in the amounts of "Other current assets" to their estimated realisable value.

32. NET FINANCIAL COSTS

Net financial costs amounted to EUR 32,726 thousand in 2024 (EUR 2,214 thousand in 2023) and are composed as follows:

<i>(values in Thousands of Euro)</i>	2024	2023	Change
Financial income:			
Bank interest	2,367	1,798	569
Income from financial investments	4,602	3,746	856
Fair value increases on derivative financial instruments	2	7,363	(7,361)
Other financial income	2,488	2,972	(484)
Total financial income	9,459	15,879	(6,420)
Financial expense:			
Short-term bank interest and charges	(1,186)	(1,072)	(114)
Long-term bank interest and charges	(1,639)	(453)	(1,186)
Interest on bonds	(28,164)	(16,092)	(12,072)
Fair value losses on derivative financial instruments	(6,656)	(2)	(6,654)
Other financial costs	(4,540)	(474)	(4,066)
Total financial costs	(42,185)	(18,093)	(24,092)
Net financial costs	(32,726)	(2,214)	(30,512)

Financial income decreased overall by EUR 6,420 thousand mainly as a result of the combined effect of the following factors: i) lower income realised during the year following the settlement of maturity positions of Commodity Swap derivative contracts for EUR 473 thousand, ii) the loss of the economic effect recognised in the previous year resulting from the fair value valuation of Commodity Swap derivative contracts for EUR 7,361 thousand, iii) a higher remuneration of the Company's current accounts and income from the use of cash in time deposit contracts and bond instruments for a total of EUR 1,425 thousand.

Financial costs increased, instead, by EUR 24,092 thousand mainly as a result of i) the fair value valuation as at 31 December 2024 of Commodity Swap derivative contracts for EUR 6,654 thousand, ii) higher costs to bondholders following the issue of a bond loan on 11 December 2024 maturing in December 2030, as indicated above, for EUR 704 thousand and EUR 11,231 thousand referred to the recognition of bond interest relating to the 2023-2029 Bond Loan for the entire year, iii) costs borne in the year following the settlement of maturity positions under Commodity Swap derivative contracts for EUR 4,361 thousand, iv) higher bank fees following the taking out of a loan with Crédit Agricole on 19 September 2024, as stated above.

33. INCOME TAXES

Income taxes for the year were positive and amounted to EUR 5,395 thousand (positive by EUR 236 thousand in 2023), composed as follows:

<i>(values in Thousands of Euro)</i>	2024	2023	Change
Current taxes	7,958	920	7,038
Deferred tax liabilities - related to the emergence and reversal of temporary differences	(2,563)	(684)	(1,879)
Total income taxes	5,395	236	5,159

Current taxes

The following table shows the reconciliation between the theoretical and actual tax burden:

<i>(amounts in thousands of euro)</i>		IRES		IRAP		Total	
at 31 December 2024	Tax base	Tax	%	Tax	%	Tax	%
Tax base	45,131			(10,201)			
Theoretical tax		(10,832)	24.0	0	0.00	(10,832)	24.0%
increases:							
- temporary differences	6,218	(1,492)	3.3	0	0.0		
- other increases	84	(20)	0.0	(102)	(1.0)		
decreases:							
- reversal of temporary differences	(37,832)	9,079	(20.1)	0	0.0		
- other decreases	(67,795)	16,279	(36.1)	6	0.1		
Taxable income	(54,194)						
Effective tax		0	-	0	-	0	-
Loss absorbed by Tax Consolidation*	(30,338)						
Other Tax assets transferred to national and global tax consolidation - Interest expense	(2,967)						
Income/(Losses) from tax consolidation		7,993					

National and global tax consolidation loss	(23,856)		
Deferred tax assets on loss that can be carried forward	(5,725)		

**The amount of the Company's Loss in excess of the Loss absorbed by Tax Consolidation amounts to a Tax Loss for Tax Consolidation. Deferred tax assets have been recognised on the same Loss*

<i>(amounts in thousands of euro)</i>							
at 31 December 2023	Tax base	IRES Income taxes	%	IRAP Income taxes	%	Total Income taxes	%
Tax base	66,794			(9,612)			
Theoretical tax		(16,031)	24.0	0	0.00	(16,031)	24.0
increases:							
- temporary differences	1,733	(416)	0.6	0	0.0		
- other increases	5,667	(1,360)	2.0	(71)	(0.7)		
decreases:							
- reversal of temporary differences	(41,733)	10,016	(15.0)	0	0.0		
- other decreases	(36,296)	8,711	(13.0)	143	1.5		
Taxable income	(3,835)						
Effective tax		920	-	0	-	920	-
Loss absorbed by Tax Consolidation	(3,835)						
Other Tax assets transferred to national and global tax consolidation - Interest expense	0						
Income/(Losses) from tax consolidation		920					

Deferred tax assets and deferred tax liabilities

The composition of deferred tax assets and liabilities in 2024 and 2023 is as follows:

<i>(amounts in thousands of euro)</i>	Statement of financial position		Equity	Profit or loss	
	31.12.2024	31.12.2023		2024	2023
Deferred tax liabilities					
Fair value of bonds	(296)	(843)	547	0	0
IAS 19	(11)	(7)	(4)		0

Dividends taxable in future years	(327)	(529)		202	(405)
	(634)	(1,379)	543	202	(405)
Deferred tax assets					
Accruals for risks	8,693	8,639	54	0	(397)
Directors' fees	259	189	-	70	88
Bad debt provision	232	232	-	-	-
IFRS/IAS accounting standards adjustments	236	227	-	9	12
Depreciation	2	2	-	-	-
Other accruals	(8,426)	145	-	(8,570)	19
Group tax losses	5,725	0	-	5,725	-
	6,723	9,434	54	(2,765)	(278)
Deferred taxes			54	(2,563)	(683)

34. DETAILS OF RELATED PARTY AND INTRA-GROUP TRANSACTIONS AS AT 31 DECEMBER 2024

In compliance with the Consob communications of 20 February 1997, 27 February 1998, 30 September 1998, 30 September 2002 and 27 July 2006, as well as the subsequent Related Party Transaction Regulation No. 17221 of 12 March 2010 and subsequent amendments, it is hereby specified that there are no related party transactions of an atypical or unusual nature, unrelated to normal business operations or such as to prejudice Alerion Clean Power S.p.A.'s economic and financial situation.

Transactions entered into with related parties are part of normal business operations, within the scope of the typical activity of each party concerned, and are regulated at arm's length.

Related parties were updated on the basis of an annual analysis that took into account changes in international accounting standards and mandatory regulations.

In relation to the requirements of the international accounting standard IAS 24 concerning "Related Party Disclosures" and the additional information required by Consob Communication No. 6064293 of 28 July 2006, the following are the tables of related party and intra-group transactions and the impact that transactions or positions with related parties have on Alerion Clean Power S.p.A.'s financial position, results of operations, and cash flows:

<i>(values in Thousands of Euro)</i>	Revenues	Costs	Assets	Liabilities
Subsidiaries:				
Alerion Servizi Tecnici e Sviluppo Srl	801	-	14,275	15,880
Callari Srl	3,221	508	13,060	1,389
Eolica PM Srl	9,815	-	12,363	-
Green Energy Sardegna Srl	3,565	-	5,379	-

FRI-EL Albareto Srl	3,366	-	7,905	-
Dotto Srl	1,009	122	27	518
FRI-EL Ichnusa Srl	78	-	22	-
Minerva Srl	1,694	311	12,140	1,129
Ordonia Energia Srl	2,823	485	17,480	1,298
Parco Eolico Licodia Eubea Srl	1,151	-	10,303	643
Renergy San Marco Srl	3,365	242	9,393	1,849
Wind Power Sud Srl	867	445	395	14,312
FRI-EL Campidano Srl	98	776	7,835	10,165
Eolo Srl	151	126	176	2,440
Anemos Wind Srl	3,670	542	8,876	1,669
Alerion Spain Sl	548	4	10,395	-
Krupen Wind Srl	15	-	1,720	23
FW Holding Srl	10	-	741	237
FRI-EL Nulvi Holding Srl	1	8	-	319
FRI-EL Grottole Srl	99	1,188	3,080	19,151
FRI-EL Ricigliano Srl	105	1,126	1,153	17,610
FRI-EL Basento Srl	12	-	79	308
FRI-EL Anglona Srl	5	666	666	8,442
FRI-EL Anzi S.r.l.	3	359	3,244	6,676
FRI-EL Guardionara S.r.l.	4	479	2,553	9,897
Alerion Seddanus Srl	314	-	6,372	-
Brunale Srl	117	-	4,598	9
Alerion Real Estate Spa	50	53	522	1,162
Wind Stream Eood	7	-	-	-
Draghiescu Partners Srl	15	-	1	2
Fravort Srl	34	-	24	-
Tremalzo Srl	46	-	36	-
Green Fotovoltaic Parc Srl	30	-	20	-
Solar Live Energy Srl	32	-	22	-
Inspire Parc Solar Srl	30	-	20	-
Conti Green Projects Srl	1,166	-	26,363	-
Fucini 4 S.r.l.	137	653	2,969	265

Cevedale S.r.l.	30	-	20	-
Cavignon S.r.l.	33	-	23	-
Alerion RO Todiresti S.r.l.	32	-	22	-
Vigolana S.r.l.	30	-	19	-
Presenella S.r.l.	31	-	20	-
Vermiglio S.r.l.	29	-	18	-
Comiolica SL	-	-	-	-
Alerion Service Srl	328	-	12,248	-
Alerion UK Ltd.	103	-	3,108	-
Alerion Investments Srl	4,354	-	165,632	1,338
Rienza S.r.l.	26	-	16	-
Passirio S.r.l.	25	-	15	-
Plose S.r.l.	25	-	15	-
Fradusta S.r.l.	20	-	10	-
Litegosa S.r.l.	30	-	20	-
Lagorai S.r.l.	28	-	18	-
Alerion Bioenergy Srl	-	-	13	5
Alerion Renewable RO S.r.l.	529	-	12,025	-
Alerion Energy RO S.r.l.	6,980	-	160,070	26
Alerion Service RO S.r.l.	45	-	851	-
AMBIEZ SRL	22	-	12	-
SASS MAOR SRL	23	-	13	-
Alerion Ireland LTD	4	-	190	-
Aresol S.r.l.	11	-	368	-
Ecosolis S.r.l.	16	-	500	-
FRI-EL Solar S.r.l.	577	-	11,992	-
Wind Energy Galati S.r.l.	38	-	28	-
Alerion Racari S.r.l.	79	-	12,118	-
Bisalta S.r.l.	26	-	16	-
Agira S.r.l.	6	-	51	2
Pasubio S.r.l.	10	-	-	-
Conti Energie Verde Srl	11	-	11	-
Alerion Sant'Agata Srl	5	-	7	1

Alerion Gavorrano Srl	5	-	13	2
Alerion Arlena Srl	65	-	8,180	-
Vaslui Wind Srl	-	-	-	-
Energo Windprod S.r.l.	20	-	10	-
Vulturu Power Park S.r.l.	20	-	10	-
Vulturu Wind Farm S.r.l.	19	-	9	-
Bioenergia S.r.l.	26	-	-	-
Generai Srl	31	-	-	-
Enermac Srl	597	-	-	-
Naonis Wind Srl	24,571	-	-	-
Total subsidiaries	77,312	8,093	571,898	115,937
Equity-accounted investees:				
New Green Molise Srl	2,663	-	3,406	-
Parco Eolico Santa Croce del Sannio House S.r.l.	8	-	75	-
Ecoenergia Campania Srl	718	-	-	-
Tre Torri Energia S.r.l.	5	-	-	-
Bioenergia S.r.l.	31	-	4,078	-
Generai Srl	27	-	3,522	-
Enermac Srl	48	-	5,169	-
Naonis Wind Srl	3,779	-	2,957	-
Alerion Clean Power RO Srl	281	-	11,940	-
Total equity-accounted investees:	7,560	-	31,147	-
Related parties:				
Golfclub Appiano Srl	-	-	-	-
FRI-EL SpA	-	-	15,660	-
Proinvest Srl	-	-	-	-
FRI-EL Green Power SpA	-	800	-	-
Alerion San Marco Srl	23	-	7,264	-
Miscano Wind Srl	4	-	142	-
Alerion Arlena Srl	166	-	-	-
Ag Invest Srl	-	-	1,972	-
FRI-EL Hydro Power Srl	-	-	890	-
FRI-EL Euganea Srl	-	-	-	-
Looptec New Media Srl	-	1	-	-
Total related parties	193	801	25,928	-

Total	85,065	8,894	628,973	115,937
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Below are summary tables with the additional information required by Consob Communication No. 6064293 of 28 July 2006:

Effects of related-party and intra-group transactions on the financial position, results of operations and cash flows of Alerion Clean Power S.p.A:

<i>(values in Euro)</i>	Subsidiaries	Joint ventures and associates	Related parties	Total
Trade receivables	6,153,863	649,522	-	6,803,385
<i>total trade receivables</i>	<i>6,803,384</i>	<i>6,803,384</i>	<i>6,803,384</i>	<i>6,803,384</i>
percentage	90%	10%	0%	100%
Current tax assets	-	-	-	-
<i>total current tax assets</i>	<i>3,635,898</i>	<i>3,635,898</i>	<i>3,635,898</i>	<i>3,635,898</i>
percentage	0%	0%	0%	0%
Other assets	58,302,132	1,636,204	889,811	60,828,147
<i>other current assets</i>	<i>77,641,187</i>	<i>77,641,187</i>	<i>77,641,187</i>	<i>77,641,187</i>
incidence	75%	2%	1%	78%
Financial receivables and other non-current financial assets	475,851,128	28,361,635	25,037,227	529,249,990
<i>total financial receivables and other non-current financial assets</i>	<i>528,958,394</i>	<i>528,958,394</i>	<i>528,958,394</i>	<i>528,958,394</i>
percentage	90%	5%	5%	100%
Current financial assets	31,590,000	499,999	-	32,089,999
<i>total current financial assets</i>	<i>97,119,432</i>	<i>97,119,432</i>	<i>97,119,432</i>	<i>97,119,432</i>
percentage	33%	1%	0%	33%
Current financial liabilities	90,769,681	-	-	90,769,681
<i>total current financial liabilities</i>	<i>312,448,483</i>	<i>312,448,483</i>	<i>312,448,483</i>	<i>312,448,483</i>
percentage	29%	0%	0%	29%
Trade payables	7,586,325	-	284	7,586,609
<i>total trade payables</i>	<i>9,876,743</i>	<i>9,876,743</i>	<i>9,876,743</i>	<i>9,876,743</i>
percentage	77%	0%	0%	77%
Provisions for future risks and charges	-	-	-	-
<i>total Provisions for future risks and charges</i>	<i>449,362</i>	<i>449,362</i>	<i>449,362</i>	<i>449,362</i>
percentage	0.0%	0.0%	0.0%	0.0%
Other payables	17,581,900	468	-	17,582,368
<i>other payables and other current liabilities</i>	<i>24,499,327</i>	<i>24,499,327</i>	<i>24,499,327</i>	<i>24,499,327</i>
percentage	72%	0%	0%	72%
Net gains on equity investments	71,230,342	7,164,280	193,173	78,587,795
<i>net gains on equity investments</i>	<i>88,832,857</i>	<i>88,832,857</i>	<i>88,832,857</i>	<i>88,832,857</i>
percentage	80%	8%	0%	88%
Other revenue and income	4,189,179	394,977	-	4,584,156
<i>other revenue and income</i>	<i>4,666,456</i>	<i>4,666,456</i>	<i>4,666,456</i>	<i>4,666,456</i>
percentage	90%	8%	0%	98%

Other operating costs	6,197,307	-	800,877	6,998,184
<i>total other operating costs</i>	<i>11,929,432</i>	<i>11,929,432</i>	<i>11,929,432</i>	<i>11,929,432</i>
percentage	52%	0%	7%	59%
Financial (costs) income	-	-	-	-
<i>total net financial (costs) income</i>	<i>32,726,466</i>	<i>32,726,466</i>	<i>32,726,466</i>	<i>32,726,466</i>
percentage	0.0%	0.0%	0.0%	0.0%

35. LEGAL DISPUTES

Outstanding legal disputes as at 31 December 2024 are set out below.

SIC - Società Italiana Cauzioni S.p.A now Atradius

A civil lawsuit was brought before the Court of Rome involving Alerion and its subsidiary Alerion Real Estate S.r.l. in liquidation ("Alerion Real Estate"), as third parties summoned by SIC - Società Italiana Cauzioni S.p.A. now Atradius, in their capacity as policyholders in the proceedings brought by AGIED S.r.l. against INPDAP and SIC.

The policies had been issued to guarantee AGIED S.r.l.'s obligations to indemnify the monetary losses that INPDAP might suffer as a result of AGIED S.r.l.'s wilful acts in the tasks envisaged in the agreement signed between AGIED and INPDAP for the management of part of INPDAP's real estate.

The subject-matter of this action is the ascertainment and declaration of extinction, due to expiry of the time limit, of those surety policies. In particular, AGIED S.r.l. asked the Court to declare that INPDAP was not entitled to enforce the aforementioned policies and that SIC was therefore not obliged to pay anything to INPDAP.

Alerion and Alerion Real Estate were co-obligated with SIC for the performance of the obligations under the policies as holders of shares in AGIED. These shares were transferred by deed of 24 May 1999, following which SIC, by letter of 9 June 1999, declared Alerion and Alerion Real Estate released from the co-obligation undertaking with respect to events occurring after the date of transfer of the shares.

SIC, which agreed with AGIED's conclusions, however, sued Alerion and Alerion Real Estate in 2005, since the liability for the alleged damages claimed by INPDAP could not be placed in time due to the vagueness of the claims.

It should be noted that in relation to the policies cited by ATRADIUS, the then SIC had released the co-obligors Alerion and Alerion Real Estate by a specific letter with reference to events occurring after the date of transfer of shares of 24 May 1999. This assumption makes it possible to note the absolute extraneousness of the companies from that judgement since they were released from any coobligation by SIC and therefore not to consider the existence of any risk borne by both companies.

On 1 December 2014, the Court of First Instance condemned only SIC (as at the Registration Document Date, ATRADIUS) and found that the defaults materialised after 31 December 2000, therefore after the release of the co-obligated companies, thus allowing the Court to state that it had implicitly excluded the standing of Alerion and Alerion Real Estate. Therefore, Alerion's position is to be considered satisfactory.

AGIED and ATRADIUS (formerly SIC) autonomously appealed against the first instance judgment before the Court of Appeal, since the proceedings were pending for challenges to the same judgment, Alerion Real Estate S.r.l. in Liquidation and Alerion S.p.A. obtained the joinder of the judgments.

In its ruling of 9 May 2022, the Court of Appeal of Rome rejected the opposing claims and upheld the companies' defences, considering the companies' declaration of release from the obligations of the aforementioned policy. Atradius appealed the judgment in cassation.

Alerion Real Estate S.r.l. in Liquidation and Alerion S.p.A. filed a counter-appeal with the Court of Cassation against Atradius' appeal, requesting that it be dismissed as inadmissible on the ground that it was directed to contesting the merits of both the judgment of the Court of Appeal of Rome and the first instance judgment of the Court of First Instance of Rome (so-called "double conforming"). The parties entered an appearance within the time limit. The first hearing is pending.

36. OTHER INFORMATION

36.1 Remuneration paid to management and control bodies, the general manager and key management personnel

Following Consob Resolution No. 18079 of 20 January 2012, which repealed Appendix 3C, information on the shareholdings held by the management and control bodies, general managers and executives with strategic responsibilities is contained in the Report on Remuneration, pursuant to Article 123 ter T.U.F. (Consolidated Law on Finance).

36.2 Disclosure pursuant to Article 149-duodecies of the Consob Regulation on Issuers

The following table shows the fees for the year 2024 for audit and non-audit services rendered by the audit firm and entities belonging to its network.

<i>(values in Thousands of Euro)</i>	Service provider	2024 fees
Audit:	KPMG S.p.A.	144
Unbundling:	KPMG S.p.A.	1
Other services - parent ¹ :	KPMG S.p.A.	101
Total		246

¹: Procedures for the verification of the financial parameters provided for in the "Regulation of the bond loan Alerion Clean Power S.p.A. 2019-2025", the "Regulation of the bond loan Alerion Clean Power S.p.A. 2021-2027", the "Regulation of the bond loan Alerion Clean Power S.p.A. 2022-2028" and the "Regulation of the bond loan Alerion Clean Power S.p.A. 2023-2029". Green Bond 2024-2030 issue consultancy.

36.3 Information pursuant to Article 2497 of the Italian Civil Code "Management and coordination activities"

As of 7 May 2021, Fri-El Green Power S.p.A. will no longer exercise management and coordination activities pursuant to Article 2497 et seq. of the Italian Civil Code, and will therefore continue to exercise its prerogatives as controlling shareholder of the Company.

CERTIFICATION OF THE SEPARATE FINANCIAL STATEMENTS AS AT 31 DECEMBER 2024

pursuant to Article 154-bis, paragraph 5, of Legislative Decree No. 58 of 24 February 1998 and Article 81-ter of Consob Regulation No. 11971 of 14 May 1999

1. The undersigned Josef Gostner and Stefano Francavilla, in their capacity as, respectively, Chief Executive Officer and Manager in charge of financial reporting of Alerion Clean Power S.p.A., attest, also taking into account the provisions of Article 154-bis, paragraphs 3 and 4, of Legislative Decree No. 58 of 24 February 1998:
 - the suitability in relation to the characteristics of the enterprise;
 - the effective application of administrative and accounting procedures for the preparation of the separate Financial Statements during the financial year 2024.
2. It is further attested that:
 - 2.1 The separate Financial Statements as at 31 December 2024:
 - have been drawn up in accordance with the applicable international accounting standards recognised by the European Community pursuant to Regulation (EC) No. 1606/2002 of the European Parliament and of the Council of 19 July 2002;
 - correspond to the entries in the books and records;
 - provide a true and fair view of the assets and liabilities, profit and loss, and financial position of the issuer.
 - 2.2 The Directors' Report includes a reliable analysis of the development and results of operations as well as the situation of the issuer, together with a description of the principal risks and uncertainties to which it is exposed.

Milan, 13 March 2025

The Chief Executive Officer

Josef Gostner

Manager in charge of financial reporting

Stefano Francavilla

Alerion Clean Power S.p.A.

Sede legale: Via Renato Fucini 4 (MI)

Capitale Sociale: Euro 161.137.410 = interamente versato

Registro delle Imprese di Milano Monza e Brianza e codice fiscale

n. 02996890584

Relazione del Collegio Sindacale all'Assemblea degli azionisti ai sensi dell'art. 153 D. Lgs. 58/98 e dell'art. 2429, comma 2, del Codice civile

1. Premessa: fonti normative, regolamentari e deontologiche

Signori Azionisti,

la presente relazione, redatta ai sensi dell'art. 153 del D. Lgs. n. 58/1998 (Testo Unico della Finanza, nel seguito, *TUF*) e dell'art. 2429 del Codice civile, riferisce sull'attività di vigilanza svolta dal Collegio sindacale di Alerion Clean Power S.p.A. (nel seguito, *Alerion* o la *Società* e, assieme alle società partecipate, il *Gruppo*) nel corso dell'esercizio chiuso al 31 dicembre 2024, aderendo alle "Norme di comportamento del Collegio sindacale di società quotate" emanate dal Consiglio Nazionale dei Dottori Commercialisti e degli Esperti Contabili, alle raccomandazioni di Consob susseguite fino ad oggi in materia di controlli societari ed attività del Collegio sindacale ed alle indicazioni del Codice di Corporate Governance delle società quotate (nel seguito, *Codice di Corporate Governance*) redatto dal Comitato per la Corporate Governance ed adottato dalla Società.

Il Collegio sindacale ha svolto l'attività di vigilanza anche nella veste di Comitato per il Controllo Interno e la Revisione Contabile.

Il Collegio sindacale, composto da Loredana Conidi (Presidente), Alessandro Caffarelli e Paolo Corti (Sindaci effettivi) è stato nominato con l'assemblea degli azionisti del 22 aprile 2024 e terminerà il proprio mandato con l'assemblea di approvazione del bilancio al 31 dicembre 2026.

Il Collegio sindacale ha verificato, al momento dell'accettazione dell'incarico e successivamente nel corso dello stesso anno, il possesso da parte dei propri componenti dei requisiti di onorabilità e professionalità previsti dal DM 30 marzo 2000 n. 162, l'insussistenza di cause di decadenza e ineleggibilità ed il possesso dei requisiti di indipendenza di cui all'art. 2399 del Codice civile e all'art. 148, comma 3, del D. Lgs. 24 febbraio 1998, n. 58 e di cui al Codice di Corporate Governance.

Tutti i componenti hanno inoltre dichiarato di non ricoprire incarichi di amministrazione e controllo in misura pari o superiore ai limiti stabiliti dalla normativa di legge e regolamentare vigente.

L'attività di controllo contabile e di revisione legale dei conti è demandata alla società di revisione KPMG (nel seguito, ***Società di Revisione***) alla quale è stato conferito l'incarico di revisione legale dei conti per gli esercizi 2020 - 2028.

Nel corso dell'anno, il Collegio Sindacale ha vigilato:

- sull'osservanza della legge e dello statuto vigente;
- sul rispetto dei principi di corretta amministrazione;
- sull'adeguatezza della struttura organizzativa della Società, del processo di informativa finanziaria, del sistema di controllo interno e del sistema amministrativo-contabile, nonché sull'affidabilità di quest'ultimo nel rappresentare correttamente i fatti di gestione;
- sulle modalità di concreta attuazione delle regole di governo societario previste da codici di comportamento redatti da società di gestione di mercati regolamentati, cui la Società, mediante informativa al pubblico, dichiara di attenersi;
- sull'adeguatezza delle disposizioni impartite dalla Società alle società controllate ai sensi dell'articolo 114, comma 2, del TUF.

2. Attività di vigilanza sull'osservanza della legge e dello statuto

Il Collegio Sindacale nel corso dell'esercizio 2024 ha tenuto 9 riunioni, di cui

due tenute dal Collegio Sindacale che ha terminato il proprio mandato con l'approvazione del bilancio chiuso al 31 dicembre 2023.

I componenti dell'Organo di Controllo hanno partecipato alle riunioni del Consiglio di Amministrazione e hanno ottenuto dagli Amministratori, con la periodicità richiesta dalla legge, le informazioni sull'attività svolta e sulle operazioni di maggior rilievo economico, finanziario e patrimoniale effettuate dalla Società e dalle società controllate.

Il Collegio Sindacale, come già anticipato, esercitando la sua funzione di controllo, è intervenuto alle 17 riunioni del Consiglio di Amministrazione nonché all'unica riunione assembleare tenutasi il 22 aprile 2024 e dà atto che l'amministrazione della Società si è svolta nel rispetto delle norme di legge, di statuto e delle deliberazioni assembleari, nonché in maniera conforme ai principi di corretta amministrazione. I membri del Collegio Sindacale hanno altresì partecipato a tutte le riunioni del Comitato Remunerazione e Nomine (nel seguito, **CRN**), del Comitato Controllo, Rischi e Sostenibilità (nel seguito, **CCRS**) e del Comitato Parti Correlate (nel seguito **CPC**).

In particolare, il CCRS, ai sensi della raccomandazione 35 del Codice di Corporate Governance è composto da quattro amministratori indipendenti e non esecutivi; il CRN, ai sensi della raccomandazione 26 del Codice di Corporate Governance, è composto da tre amministratori indipendenti e non esecutivi. Il CPC ai sensi del relativo regolamento approvato dal Consiglio di Amministrazione in data 23 settembre 2021, nonché del Regolamento Consob n. 17221/2010, è composto da tre amministratori indipendenti.

La Società ha altresì previsto, conformemente alle previsioni del Codice di Corporate Governance, la figura del *lead independent director* nella persona del Dr. Carlo Delladio.

Durante l'esercizio 2024, il CRN si è riunito 4 volte, il CPC si è riunito 5 volte e il CCRS si è riunito 13 volte.

3. Attività di vigilanza sul rispetto dei principi di corretta

amministrazione.

Il Collegio Sindacale ha constatato che la Società non ha effettuato operazioni atipiche o inusuali con società del Gruppo, parti correlate o terzi.

Il Collegio Sindacale dà atto che le scelte gestionali sono state ispirate al principio di corretta informazione e di sorveglianza, essendo gli amministratori consapevoli degli effetti delle operazioni compiute.

Il Collegio Sindacale precisa che la Società ha adottato fin dal 12 novembre 2010, ai sensi dell'art. 4 del Regolamento adottato con delibera Consob n. 17221 del 12 marzo 2010 e successive modifiche ed integrazioni, non ultima la delibera n. 21624 del 10 dicembre 2020, la Procedura per le Operazioni con Parti Correlate (nel seguito, **Procedura OPC**), il cui ultimo aggiornamento è del 24 giugno 2021.

La Procedura OPC, unitamente alla procedura per la gestione e la comunicazione di documenti ed informazioni riguardanti la Società con particolare riferimento alle informazioni privilegiate, alla procedura in materia di *internal dealing*, alla procedura sulla gestione delle segnalazioni (*Whistleblowing*) alla policy anticorruzione e al Codice Etico sono disponibili sulla pagina *web* della Società.

Il Collegio Sindacale ha vigilato sulla conformità delle procedure adottate ai principi indicati nei regolamenti, nonché sulla loro osservanza.

Nel corso dell'esercizio la Società ha avviato ovvero proseguito le seguenti operazioni di rilievo:

- lo sviluppo e la costruzione di impianti nel settore eolico e fotovoltaico sia in Italia che in Romania;
- l'emissione di un prestito obbligazionario per un importo pari a € 250 milioni finalizzato, *inter alia*, al rimborso del Green Bond 2019-2025, avvenuto nel gennaio 2025;
- l'operazione di *equity recycling* con Alperia Greenpower S.r.l., società controllata al 100% da Alperia S.p.A., relativa alla compravendita di una

joint venture paritaria, Alperion S.r.l., per lo sviluppo e la gestione di un portafoglio di impianti eolici in Puglia con una capacità totale di circa 120 MW, di cui 62 MW già operativi e 58 MW in costruzione;

- l'Assemblea degli azionisti, in data 22 aprile 2024, ha autorizzato l'acquisto di azioni proprie ai sensi dell'art. 2357 c.c., fissando in 18 mesi la durata del relativo mandato all'acquisto. La Società si è avvalsa della facoltà di effettuare operazioni su propri titoli nel corso dell'esercizio e possiede, al 31 dicembre 2024, n. 691.480 azioni proprie, pari allo 1,2751% del capitale sociale.

4. Attività di vigilanza sull'adeguatezza dell'assetto organizzativo

Il Consiglio di Amministrazione è stato nominato dall'Assemblea degli azionisti del 20 aprile 2023.

Alla data del 31 dicembre 2024, il Consiglio di Amministrazione è composto da quattro amministratori esecutivi e sei Amministratori non esecutivi, di cui quattro sono stati qualificati dal Consiglio di Amministrazione come indipendenti, al momento della nomina e successivamente nel corso dello stesso anno, ai sensi delle previsioni del Codice di Autodisciplina e delle disposizioni del TUF.

Il Collegio Sindacale a sua volta ha verificato, in data 27 febbraio 2025, la corretta applicazione dei criteri e delle procedure di accertamento adottati dal Consiglio di Amministrazione per valutare l'indipendenza dei propri membri.

Nel corso della riunione del Consiglio di Amministrazione del 12 marzo 2024 è stata determinata la remunerazione annuale degli amministratori esecutivi, sentito il Collegio Sindacale ai sensi dell'art. 2389, comma 3 del Codice civile.

Il Collegio Sindacale ha acquisito conoscenza e vigilato, per quanto di sua competenza, sull'adeguatezza della struttura organizzativa della Società, costantemente aggiornata anche in relazione all'ingresso nel Gruppo di nuove società, e sul rispetto dei principi di corretta amministrazione, ciò tramite

osservazioni dirette, raccolta di informazioni dai vari responsabili di funzione e dal Dirigente Preposto, l'esame di documenti aziendali e incontri con la Società di Revisione, ai fini del reciproco scambio di dati ed informazioni rilevanti.

La società PWC S.p.A. - sulla base di specifico contratto per il 2024 - svolge il ruolo di Advisor per lo svolgimento delle attività attribuite alla funzione di Internal Audit della Società; in particolare la menzionata funzione è svolta in *outsourcing* dal Dr. Giuseppe Garzillo, *partner* di PWC S.p.A., in qualità di responsabile Internal Audit della Società.

Nello specifico, sulla base del predetto incarico, le attività affidate in *outsourcing* a PWC S.p.A. sono le seguenti:

- valutazione del rischio potenziale attraverso un Risk Assessment;
- predisposizione del piano di Audit;
- analisi e valutazione dei processi aziendali;
- verifica dell'effettiva operatività dei controlli;
- analisi delle anomalie e definizione degli interventi;
- controlli in osservanza alla L. 262/2005 e L. 272/2009;
- valutazione di adeguatezza del sistema dei controlli;
- elaborazione dei rapporti periodici di audit;
- comunicazione degli esiti delle verifiche condotte ai responsabili delle funzioni sottoposte a verifica, all'Alta Direzione e agli Organi Sociali;
- monitoraggio dell'effettiva implementazione delle azioni correttive;
- verifica a distanza di tempo dell'efficacia delle azioni correttive implementate;
- supporto nella revisione della relazione sul governo societario e gli assetti proprietari;
- redazione, aggiornamento e revisione delle *policy* e procedure aziendali.

Nel corso dell'esercizio appena conclusosi, il Collegio Sindacale ha promosso

incontri periodici con i principali esponenti delle varie funzioni aziendali per verificare che la struttura organizzativa fosse orientata sia al perseguimento degli obiettivi di natura aziendale che al rafforzamento del sistema del controllo interno.

Il Collegio Sindacale non ha osservazioni da riferire circa la generale adeguatezza della struttura organizzativa a perseguire con efficienza gli obiettivi aziendali.

5. Attività di vigilanza sull'adeguatezza del sistema di controllo interno

Il Collegio Sindacale ha valutato e vigilato sull'adeguatezza del sistema di controllo interno, acquisendo le informazioni sia da riscontri diretti che dall'informativa resa, dal Responsabile della Funzione di Internal Audit e dall'Organismo di Vigilanza, nonché dalla partecipazione alle riunioni dei Comitati endoconsiliari.

Il Collegio ha altresì monitorato l'attività di controllo svolta da parte dell'Internal Audit in osservanza alla L. 262/2005 finalizzata al rilascio della dichiarazione da parte del Dirigente Preposto.

La Società ha adottato fin dal 2016 il Modello di Organizzazione, Gestione e Controllo (nel seguito, **Modello**) redatto ai sensi e per gli effetti del D. Lgs. 231/2001, nonché il Codice Etico, aggiornato in data 10 maggio 2024.

Nel corso degli anni, il Modello è stato periodicamente aggiornato, al fine di adeguarlo ai riscontri applicativi nonché al quadro normativo di riferimento.

Il Modello e il Codice Etico sono reperibili sulla pagina web della Società.

Durante le riunioni tenute con l'Organismo di Vigilanza in data 24 luglio 2024 e 10 dicembre 2024 e con il supporto delle relazioni emesse dall'Organismo Di Vigilanza in data 25 luglio 2024 e 11 marzo 2025, il Collegio Sindacale ha acquisito informazioni sull'attività di vigilanza, sul funzionamento e sull'osservanza del Modello e sul suo aggiornamento.

6. Attività di vigilanza sull'adeguatezza del sistema amministrativo

contabile e sull'attività di revisione legale dei conti

Il Collegio Sindacale ha valutato e verificato l'adeguatezza del sistema amministrativo-contabile, nonché l'affidabilità di quest'ultimo a rappresentare correttamente i fatti di gestione, mediante l'ottenimento di informazioni dai responsabili delle rispettive funzioni ed in particolare dal Dirigente Preposto, così come mediante l'esame di documenti aziendali e l'analisi dei risultati del lavoro svolto dal soggetto incaricato della revisione legale dei conti e dalla funzione di Internal Audit.

Nel rispetto di quanto previsto dall'art. 150, comma 5, del TUF, il Collegio Sindacale ha tenuto 4 riunioni con il soggetto incaricato della revisione legale dei conti.

Nel corso di tali riunioni il Collegio Sindacale ha, *inter alia*, monitorato l'esecuzione del piano di *audit*, discusso le questioni principali emerse dalla revisione e preso atto dell'assenza di aspetti per i quali fosse necessario procedere a specifici approfondimenti o da riferire in questa sede.

Il Collegio Sindacale ha, inoltre, riscontrato l'adeguatezza della procedura adottata dalla Società al fine di rispettare le disposizioni del Regolamento Consob recante norme di attuazione delle disposizioni contenute nel TUF in materia di mercati riferito agli emittenti che controllano società costituite e regolate da legislazioni *extra* UE.

Nella qualità di Comitato per il controllo interno e la revisione contabile *ex* art. 19 del D. Lgs. 39/2010 integrato dal D. Lgs. 135/2016 (nel seguito, **Decreto Revisione**), il Collegio Sindacale ha in particolare:

- vigilato sull'adeguatezza del sistema amministrativo-contabile;
- monitorato il processo di formazione e diffusione dell'informativa finanziaria;
- verificato e supervisionato l'indipendenza della Società di Revisione nominata, a norma del TUF e del Decreto Revisione, dall'Assemblea degli Azionisti del 5 settembre 2019 per la durata di nove esercizi

(2020-2028);

- discusso con la Società di Revisione le misure adottate, per mitigare i rischi per l'indipendenza, in particolare per quanto concerne l'adeguatezza della prestazione di servizi diversi dalla revisione all'ente sottoposto a revisione per i quali più avanti verranno fornite informazioni più dettagliate;
- scambiato informazioni con la Società di Revisione e adempiuto agli ulteriori obblighi previsti dalla normativa;
- informato l'Organo di Amministrazione dell'esito della revisione legale e trasmesso al medesimo la relazione aggiuntiva di cui all'art. 11 del Regolamento europeo n. 537 del 16 aprile 2014;
- controllato l'efficacia dei sistemi di controllo interno della qualità;
- monitorato la revisione legale del bilancio d'esercizio e del bilancio consolidato;
- acquisito e tenuto conto della Relazione di Trasparenza della Società di Revisione.

Nel corso del 2024, la Società di Revisione ha svolto nell'interesse della Società e delle sue controllate prevalentemente attività di revisione legale; per l'analitica descrizione ed i relativi corrispettivi si rimanda all'apposito prospetto riportato, *ex art. 149 duodecies* del Regolamento Emittenti di Consob, in seno alle note illustrative del bilancio di esercizio e del bilancio consolidato della Società.

Il Collegio Sindacale ha continuato il costante monitoraggio degli incarichi affidati dalla Società alla Società di Revisione, al fine di garantire il rispetto del limite del 70% della media dei corrispettivi versati negli ultimi tre esercizi per l'attività di revisione legale dei conti come previsto dal Regolamento n. 537/14.

7. Proposte in ordine al Bilancio di esercizio e alla sua approvazione e alle materie di competenza del Collegio Sindacale

7.1 Il Bilancio Consolidato e Relazione sulla Gestione

Il Progetto di Bilancio Consolidato della Società per l'esercizio 2024, composto da Situazione Patrimoniale Finanziaria, Conto Economico, Conto Economico Complessivo, Prospetto delle Variazioni di Patrimonio Netto, Rendiconto Finanziario e Note Illustrative, che viene messo a Vostra disposizione, presenta un utile dell'esercizio di Euro 96,3 milioni. Esso è stato comunicato al Collegio Sindacale nei termini di legge, unitamente alla Relazione sulla Gestione, e risulta redatto secondo gli *International Financial Reporting Standards* (IFRS) e i provvedimenti emanati in attuazione dell'art. 9 D. Lgs. n. 38/2005.

Il Collegio Sindacale dà atto che, sulla base dei controlli effettuati, la Società di Revisione, con relazione emessa in data 24 Marzo 2025, ha attestato che il Bilancio Consolidato del Gruppo Alerion Clean Power S.p.A. al 31 dicembre 2024 è conforme agli IFRS adottati dall'Unione Europea, nonché ai provvedimenti emanati in attuazione dell'art. 9 D. Lgs. n. 38/2005 e che *“...fornisce una rappresentazione veritiera e corretta della situazione patrimoniale e finanziaria del Gruppo al 31 dicembre 2024, del risultato economico, dei flussi di cassa per l'esercizio chiuso a tale data”*.

La determinazione dell'area di consolidamento delle partecipazioni e delle procedure a tale fine adottate rispondono alle prescrizioni degli IFRS.

In osservanza alle disposizioni del Regolamento Europeo 2019 n. 815, la Società ha redatto il Bilancio Consolidato nel formato XHTML, marcando alcune informazioni contenute nel bilancio con le specifiche Inline XBRL e la Società di Revisione ne ha verificato la predisposizione e la marcatura in conformità al detto regolamento.

La struttura del Bilancio Consolidato è, quindi, da ritenersi tecnicamente corretta e, nell'insieme, conforme alla specifica normativa.

La Relazione sulla Gestione illustra in maniera esaustiva sia la situazione della Società che del Gruppo, l'andamento della gestione nel suo complesso

e nei vari settori di interesse, nonché le variazioni verificatesi, rispetto al precedente esercizio, nelle principali voci della Situazione Patrimoniale Finanziaria e del Conto Economico.

La Relazione sulla Gestione evidenzia, inoltre, i principali indicatori di *performance* economico-finanziaria, i rischi finanziari e gli altri rischi derivanti dall'attività. La stessa, inoltre, espone i fatti più rilevanti avvenuti nel corso dell'esercizio e dopo la chiusura dello stesso, fornisce indicazioni sulla prevedibile evoluzione dell'attività per l'esercizio in corso e riassume le informazioni riguardanti gli assetti proprietari e di controllo (*ex art. 123 bis del TUF*), rinviando per i dettagli all'apposita relazione sul governo societario.

La Relazione, pertanto, appare completa rispetto alle prescrizioni di legge e regolamentari.

Uniformandosi ai più recenti indirizzi degli organi di vigilanza, le procedure di *impairment*, effettuate dalla Società in conformità al principio IAS 36, hanno formato oggetto di esplicita e puntuale approvazione da parte del Consiglio di Amministrazione prima di quella del progetto di Bilancio.

La Società di Revisione ha, infine, consegnato la relazione aggiuntiva ai sensi dell'art.11 del Regolamento europeo n. 537 del 16 aprile 2014, comprensiva della conferma annuale dell'indipendenza ai sensi del Decreto Revisione, senza la segnalazione di carenze significative.

Nel complesso, il Collegio Sindacale ritiene che i documenti sottoposti Vi forniscano una informativa chiara e completa, alla luce dei principi di verità e correttezza stabiliti dalla Legge.

7.2 Il Bilancio di sostenibilità

Ai sensi del D. Lgs. n. 254/2016, la Società non ha redatto la Dichiarazione consolidata di carattere non finanziario in quanto non obbligata.

Tuttavia, nel corso dell'esercizio la Società ha avviato l'attività propedeutica a predisporre il bilancio di sostenibilità il cui obbligo decorrerà con riferimento all'esercizio in chiusura al 31 dicembre 2025 ai sensi del Decreto

Legislativo del 6 settembre 2024, n.125 (nel seguito, **Decreto**).

In data 27 febbraio 2025, il Collegio Sindacale ha preso atto del Decreto che sancisce l'obbligo della rendicontazione di sostenibilità, individuale e consolidata, anche per piccole e medie imprese quotate ed ha formulato in pari data la propria proposta motivata, da proporre all'Assemblea degli Azionisti della Società, convocata per il 15 aprile 2025, di conferire l'incarico di attestazione della conformità della rendicontazione consolidata di sostenibilità, ai sensi del Decreto, per il triennio 2025-2027, a KPMG S.p.A. per un corrispettivo annuo di Euro 110.000,00,

7.3 Il Bilancio di esercizio individuale

Il Progetto di Bilancio di esercizio di Alerion, composto da Situazione Patrimoniale Finanziaria, Conto Economico, Conto Economico Complessivo, Prospetto delle Variazioni di Patrimonio Netto, Rendiconto Finanziario e Note Illustrative, che viene messo a Vostra disposizione, presenta un utile di esercizio di 50,5 milioni di Euro e un patrimonio netto pari a 327 milioni di Euro.

In relazione allo stesso, il Collegio Sindacale dà atto che lo stesso è stato comunicato nei termini di legge; l'Organo di Controllo ha verificato l'osservanza delle norme che regolano la sua impostazione e formazione, sia mediante i controlli da noi esercitati a norma dell'art. 149 del TUF, sia avvalendosi delle informazioni fornite dalla Società di Revisione che, anche per il Bilancio di esercizio di Alerion, ha attestato con relazione emessa in data 24 Marzo 2025 che “... *il bilancio di esercizio fornisce una rappresentazione veritiera e corretta della situazione patrimoniale e finanziaria della Società al 31 Dicembre 2024, del risultato economico e dei flussi di cassa per l'esercizio chiuso a tale data*”.

8. Modalità di concreta attuazione delle regole di governo societario

La Società ha aderito alle previsioni del Codice di Corporate Governance e il Collegio Sindacale ha vigilato sulle modalità di concreta attuazione delle

regole di governo societario previste dal codice di comportamento. Nel corso dell'attività di vigilanza, come sopra descritta, non sono emersi fatti significativi tali da richiederne la segnalazione agli organi di controllo o la menzione nella presente relazione.

9. Attività di vigilanza sui rapporti con società controllate e controllanti

Il Collegio Sindacale è stato informato che la Società ha provveduto ad impartire alle società controllate le istruzioni previste dalla normativa di riferimento (*ex* articolo 114, comma 2, del TUF).

Gli organi di controllo delle società controllate hanno altresì confermato, per quanto di competenza, il rispetto della legge, dello statuto e dei principi di corretta amministrazione, nonché l'adeguatezza dell'assetto organizzativo e del controllo interno.

10. Attività di vigilanza sulle operazioni con parti correlate

Il Collegio Sindacale ha preso atto che la Società ha effettuato, in maniera ordinaria e ricorrente, operazioni con società del Gruppo e con altre parti correlate, relative a rapporti di tipo commerciale, finanziario, servizi di consulenza, assistenza amministrativa e finanziaria, relativamente alle quali gli Amministratori, come detto, hanno reso debita informativa sia nella Relazione sulla Gestione che, in particolare, nella nota illustrativa del Progetto di Bilancio Consolidato e nella nota illustrativa del Progetto di Bilancio di esercizio, attestandone la corrispondenza alle normali condizioni di mercato.

11. Omissioni e fatti censurabili rilevati. Pareri resi e iniziative intraprese

Nel corso dell'esercizio 2024, il Collegio Sindacale non ha ricevuto alcuna denuncia *ex art.* 2408 c.c.; parimenti non sono pervenuti esposti.

* * *

Tutto quanto sopra premesso ed osservato, il Collegio Sindacale dichiara che, sotto i profili di propria competenza, nulla osta all'approvazione del Bilancio dell'esercizio chiuso al 31 dicembre 2024 ed alla proposta in merito alla destinazione del risultato dell'esercizio, che risulta conforme alle previsioni di legge, nonché a quanto previsto dallo statuto.

Milano, 24 Marzo 2025

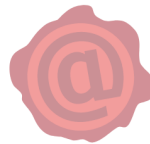
PER IL COLLEGIO SINDACALE

Dr.ssa Loredana Conidi – Presidente

Dr. Alessandro Cafarelli – Sindaco effettivo

Dr. Paolo Corti – Sindaco effettivo

CONIDI
LOREDANA
ANNA
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19:45:52
GMT+02:00



CORTI PAOLO
24/03/2025 19:06:11

Firmato digitalmente da:
ALESSANDRO CAFARELLI
Data: 24/03/2025 18:54:16



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(The accompanying translated separate financial statements of Alerion Clean Power S.p.A. constitute a non-official version which is not compliant with the provisions of the Commission Delegated Regulation (EU) 2019/815. This independent auditors' report has been translated into English solely for the convenience of international readers. Accordingly, only the original Italian version is authoritative.)

Independent auditors' report pursuant to article 14 of Legislative decree no. 39 of 27 January 2010 and article 10 of Regulation (EU) no. 537 of 16 April 2014

*To the shareholders of
Alerion Clean Power S.p.A*

Report on the audit of the separate financial statements

Opinion

We have audited the separate financial statements of Alerion Clean Power S.p.A. (the "company"), which comprise the statement of financial position as at 31 December 2024, the income statement and the comprehensive income statement, the cash flows statement and the statement of changes in equity for the year then ended and notes thereto, which include material information on the accounting policies.

In our opinion, the separate financial statements give a true and fair view of the financial position of Alerion Clean Power S.p.A. as at 31 December 2024 and of its financial performance and cash flows for the year then ended in accordance with the IFRS Accounting Standards issued by the International Accounting Standards Board and endorsed by the European Union, as well as the Italian regulations implementing article 9 of Legislative decree no. 38/05.

Basis for opinion

We conducted our audit in accordance with the International Standards on Auditing (ISA Italia). Our responsibilities under those standards are further described in the "*Auditors' responsibilities for the audit of the separate financial statements*" section of our report. We are independent of the company in accordance with the ethics and independence rules and standards applicable in Italy to audits of financial statements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Key audit matters

Key audit matters are those matters that, in our professional judgement, were of most significance in the audit of the separate financial statements of the current year. These matters were addressed in the context of our audit of the separate financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.



Alerion Clean Power S.p.A.
Independent auditors' report
31 December 2024

Recoverability of the carrying amount of investments in subsidiaries, joint ventures and associates

Notes to the separate financial statements: note 6 "Investments in subsidiaries" and note 7 "Investments in joint ventures and associates"

Key audit matter	Audit procedures addressing the key audit matter
<p>The separate financial statements at 31 December 2024 include investments in subsidiaries of €381.1 million and investments in joint ventures and associates of €54.9 million.</p> <p>The company tests the carrying amounts of these equity investments for impairment at least annually and whenever there are indicators of impairment, by comparing them to the related recoverable amounts.</p> <p>It did not test its investments in subsidiaries, joint ventures and associates for impairment, totalling €74 million, as they relate to non-operating entities or to companies whose value was verified during the year at the time of the initial recognition.</p> <p>The directors estimated the recoverable amount of the other equity investments tested for impairment based on the value in use of the various cash-generating units (CGUs) relating to the directly or indirectly operating companies, calculated using the discounted cash flow model.</p> <p>In line with a specific internal policy, the directors test investments in subsidiaries, associates and joint ventures for impairment even when they do not identify any impairment indicators.</p> <p>The process and methods for measuring and determining each CGU's recoverable amount (based on its value in use) are very complex and entail the use of estimates which, by their very nature, are uncertain and subjective about:</p> <ul style="list-style-type: none">• the expected cash flows, calculated by taking into account the general economic performance and that of the company's sector, the actual cash flows for recent years and the projected growth rates;• the financial parameters used to calculate the discount rate of the expected cash flows. <p>For the above reasons and due to the materiality of the relevant captions, we believe that the recoverability of the carrying amount of investments in subsidiaries, joint ventures and associates is a key audit matter.</p>	<p>Our audit procedures included:</p> <ul style="list-style-type: none">• understanding the process adopted to prepare the impairment test approved by the company's board of directors and the key controls implemented;• checking whether how the directors carried out impairment tests complied with the IFRS;• understanding the process adopted for preparing the subsidiaries', associates' and joint ventures' forecasts, on which basis the expected cash flows used for impairment testing have been estimated;• analysing the reasonableness of the assumptions used to prepare the forecasts;• checking any discrepancies between the previous year forecast and actual financial figures, in order to check the accuracy of the estimation process;• checking the mathematical accuracy of the model used to calculate value in use;• checking the sensitivity analysis made by the directors and presented in the notes in relation to the main key assumptions used for impairment testing;• assessing the appropriateness of the disclosures provided in the notes about the recoverability of the carrying amount of investments in subsidiaries, joint ventures and associates. <p>We carried out these procedures with the assistance of our own valuation experts who independently recalculated the main assumptions used, including by means of a comparison with external data and information.</p>



Alerion Clean Power S.p.A.
Independent auditors' report
31 December 2024

Responsibilities of the company's directors and board of statutory auditors ("Collegio Sindacale") for the separate financial statements

The directors are responsible for the preparation of separate financial statements that give a true and fair view in accordance with the IFRS Accounting Standards issued by the International Accounting Standards Board and endorsed by the European Union, as well as the Italian regulations implementing article 9 of Legislative decree no. 38/05 and within the terms established by the Italian law, for such internal control as they determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

The directors are responsible for assessing the company's ability to continue as a going concern and for the appropriate use of the going concern basis in the preparation of the separate financial statements and for the adequacy of the related disclosures. The use of this basis of accounting is appropriate unless the directors believe that the conditions for liquidating the company or ceasing operations exist, or have no realistic alternative but to do so.

The *Collegio Sindacale* is responsible for overseeing, within the terms established by the Italian law, the company's financial reporting process.

Auditors' responsibilities for the audit of the separate financial statements

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

As part of an audit in accordance with ISA Italia, we exercise professional judgement and maintain professional scepticism throughout the audit. We also:

- identify and assess the risks of material misstatement of the separate financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control;
- obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the company's internal control;
- evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the directors;
- conclude on the appropriateness of the directors' use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditors' report to the related disclosures in the separate financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to



Alerion Clean Power S.p.A.
Independent auditors' report
31 December 2024

the date of our auditors' report. However, future events or conditions may cause the company to cease to continue as a going concern;

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

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

We also provide those charged with governance with a statement that we have complied with the ethics and independence rules and standards applicable in Italy and communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, the measures taken to eliminate those threats or the safeguards applied.

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the separate financial statements of the current year and are, therefore, the key audit matters. We describe these matters in our auditors' report.

Other information required by article 10 of Regulation (EU) no. 537/14

On 5 September 2019, the company's shareholders appointed us to perform the statutory audit of its separate and consolidated financial statements as at and for the years ending from 31 December 2020 to 31 December 2028.

We declare that we did not provide the prohibited non-audit services referred to in article 5.1 of Regulation (EU) no. 537/14 and that we remained independent of the company in conducting the statutory audit.

We confirm that the opinion on the separate financial statements expressed herein is consistent with the additional report to the *Collegio Sindacale*, in its capacity as audit committee, prepared in accordance with article 11 of the Regulation mentioned above.

Report on other legal and regulatory requirements

Opinion on the compliance with the provisions of Commission Delegated Regulation (EU) 2019/815

The company's directors are responsible for the application of the provisions of Commission Delegated Regulation (EU) 2019/815 with regard to regulatory technical standards on the specification of a single electronic reporting format (ESEF) to the separate financial statements at 31 December 2024 to be included in the annual financial report.

We have performed the procedures required by Standard on Auditing (SA Italia) 700B in order to express an opinion on the compliance of the separate financial statements with Commission Delegated Regulation (EU) 2019/815.

In our opinion, the separate financial statements at 31 December 2024 have been prepared in XHTML format in compliance with the provisions of Commission Delegated Regulation (EU) 2019/815.



Alerion Clean Power S.p.A.
Independent auditors' report
31 December 2024

Opinion and statement pursuant to article 14.2.e)/e-bis)/e-ter) of Legislative decree no. 39/10 and article 123-bis.4 of Legislative decree no. 58/98

The company's directors are responsible for the preparation of a directors' report and a report on corporate governance and ownership structure at 31 December 2024 and for the consistency of such reports with the related separate financial statements and their compliance with the applicable law.

We have performed the procedures required by Standard on Auditing (SA Italia) 720B in order to:

- express an opinion on the consistency of the directors' report and certain specific information presented in the report on corporate governance and ownership structure required by article 123-bis.4 of Legislative decree no. 58/98 with the separate financial statements;
- express an opinion on the consistency of the directors' report and certain specific information presented in the report on corporate governance and ownership structure required by article 123-bis.4 of Legislative decree no. 58/98 with the applicable law;
- issue a statement of any material misstatements in the directors' report and certain specific information presented in the report on corporate governance and ownership structure required by article 123-bis.4 of Legislative decree no. 58/98.

In our opinion, the directors' report and the specific information presented in the report on corporate governance and ownership structure required by article 123-bis.4 of Legislative decree no. 58/98 are consistent with the company's separate financial statements at 31 December 2024 and have been prepared in compliance with the applicable law.

With reference to the above statement required by article 14.2.e-ter) of Legislative decree no. 39/10, based on our knowledge and understanding of the entity and its environment obtained through our audit, we have nothing to report.

Milan, 24 March 2025

KPMG S.p.A.

(signed on the original)

Silvia Di Francesco
Director

Annex A

List of equity investments held as of 31 December 2024 by Alerion Clean Power S.p.A. and statement of changes during the year:

Changes in equity investments during the year ending 31.12.2024

	31.12.2023					31.12.2024	
Company	%	Amount	Increases	Decreases	Impairment losses	%	Amount
Investments in consolidated subsidiaries							
Alerion Servizi Tecnici e Sviluppo S.r.l.	100	712,776	-	-	-	100	712,776
FRI-EL Albareto S.r.l.	100	5,200,000	-	-	-	100	5,200,000
Green Energy Sardegna S.r.l.	100	7,700,000	-	-	-	100	7,700,000
Eolica PM S.r.l.	100	17,950,000	-	-	-	100	17,950,000
Alerion Bioenergy S.r.l.	100	-	-	-	-	100	-
Alerion Real Estate S.r.l. in liquidation	100	672,804	-	-	-	100	672,804
Callari S.r.l.	100	9,981,674	-	-	-	100	9,981,674
Eolo S.r.l.	100	3,418,283	-	-	-	100	3,418,283
Dotto S.r.l.	100	7,724,022	-	-	-	100	7,724,022
Krupen Wind S.r.l.	100	165,580	-	-	-	100	165,580
Minerva S.r.l.	100	10,078,964	-	-	-	100	10,078,964
Renergy San Marco S.r.l.	100	18,690,328	-	-	-	100	18,690,328
Ordona Energia S.r.l.	100	7,965,000	-	-	-	100	7,965,000
Parco Eolico Licodia Eubea S.r.l.	80	5,508,035	-	-	-	80	5,508,035
Wind Power Sud S.r.l.	100	31,789,340	-	-	-	100	31,789,340
Alerion Spain S.L.	51	2,608,037	2,158,463	-	-	51	4,766,500
FRI-EL Ichnusa S.r.l.	100	57,736,905	-	-	-	100	57,736,905
Anemos Wind S.r.l.	100	3,500,000	-	-	-	100	3,500,000
FW Holding S.r.l.	100	71,556,640	-	-	-	100	71,556,640
FRI-EL Nulvi Holding S.r.l.	90	19,800,000	-	-	-	90	19,800,000
Alerion Iberia S.L.	100	150,000	50,000	-	-	100	200,000
Alperion S.r.l. (formerly Naonis Wind S.r.l.)	100	2,411,075	-	(2,411,075)	-	-	-
Enermac S.r.l.	100	14,885,126	-	(14,885,126)	-	-	-
Fucini 4 S.r.l.	100	2,010,000	-	-	-	100	2,010,000
Alerion Investments S.r.l.	100	10,000	-	-	-	100	10,000
Alerion Service S.r.l.	100	6,000,000	-	-	-	100	6,000,000
FRI-EL Anzi S.r.l.	100	26,831,240	-	-	-	100	26,831,240
FRI-EL Guardionara S.r.l.	100	34,964,808	-	-	-	100	34,964,808

Alerion Seddanus S.r.l.	100	3,500,021	-	-	-	100	3,500,021
FRI-EL Solar S.r.l.	100	5,936,451	-	-	-	100	5,936,451
Alerion Arlena S.r.l.	-	-	8,820,000	-	-	100	8,820,000
Alerion UK Ltd	100	2	-	-	-	100	2
Alerion Romania S.A.	95	-	-	-	-	95	-
Alerion Renewable RO Srl	51	7,907,581	-	-	-	51	7,907,581
Alerion Energy RO Srl	100	2,032	-	-	-	100	2,032
Alerion Ireland Ltd	100	1	-	-	-	100	1
Alerion Bulgaria A.D.	92.5	-	-	-	-	92.5	-
Total		387,366,725	11,028,463	(17,296,201)	-		381,098,987
Interests in joint ventures							
Ecoenergia Campania S.r.l.	50	2,405,706	-	-	-	50	2,405,706
Alerion Clean Power RO S.r.l.	49	859,720	-	-	-	49	859,720
Alperion S.r.l. (formerly Naonis Wind S.r.l.)	50	-	74,738,075	(37,369,037)	-	50	37,369,039
New Green Molise S.r.l.	50	14,240,428	-	-	-	50	14,240,428
Total		17,505,854	74,738,075	(37,369,037)	-		54,874,893
Total		404,872,579	85,766,538	(54,665,238)	-		435,973,880