

2024 Interim Financial Report

2024 INTERIM FINANCIAL REPORT

(Translation from the Italian original which remains the definitive version)

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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
Antonia Coppola	Director ^{2 4}
Nadia Dapoz	Director ^{2 3 4}
Carlo Delladio	Director ^{2 3 4}
Elisabetta Salvani	Director ²
Germana Cassar	Director ³
Pietro Mauriello	Director
Stefano D'Apolito	Director

¹ Directors with operating powers

² Members of the Control, Risks and Sustainability Committee

³ Members of the Remuneration and Appointments Committee

⁴ Members of the Transactions with Related Parties Committee

Board of Statutory Auditors

Loredana Conidi	Chairman
Alessandro Cafarelli	Standing Statutory Auditor
Paolo Corti	Standing Statutory Auditor
Alice Lubrano	Alternate Statutory Auditor
Roger Demoro	Alternate Statutory Auditor

Manager in charge of financial reporting (Law no.262/05)

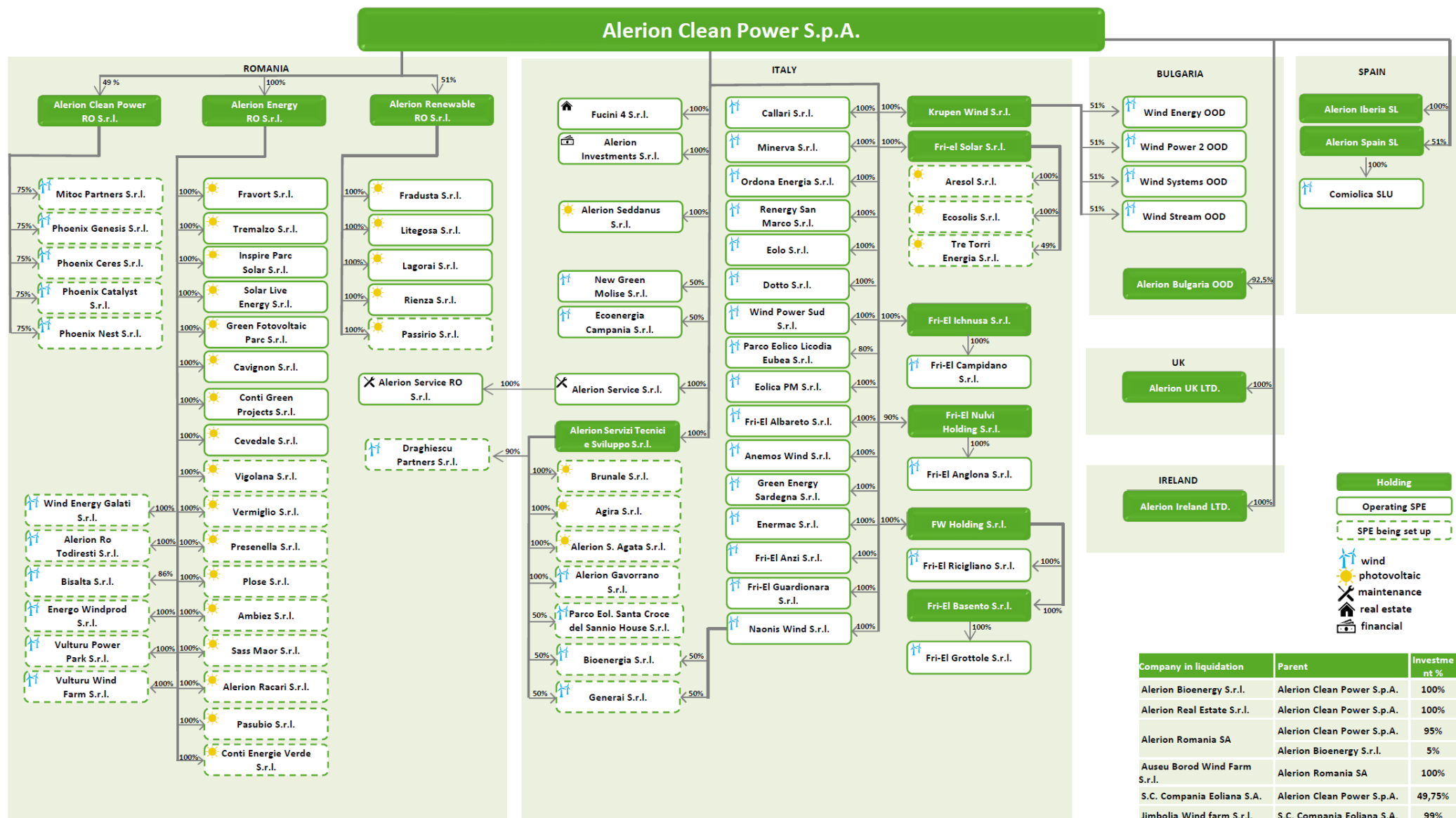
Stefano Francavilla

Independent Auditors

KPMG S.p.A.
Via Vittor Pisani 25
20124 Milan

* In office since 20 April 2023

ALERION GROUP STRUCTURE



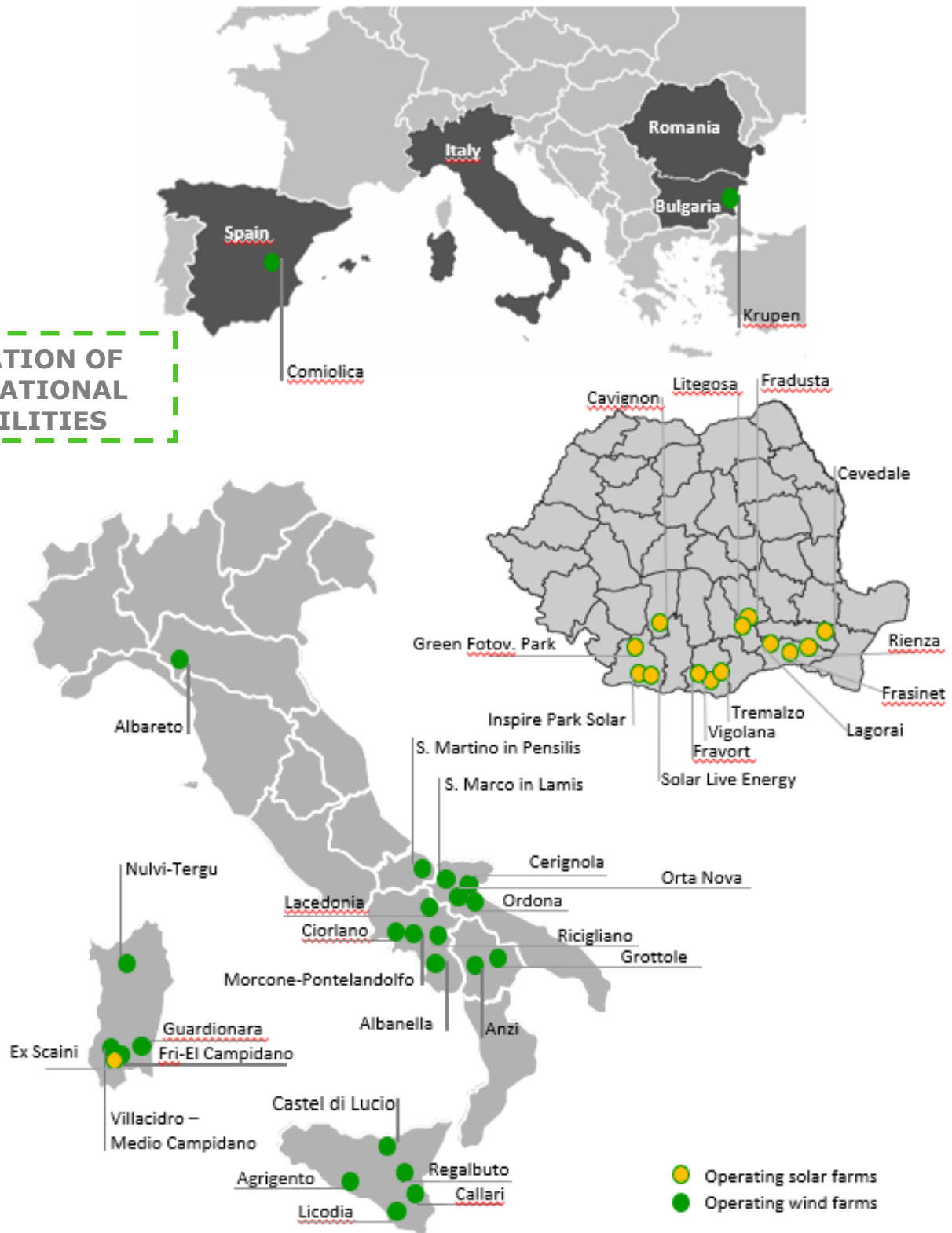


DIRECTORS' REPORT

ALERIONCLEANPOWER

THE WIND ENERGY COMPANY

LOCATION OF OPERATIONAL FACILITIES



FOREWORD

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.

This consolidated interim report has been prepared in accordance with Art. 154 *ter* of Legislative Decree 24/02/98 no. 58 and CONSOB regulation no. 11971 of 14 May 1999 as amended.

This consolidated interim report includes the condensed interim consolidated financial statements, drawn up according to IAS 34 and with the disclosures deemed appropriate for a clearer understanding of the Group's economic and financial situation for the six-month period that ended on 30 June 2024. For this reason, the said financial statements do not include all the additional information required in the annual financial statements and should be read jointly with the Group's consolidated financial statements as at 31 December 2023.

The publication of the condensed interim consolidated financial statements as at 30 June 2024 was authorised by resolution of the directors on 30 July 2024.

SIGNIFICANT EVENTS DURING THE PERIOD

The main events that took place in the first half of 2024 are described below:

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 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 will begin in 2024 and the turbines should be delivered to the site in first quarter of 2025. The plant is expected to be commissioned in the second half of 2025.

ROMANIA:

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 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.

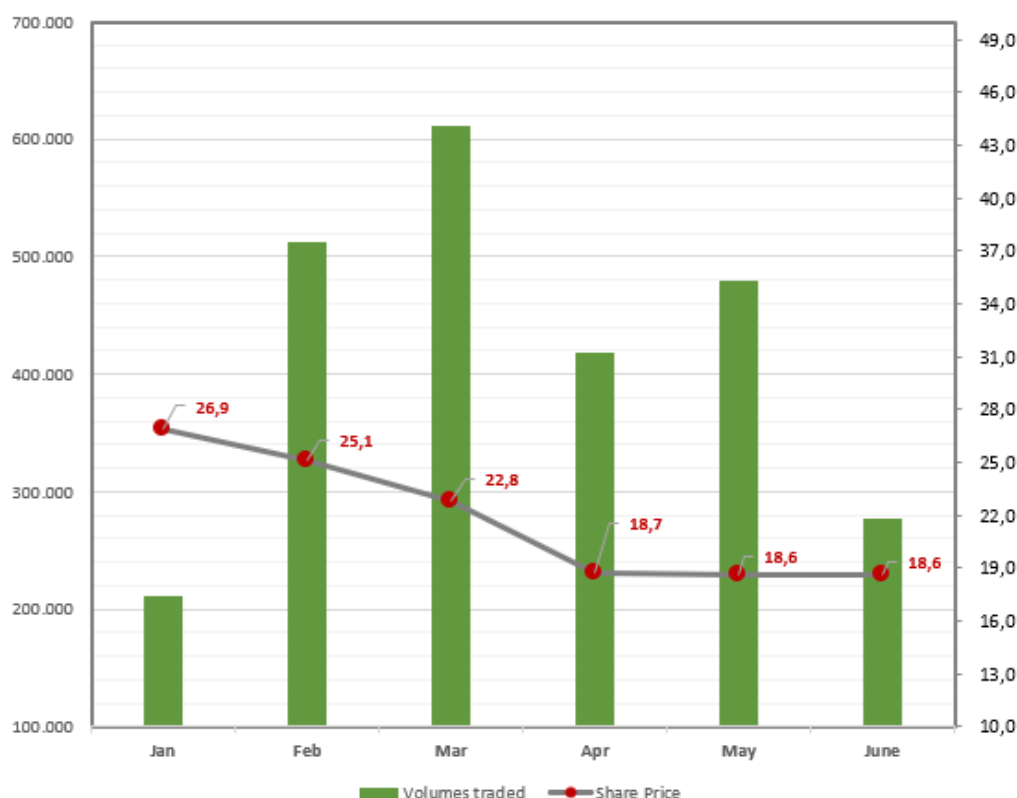
In May, Alerion completed the construction and started production of two new photovoltaic plants in Romania. Specifically, the construction of two new plants was completed and production started at the sites, which are located in the municipality of Peris (Province of Ilfov) and each of which has an 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.

In the second quarter of 2024, through its direct subsidiaries Vultur Power Park S.r.l., Vultur 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 Vultur 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. The plants are estimated to come into production in 2027. The expected production of the entire wind power project (including the three plants) when fully operational is estimated to be approximately 1,100 GWh per year, with an expected annual gross operating profit (EBITDA) of approximately EUR 85 million when fully operational.

ALERION CLEAN POWER ON THE STOCK EXCHANGE

As of 30 June 2024, the reference price of ALERION shares was EUR 16.36, a decrease (-38%) compared to 31 December 2023, when it was EUR 26.6, after having distributed a dividend of EUR 0.61 per share on 8 May 2024.

During the period under examination, the first half of 2024, Alerion's share price fluctuated between a low of EUR 16.34 on 28 June 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 first 6 months of 2024.

Share price	Euro
Price as at 30/06/2024	16.36
Maximum price (09/01/2024)	27.15
Minimum price (28/06/2024)	16.34
Average price	20.46

Market capitalisation as at 30 June 2024 amounted to approximately EUR 887 million (EUR 1,443 million at the end of 2023). The average number of shares outstanding during the period was 53,578,135.

Volumes traded	No. of shares
Maximum volume (13/03/2024)	88,846
Minimum volume (15/01/2024)	2,650
Average volume	20,088

BASIS OF PREPARATION OF THE RECLASSIFIED INTERIM CONSOLIDATED FINANCIAL STATEMENTS

Please find below a description of the basis of preparation of the reclassified consolidated statement of financial position and consolidated income statement for the six months ended at 30 June 2024, included and commented on, respectively, in the following section on "The Group's performance".

This interim report contains certain Alternative Performance Indicators (APIs) that differ from the financial indicators expressly provided for in the IAS/IFRS adopted by the Group. In addition, to facilitate the understanding of management performance, economic results are shown excluding given income components that are regarded as non-recurring, defined internally as 'special items': such results, net of 'special items' are indicated as 'Adjusted results'. For the definition of indicators and the reconciliation of the corresponding amounts, please refer to the specific section "Alternative Performance Indicators".

Reclassified consolidated statement of financial position as at 30 June 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 258 million, ii) "Development costs" in the amount of EUR 15.5 million, iii) "Patents and intellectual property rights" and "Other intangible assets", which amounted to a total of EUR 0.2 million, iv) "Intangible assets in progress" in the amount of EUR 11.5 million (Note "4").
- **Property, plant and equipment:** this item includes: i) "Land" in the amount of EUR 30.4 million, ii) "Buildings" in the amount of EUR 5.1 million, iii) "Plant and Machinery" in the amount of EUR 459.7 million, iv) "Other Assets" in the amount of EUR 2.3 million and v) "Assets under construction" in the amount of EUR 112.8 million, relating to investments in wind farms (Note "5").
- **Financial assets:** this item includes the value of equity investments recorded under non-current financial assets in the item "Investments accounted for using the equity method" in the amount of EUR 20.7 million (Note "6").
- **Non-Current Financial Receivables:** this item includes the value of Financial Receivables and Other Non-Current Financial Assets, in the amount of EUR 20.5 million (Notes "18" and "23").

Other non-financial assets and liabilities, the item refers to i) "Trade receivables" from both affiliated and other companies totalling EUR 17.9 million (note "9"), ii) "Deferred tax assets" totalling EUR 27.2 million (note "33"), iii) "Current tax assets" (note "10") and "Other current assets" (note "11") totalling EUR 51.8 million, iv) "Trade payables" totalling EUR 68.5 million (note "13"), v) "Post-employment benefits and other employee benefits" totalling EUR 1.4 million (note "24"), vi) "Deferred tax liabilities" in the amount of EUR 48.8 million (note "33"), vii) "Provisions for future risks and charges" in the amount of EUR 11.7 million (note "25"), viii) "Other non-current liabilities" in the amount of EUR 22.4 million (note "12"), ix) "Current tax liabilities" of EUR 40.3 million (note "14"), x) "Other current liabilities" of EUR 12.1 million (note "15"), xi) "Other non-current assets" (note "7") totalling EUR 1.4 million, xii) "Inventories" totalling EUR 12.9 million (note "8").

Cash includes "Cash and cash equivalents" in the amount of EUR 300.5 million (Note "20").

Other financial assets and liabilities, the item includes: i) "Financial receivables and other current financial assets" of EUR 69.8 million (Note "19"); ii) "Non-current financial liabilities" of EUR 845.9 million (Note "21"); iii) "Current financial liabilities" of EUR 65 million (Note "22"); and iv) "derivative financial instruments", classified under current and non-current assets and liabilities for a negative net value of EUR 3 million (Note "23").

Reclassified Consolidated Income Statement as at 30 June 2024 items have been reclassified and aggregated as follows:

Revenue, this item includes i) revenue from "Energy sales" and "Incentive sales" in the amount of EUR 81.5 million, ii) "Other revenue and income" in the amount of EUR 9.8 million (Notes "27" and "28").

Net financial costs, this item includes i) the net negative balance from "Net financial costs" of EUR 10.8 million (Note "31").

Income taxes, this item includes i) the net negative balance from "Current" of EUR 4.4 million and ii) "Deferred" of EUR 5.7 million (Note "33").

KEY RESULTS

This summary statement shows the adjusted profit or loss, excluding special items.

	First half 2024	First half 2023
Statement of adjusted profit or loss** (Millions of Euro)		
Adjusted Revenues	91.3	97.6
Adjusted Gross Operating Profit (EBITDA)	65.8	74.1
Adjusted Profit for the period	17.7	25.8
Adjusted Profit attributable to the owners of the parent	17.4	25.4
Statement of financial position (Millions of Euro)	30.06.2024	31.12.2023
Equity	299.2	326.7
Financial Indebtedness*	543.5	458.7
Financial Indebtedness* (excluding derivatives)	540.5	467.8
Operating figures	First half 2024	First half 2023
Gross capacity (MW)	911.7	866.6
Electricity production (GWh) ⁽¹⁾	775.5	695.4
Electricity production (GWh) - Consolidated plants	742.7	654.8

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

* Financial indebtedness according to ESMA Guidelines 32-382-1138

**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 of assets from impairment testing;
- income and expenses related to the ineffective portion of interest rate derivatives classified as hedges;

Special Items (Millions of Euro)	First half 2024	First half 2023
Other revenues - capital gain from asset disposals		(13.9) a
Amortisation, depreciation - impairment losses from impairment test		16.9 b
Net financial costs - income from revaluation under IFRS 3		(22.9) c
Net financial costs - ineffective portion of interest rate derivatives	(0.3)	0 d
Corrective tax effect	0.1	(4.8)
Total Special Items	(0.2)	(24.7)

- a **Other revenues** in the first half of 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** as at 30 June 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 16.9 million, following the impairment test procedures on 30 June 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 0.3 million in the first half of 2024.

Income taxes

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

THE GROUP'S PERFORMANCE

Operating performance in the first half of 2024

Operating performance in the first half of 2024 was characterised by electricity production totalling 775 GWh, up on the same period of 2023 when it totalled 695 GWh. The increase in gross capacity from 866.6 MW to 911.7 MW compared to the same period in 2023 can be attributed to new operating photovoltaic capacity in Italy and Romania.

In the first semester 2024, the contraction in average electricity selling prices was marked compared to 2023; indeed, average revenues from electricity transfers for the group's plants, including the GRIN incentive, were EUR 109.7 per MWh, compared to an average of EUR 142.4 per MWh in 2023, considering that the price of the GRIN incentive recognised to incentivised plants for 2024 was EUR 42.2 per MWh, while it was zero for 2023.

ALERION GROUP - Reclassified Income Statement (Values in Millions of Euro)	First half 2024	First half 2023
Revenues	81.5	86.4
Other Adjusted Revenues and Income	9.8	11.2
Total Adjusted Revenues and Income	91.3	97.6
Personnel expenses	(6.5)	(4.9)
Other operating costs	(19.9)	(20.7)
Operating costs	(26.4)	(25.6)
Share of net profits of investments accounted for using the equity method	0.9	2.1
Adjusted Gross Operating Profit (EBITDA)	65.8	74.1
Amortisation, depreciation and impairment losses	(26.9)	(25.5)
Adjusted Operating Profit (EBIT)	38.9	48.6
Net financial costs	(11.1)	(8.7)
Adjusted Profit before tax (EBT)	27.8	39.9
Income taxes	(10.1)	(14.1)
Adjusted Profit for the period	17.7	25.8
Profit attributable to non-controlling interests	0.3	0.4
Profit attributable to the owners of the parent	17.4	25.4

Group **Total Adjusted Revenues and Income** for the period in question totalled EUR 91.3 million, down on the EUR 97.6 million recorded in the first half of 2023. In particular, in the first half of 2024, Group **Revenues** amounted to EUR 81.5million, down compared to the EUR 86.4 million figure of the first half of 2023, reflecting lower electricity selling prices than in 2023 and fully consolidated electricity production up by 88 GWh due to increased windiness at the sites and the coming into operation of new installed capacity.

The negative effects of the sale price contraction were partially offset by hedges on electricity price fluctuations taken out on part of the production in order to reduce the risk of volatility. These hedging contracts, in line with industry practice, resulted in a positive correction of EUR 8.4 million, recognised directly in revenues from electricity sales for the first half of the year.

Below is a breakdown of the average zone prices and the National Single Price ("PUN") for the first half of 2024 and the first half of 2023:

Price Scenario (Euro/Mwh)	First half 2024	First half 2023	Δ	Δ %
National Single Price - (PUN) - Italian electricity reference price	93.5	136.1	(42.6)	-31%
Electricity price North Zone	93.3	137.5	(44.2)	-32%
Electricity price Central North	93.7	137.5	(43.8)	-32%
Electricity price Centre-South	94.1	134.1	(40.1)	-30%
Electricity price South	93.1	132.3	(39.2)	-30%
Electricity price Sardinia	89.8	131.4	(41.7)	-32%
Electricity price Sicily	94.4	132.4	(38.0)	-29%
Feed-in Premium (former Green Certificates) Italy	42.2	0.0	42.2	100%
Electricity price Spain	39.1	88.9	(49.8)	-56%
Electricity price Romania	76.2	108.2	(32.0)	-30%

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 the first half of 2024, the average selling price for fully consolidated wind power plants incentivised according to the Feed-in Tariff (FIP), formerly "green certificates", were EUR 128.2 per MWh, compared to EUR 142.4 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 selling price of electricity in 2024 for fully consolidated plants was EUR 86 per MWh, compared to EUR 142.4 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 9.8 million (EUR 11.2 million in the first half of 2023) and mainly related to: i) insurance indemnities received during the period, iii) 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 periods, and vi) administrative and technical consulting services rendered to third-party companies and consolidated companies using the equity method.

The following table shows the Group's installed capacity detailed by sector and geographic area for the first half of 2024.

Alerion Plants Installed Capacity	Gross capacity (MW)		Ownership (%)	Consolidated Capacity (MW)	
Subsidiaries (fully consolidated Plants)	30 June 2023	30 June 2024		30 June 2023	30 June 2024
Operating wind power plants in Italy					
North	19.8	19.8	100%	19.8	19.8
Centre-South	116.3	116.2	100%	116.3	116.2
South	210.2	210.2	100%	210.2	210.2
Sicily	164.2	164.2	100%	164.2	164.2
Sardinia	155.2	155.2	100%	155.2	155.2
Total	665.6	665.6		665.6	665.6
Photovoltaic systems Italy					
Sardinia	0.0	13.5	100%	0.0	13.5
Total	0.0	13.5		0.0	13.5
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	80.0	111.6	100%	80.0	111.6
Total	80.0	111.6		80.0	111.6
Total Subsidiaries plants	793.6	838.7		793.6	838.7
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	58.0	50%	29.0	29.0
Sardinia	0.0	0.0	49%	0.0	0.0
Total	73.0	73.0	50%	36.5	36.5
Total	866.6	911.7		830.1	875.2
(1) Installations held by investments consolidated using the equity method due to the application of IFRS 11					

Below are the Group's operating wind farm electricity production figures for the first half of 2024:

Alerion Plant Production		Consolidated production (MWh)	
Subsidiaries (Fully consolidated Plants)	30 June 2023	30 June 2024	
Operating wind farms in Italy by zone			
North	26,594	21,647	
Centre-South	119,460	114,630	
South	183,962	194,958	
Sicily	125,955	130,103	
Sardinia	121,766	154,477	
Total	577,737	615,815	
Photovoltaic systems Italy			
Sardinia	0	6,141	
Total	0	6,141	
Wind power plants operating abroad			
Spain	47,520	44,490	
Bulgaria	14,711	13,622	
Total	62,231	58,112	
Photovoltaic plants operating abroad			
Romania	14,860	62,593	
Total	14,860	62,593	
Total Subsidiaries plants	654,828	742,661	
Wind power plants in companies whose shareholding is consolidated using the equity method (1)			
Operating wind farms in Italy by zone of joint venture companies			
Centre-South	6,132	6,798	
South	34,408	26,072	
Sardinia	0	0	
Total	40,540	32,870	
Total	695,369	775,531	
(1) Installations held by investments consolidated using the equity method due to the application of IFRS 11			

Adjusted Gross Operating Profit (EBITDA) in the first half of 2024, net of special items, was EUR 65.8 million, compared with EUR 74.1 million in the same period of 2023. EBITDA in the first half of 2024 reflects the positive increase in consolidated electricity production volumes of about 88 GWh compared to the previous half year, net of the said decrease in electricity selling prices. The ratio between EBITDA and Operating Revenue for the period is 80.7%.

The **Share of profits of companies consolidated using the Equity Method**, included in the EBITDA, was EUR 0.9 million, down from the result in 2023 when it was EUR 2.1 million.

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 30 June 2024 consisted of 195 employees, of which about 17.95% were employed in Group companies based abroad, registering a net increase of 26 employees compared to 31 December 2023. The growth of the organisational structure is mainly attributable to the internalisation of operating and maintenance activities of operating plants and to the process of continuous expansion of activities both in Italy and abroad.

Adjusted Operating Profit for the first half of 2024 amounted to EUR 38.9 million, down from the previous half year (EUR 48.6 million), after amortisation, depreciation and impairment losses of EUR 26.9 million. Amortisation/depreciation was higher than in the previous half year due to new operational installed capacity.

Adjusted Profit before tax was EUR 27.8 million, down from the first half of 2023 when it was EUR 39.9 million, after financial charges totalling EUR 11.1 million.

Adjusted Profit for the period was EUR 17.7 million after income taxes totalling approx. EUR 10.1 million, down from the first half of 2023 (EUR 25.8 million).

The **Adjusted Profit attributable to the owners of the parent** in the first half of 2024 was EUR 17.4 million (EUR 25.4 million in the first semester of 2023).

The **Profit attributable to non-controlling interests** in the first half of 2024 was EUR 0.3 million (down from the 30 June 2023 figure of EUR 0.4 million).

Statement of Financial Position and Financial Results

ALERION GROUP

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

	30.06.2024	31.12.2023
Intangible assets	285.2	265.0
Property, plant and equipment	610.3	591.8
Financial assets	20.7	33.2
Non-current financial receivables	20.5	18.8
Non-current assets	936.7	908.8
Other non-financial assets and liabilities	(94)	(123.4)
NET INVESTED CAPITAL	842.7	785.4
Equity attributable to the owners of the parent	293.1	320.8
Equity attributable to non-controlling interests	6.1	5.9
Equity	299.2	326.7
Cash and cash equivalents	300.5	343.2
Other financial assets and liabilities	(844.0)	(801.9)
Financial indebtedness*	(543.5)	(458.7)
EQUITY + FINANCIAL INDEBTEDNESS*	842.7	785.4

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

Change in the Scope of Consolidation in the Period

During the first half of 2024, the Group continued growing in Romania by acquiring 3 new companies, owners of a wind farm totalling 233 MW. In Italy, further development initiatives were added by establishing and acquiring some SPVs with projects in the planning and development phase; see the "Scope of Consolidation" section in the notes.

Property, plant and equipment and Intangible assets as at 30 June 2024 amounted to EUR 895.5 million (EUR 856.8 million as at 31 December 2023). Non-current assets increased by EUR 38.7 million compared to the value as at 31 December 2023 after amortisation, depreciation and impairment losses totalling EUR 26.9 million. The increase relates to the higher investments made during 2024, mainly in Italy and Romania.

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 11.8 million as at 30 June 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 3.4 million (EUR 0.2 million as of 31 December 2023).

Equity attributable to the owners of the parent as at 30 June 2024 amounted to EUR 293.1 million, a decrease of EUR 27.7 million compared to 31 December 2023, when it amounted to EUR 320.8 million. The change was mainly due to: i) the share of profits for the period attributable to owners of the parent of EUR 17.6 million; ii) the negative change in the fair value of derivative financial instruments on project financing bank loans and commodity swaps on the sale price of electricity, net of the tax effect, for EUR 8 million; iii) dividend distribution for EUR 32.7 million, as per resolution of 22 April 2024, and iv) purchases of treasury shares for EUR 4.3 million.

Financial indebtedness as of 30 June 2024 was EUR 543.5 million, an increase of EUR 84.8 million compared to 31 December 2023 when it was EUR 458.7 million, the change reflecting mainly the investments made in the six-month period in Romania and Italy and the payment of dividends for EUR 32.7 million.

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", the "2022-2028 bond loan" and the "2023-2029 bond loan" issued at the end of 2023, all classified as "Green Bonds". It should be noted that as of 31 December 2023, the covenants had been met.

ALERION GROUP - Financial indebtedness

	30.06.2024	31.12.2023
Cash and cash equivalents		
Cash equivalents	300.5	343.2
Total cash and cash equivalents	300.5	343.2
Financial receivables and other current financial assets	71.7	77.6
Liquidity	372.2	420.8
Current financial liabilities		
Bank facilities	(35.0)	(0.1)
Derivative financial instruments	(4.7)	0
Current financial debt	(39.7)	(0.1)
Bank loans and borrowings and projects financing	(18.9)	(29.7)
Lease liabilities	(1.1)	(1.1)
Bonds issued	(7.3)	(3.7)
Other loans and borrowings	(2.6)	(0.4)
Current portion of non-current financial debt	(29.9)	(34.9)
Current financial indebtedness	(69.6)	(35.0)
NET CURRENT FINANCIAL INDEBTEDNESS	302.6	385.8
Non-current financial liabilities		
Bank loans and borrowings and project financing	(143.0)	(146.9)
Other loans and borrowings	(23.0)	(17.5)
Lease liabilities	(14.9)	(15.6)
Derivative financial instruments	(0.2)	(0.3)
Non-current financial debt	(181.1)	(180.3)
Bonds issued	(665.0)	(664.2)
Debt instruments	(665.0)	(664.2)
NON-CURRENT FINANCIAL INDEBTEDNESS	(846.1)	(844.5)
FINANCIAL INDEBTEDNESS*	(543.5)	(458.7)
FINANCIAL INDEBTEDNESS (excluding Derivatives)	(540.5)	(467.8)
Financial receivables and other non-current financial assets	15.5	15.0
Derivative financial instruments	5.0	3.8
ACCOUNTING FINANCIAL INDEBTEDNESS	(523.0)	(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	(525.0)	(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 the note commenting on net financial position.

The change in Financial Indebtedness thus mainly reflects: (i) cash flows generated by operations amounting to about EUR 57.5 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 43.9 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 34.6 million iv) dividends received from investee companies valued using the equity method totalling EUR 5.1 million.

The following table shows the various management components of cash flow, highlighting changes in financial indebtedness:

<i>(values in Millions of Euro)</i>	First half 2024	First half 2023
Cash flows generated by operations, including the settlement on derivative contracts	57.5	68.0
Cash flows generated by operations relating to the settlement on derivative contracts	(36)	-
Cash flows absorbed by investments	(43.9)	(38.3)
Net financial costs for the period and the change in the fair value of derivative financial instruments	(34.6)	(25.1)
Dividends received from companies whose investments are accounted for using the equity method	5.1	1.8
Dividends paid	(32.9)	(35.1)
Change in Financial Indebtedness*	(84.8)	(28.7)
Financial Indebtedness* at start of period	(458.7)	(385.5)
FINANCIAL INDEBTEDNESS* AT END OF PERIOD	(543.5)	(414.2)

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

Leverage, expressed as the ratio of financial indebtedness to net invested capital, was 64.5% at 30 June 2024 (58.4% at 31 December 2023).

Financial indebtedness excluding derivatives as at 30 June 2024 was EUR 540.5 million (EUR 467.8 million at 31 December 2023).

The **Group's cash and cash equivalents** amounted to EUR 300.5 million as of 30 June 2024, a decrease of EUR 42.7 million compared to 31 December 2023, when they amounted to EUR 343.2 million. The changes in the period mainly include the positive effects of cash flows generated by operations totalling EUR 57.5 million, partially offset by the cash flows absorbed for the settlement on derivative contracts in the amount of EUR 36 million, the cash flows absorbed by investment activities in Romania and Italy in the amount of EUR 43.9 million, and dividends paid in the amount of EUR 32.9 million.

Current financial debt as of 30 June 2024, including payables for derivative financial instruments for the current portion, was EUR 69.6 million, up EUR 34.6 million compared to the 31 December 2023 figure of EUR 35 million. The change is mainly due i) to the increase in credit lines used by the subsidiary Alerion Clean Power in the amount of EUR 35 million during the period, ii) the decrease in Bank loans and borrowings and project financing in the amount of EUR 10.8 million, and iii) interest accrued in the period on bonds existing as at 30 June 2024.

Non-current financial indebtedness as of 30 June 2024, including payables for derivative financial instruments for the non-current portion, amounted to EUR 846.1 million (EUR 844.5 million as of 31 December 2023) and included (i) the bonds issued in the amount of EUR 665 million, comprising the 2019-2025 bond issue subscribed on 12 December 2019 in the amount of EUR 200 million, net of residual ancillary costs of EUR 1.3 million, the 2021-2027 bond issue subscribed on 3 November 2021 in the amount of EUR 200 million, net of residual ancillary costs of EUR 1.6 million, the 2022-2028 bond issue subscribed on 17 May 2022, equal to EUR 100 million net of ancillary costs of EUR 1.2 million, and the 2023-2029 bond issue subscribed on 12 December 2023, equal to EUR 170 million net of ancillary costs of EUR 2.2 million, (ii) the medium-/long-term portions of project financing, amounting to EUR 143 million, which decreased because of the instalments that expired on 30 June 2024, (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 14.9 million.

Financial receivables and other non-current financial assets as of 30 June 2024 amounted to EUR 20.5 million, an increase of EUR 1.7 million compared to 31 December 2023, and mainly refer to financial receivables from companies consolidated using the equity method and derivative financial instruments recognised following the positive change in their fair value during the half year.

For terms and conditions for related party transactions, please refer to note "37" "Details of related party and intra-group transactions as at 30 June 2024".

LEGISLATIVE FRAMEWORK

Below are the most significant measures that characterised the legislative framework for the sector during the first half of 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%.

Spanish 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 geographic 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 geographic 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 macroeconomic context, which in 2023 strongly affected interest rates, pushing them up significantly, did not have a significant impact on the Group, given the policy of entering into hedging contracts, interest rate swaps, on project financing and the use of fixed-rate bond issues. The recent bond issue of 12 December 2023 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 2023 has been met.

"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 2023 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 2023 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 2023 has been met.

Project Financing

With reference to the project financing loans, please refer to Note 21 "NON-CURRENT FINANCIAL LIABILITIES" in which the details of the financial parameters to be met as at 30 June 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.

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 amounted to EUR 8.4 million as at 30 June 2024 and EUR 18.4 million as at 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.

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.

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, Naonis and Campidano wind farms, benefit from incentive schemes and, as at 30 June 2024, 14% of the Group's operating revenue is attributable to national incentive schemes; the ratio was 1% in the same period of 2023 when the increase in electricity sale prices that occurred in the previous period led to the so-called "GRIN" incentive being nil for the year 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

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 significantly limited to a few commercial counterparties with a high credit standing, whose positions are periodically monitored for compliance with payment terms.

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.

The risk is also mitigated also by resorting to the bond market, as evidenced by the various bonds issued with an average term of 6 years. In this respect, the following bond issues are recalled: i) bond issue dated 19 December 2019, fixed 3.125% rate, ii) bond issue dated 3 November 2021, fixed 2.25% rate, iii) bond issue dated 17 May 2022, fixed 3.5% rate and, finally, iv) latest bond issue subscribed on 12 December 2023, fixed 6.75% rate. The bonds are not exposed to interest rate volatility as they are at a fixed rate.

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.

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 Half-yearly Report, please note that:

- the determination of the Alternative Performance Measures used by the Issuer is not governed by IFRS, and these indicators 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.
- Management assesses business performance using measures that exclude significant non-recurring income components (**special items**), deeming that such performance measures ensure a more immediate analysis of business performance and better comparability of results. These components - special items - refer to expenses and income that Management deems unrelated to industrial operations and that are stated gross and net of the tax effect, respectively.

Below are the Alternative Performance Measures contained in this half-yearly 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 and 12 December 2023, 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 impairment test;
- income and expenses related to the ineffective portion of interest rate derivatives classified as hedges.

Special Items (Millions of Euro)	First half 2024	First half 2023
Other revenues - capital gain from asset disposals		(13.9) a
Amortisation, depreciation - impairment losses from impairment test		16.9 b
Net financial costs - income from revaluation under IFRS 3		(22.9) c
Net financial costs - ineffective portion of interest rate derivatives	(0.3)	0 d
Corrective tax effect	0.1	(4.8)
Total Special Items	(0.2)	(24.7)

- a** **Other revenues** in the first half of 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** as at 30 June 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 16.9 million, following the impairment test procedures on 30 June 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 22.8 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

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

ALERION GROUP - Reclassified Income Statement

(Values in Millions of Euro)

	Reported		Adjusted
	First half 2024	Special items	First half 2024
Revenue	81.5	0.0	81.5
Other revenue and income	9.8	0.0	9.8
Total Revenues and Income	91.3	0.0	91.3
Personnel expenses	(6.5)	0.0	(6.5)
Other operating costs	(19.9)	0.0	(19.9)
Operating costs	(26.4)	0.0	(26.4)
Share of profits of investments accounted for using the equity method	0.9	0.0	0.9
Gross operating profit (EBITDA)	65.8	0.0	65.8
Amortisation, depreciation and impairment losses	(26.9)	0.0	(26.9)
Operating profit (EBIT)	38.9	0.0	38.9
Net financial costs	(10.8)	(0.3)	(11.1)
Profit before tax (EBT)	28.1	(0.3)	27.8
Income taxes	(10.2)	0.1	(10.1)
Profit for the period	17.9	(0.2)	17.7
Profit attributable to non-controlling interests	0.3	0.0	0.3
Profit attributable to the owners of the parent	17.6	(0.2)	17.4

ALERION GROUP - Reclassified Income Statement

(Values in Millions of Euro)

	Reported		Adjusted
	First half 2023	Special items	First half 2023
Operating revenue	86.4	0.0	86.4
Other revenue and income	25.1	(13.9)	11.2
Total Revenues and Income	111.5	(13.9)	97.6
Personnel expenses	(4.9)	0.0	(4.9)
Other operating costs	(20.7)	0.0	(20.7)
Operating costs	(25.6)	0.0	(25.6)
Share of profits of investments accounted for using the equity method	2.1	0.0	2.1
Gross Operating Profit (EBITDA)	88.0	(13.9)	74.1
Amortisation, depreciation and impairment losses	(42.4)	16.9	(25.5)
Operating profit (EBIT)	45.6	3.0	48.6
Net financial costs	14.2	(22.9)	(8.7)
Profit before tax (EBT)	59.8	(19.9)	39.9
Income taxes	(9.3)	(4.8)	(14.1)
Profit for the period	50.5	(24.7)	25.8
Profit attributable to non-controlling interests	0.4	0.0	0.4
Profit attributable to the owners of the parent	50.1	(24.7)	25.4

CORPORATE EVENTS

Please refer to what is described in the section "Significant Events during the Period".

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 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 END OF THE HALF YEAR AND BUSINESS OUTLOOK

Significant events after 30 June 2024

On 26 July 2024, Alerion Clean Power S.p.A., acting through its subsidiary 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 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.

Business Outlook

During 2024, 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 geographic 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 new crisis in the Middle East.

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 ex-dividend 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

It is recalled that since 7 May 2021 Fri-El Green Power S.p.A. no longer exercises 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.

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.

Treasury shares and parent company shares

As of 30 June 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 30 July 2024 no further treasury shares had been purchased.

Investments held by directors, statutory auditors, COOs 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, COOs and key management personnel 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.

Information on personnel

Group employees as at 30 June 2024 totalled 195. The composition is detailed below:

	As at 31.12.2023	Increases	Decreases	As at 30.06.2024	Average number of the period
Executives	4	0	0	4	4
Middle managers and Office workers	98	28	(8)	118	116
Blue-collar employees	67	10	(4)	73	69
Total employees	169	38	(12)	195	189

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

	Average age		Graduates	
	As at 31.12.2023	As at 30.06.2024	As at 31.12.2023	As at 30.06.2024
Executives	51	52	4	4
Middle managers and Office workers	38	38	71	86
Blue-collar employees	34	34	0	0
Mean value	36.5	36.6	75	90

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.

CONDENSED INTERIM CONSOLIDATED FINANCIAL STATEMENTS

as at and for the six months ended June 2024

Condensed interim Consolidated Financial Statements

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CONSOLIDATED **INTERIM** STATEMENT OF FINANCIAL POSITION

ASSETS

(values in Thousands of Euro)	Notes	30.06.2024	of which Related parties	31.12.2023	of which Related Parties
NON-CURRENT ASSETS:					
Intangible assets	4	285,247		265,019	
Property, plant and equipment	5	610,323		591,771	
Investments accounted for using the equity method	6	20,709		33,246	
Financial receivables and other non-current financial assets	18	15,473	14,041	14,994	12,868
Derivative financial instruments	23	4,981		3,812	
Other non-current assets	7	1,438		1,246	
Deferred tax assets	33	27,208		31,651	
TOTAL NON-CURRENT ASSETS		965,379		941,739	
CURRENT ASSETS:					
Inventories	8	12,988		10,561	
Trade receivables	9	17,891	9,168	22,575	2,532
Current tax assets	10	7,591		6,092	
Other current assets	11	44,177	3,702	33,087	5,791
Financial receivables and other current financial assets	19	69,799	132	68,218	230
Derivative financial instruments	23	1,915		9,439	
Cash and cash equivalents	20	300,542		343,162	
TOTAL CURRENT ASSETS		454,903		493,134	
TOTAL ASSETS		1,420,282		1,434,873	

CONSOLIDATED **INTERIM** STATEMENT OF FINANCIAL POSITION

LIABILITIES AND EQUITY

(values in Thousands of Euro)	Notes	30.06.2024	of which Related Parties	31.12.2023	of which Related Parties
EQUITY ATTRIBUTABLE TO THE OWNERS OF THE PARENT	16	293,113		320,840	
EQUITY ATTRIBUTABLE TO NON-CONTROLLING INTERESTS	16	6,075		5,885	
NON-CURRENT LIABILITIES:					
Non-current financial liabilities	21	845,899	22,905	844,191	17,412
Derivative financial instruments	23	151		352	
Post-employment benefits and other employee benefits	24	1,487		1,390	
Deferred tax liabilities	33	48,856		50,909	
Provisions for future risks and charges	25	11,705		13,839	
Other non-current liabilities	12	22,366	1,440	15,849	1,440
TOTAL NON-CURRENT LIABILITIES		930,464		926,530	
CURRENT LIABILITIES:					
Current financial liabilities	22	64,940		35,006	213
Derivative financial instruments	23	4,728		0	
Trade payables	13	68,543	587	95,689	248
Current tax liabilities	14	40,339	5,070	34,446	
Other current liabilities	15	12,080	964	16,477	4,101
TOTAL CURRENT LIABILITIES		190,630		181,618	
TOTAL LIABILITIES		1,121,094		1,108,148	
TOTAL EQUITY AND LIABILITIES		1,420,282		1,434,873	

CONSOLIDATED INTERIM INCOME STATEMENT

(values in Thousands of Euro)	Notes	First half 2024	of which Related parties	First half 2023	of which Related parties
Electricity sales		70,359	18,458	85,209	
Income from feed-in tariff		11,183		1,167	
Operating revenue	27	81,542		86,376	
Other revenues and income	28	9,816	3,549	25,125	3,325
Total Revenues		91,358		111,501	
Operating costs					
Personnel expenses		6,521		4,867	
Other operating costs		19,914	1,152	20,723	1,250
Accruals to provisions for risks		37		13	
Total operating costs	29	26,472		25,603	
Share of profits of investments accounted for using the equity method		922		2,124	
Amortisation and depreciation		26,937		25,467	
Impairment losses/reversals of impairment losses		0		16,921	
Total amortisation, depreciation and impairment losses	30	26,937		42,388	
OPERATING PROFIT		38,871		45,634	
Financial income		8,663		4,542	
Financial costs		(19,657)		(13,205)	
Net financial costs	31	(10,994)	(465)	(8,663)	(253)
Net gains on equity investments and other financial assets	32	214	198	22,876	97
PROFIT BEFORE TAX		28,091		59,847	
Current		(4,392)		(13,236)	
Deferred		(5,759)		4,018	
Income taxes	33	(10,151)		(9,308)	
PROFIT FOR THE PERIOD		17,940		50,539	
Attributable to:					
Owners of the parent	34	17,644		50,120	
Non-controlling interests		296		419	
EARNINGS PER SHARE (€ per share)					
Basic, considering the profit for the period attributable to the owners of the parent		0.33		0.93	
EARNINGS PER SHARE FROM CONTINUING OPERATIONS					
Basic, considering the profit from continuing operations attributable to the owners of the parent		0.33		0.93	

CONSOLIDATED **INTERIM** COMPREHENSIVE INCOME STATEMENT

(values in Thousands of Euro)	First half 2024	First half 2023
PROFIT FOR THE PERIOD (A)	17,940	50,539
Net gains (losses) from cash flow hedges	(11,155)	(12,033)
Related tax	3,141	3,324
Net gains (losses) from cash flow hedges related to investments accounted for using the equity method	0	(166)
Related tax	0	40
Net gains (losses) from fair value measurement of financial assets measured at fair value through other comprehensive income	(1,085)	87
Related tax	303	(24)
Total Other comprehensive income that could be reclassified to profit or loss, net of tax effect (b1)	(8,796)	(8,772)
Net actuarial gains (losses) on defined benefit plans (IAS 19)	86	24
Related tax	(24)	(7)
Total other comprehensive income not subsequently reclassified to profit or loss, net of tax effect (b2)	62	17
Total other comprehensive income net of tax effect (b1) + (b2) = (B)	(8,734)	(8,755)
COMPREHENSIVE INCOME (A) + (B)	9,206	41,784
Attributable to owners of the parent	8,910	41,365
Attributable to non-controlling interests	296	419
COMPREHENSIVE INCOME	9,206	41,784

CONSOLIDATED INTERIM CASH FLOW STATEMENT

(values in Thousands of Euro)	Notes	First half 2024	of which Related parties	First half 2023	of which Related parties
A. Cash flows from operating activities					
Profit (loss) for the period attributable to:					
Owners of the parent		17,644		50,120	
Non-controlling interests		296		419	
Adjustments for:					
Amortisation, depreciation and impairment losses	30	26,937		42,388	
Financial (income)/expense and (gains)/losses on equity investments	31 32	10,780		(14,213)	
Current taxes for the period	33	4,392		13,326	
Share of profits of investments accounted for using the equity method		(922)		(2,124)	
Proceeds from the disposal of investments in subsidiaries and associates		0		(13,926)	
Share-based payments		300		111	
Increase (decrease) in post-employment benefits	24	183		105	
Increase (decrease) in provision for risks and charges	25	(2,384)		(197)	
Increase (decrease) in deferred tax liabilities	33	5,807		(3,717)	
Total cash flows from current operations		63,033		72,292	
(Increase) decrease in inventories	8	(2,427)		(1,337)	
(Increase) decrease in trade receivables and other assets	9 10 11	(10,220)	(6,515)	(1,983)	4,895
Increase (decrease) in trade payables and other liabilities	13 14 15	(31,796)	(2,798)	(8,913)	745
Income tax paid	33	2,884		7,923	
Total cash flows from changes in working capital		(41,559)		(4,310)	
Total cash flows from operating activities		21,474		67,982	
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		0		26,483	
(Investments) disposals of intangible assets	4	(11,224)		(7,496)	
(Investments) disposals of property, plant and equipment	5	(31,399)		(26,308)	
Investments in property, plant and equipment	5	4,339		0	
Dividends received from investments accounted for using the equity method	6	5,077		1,851	
Total cash flows used in investing activities		(38,824)		(36,498)	
C. Cash flows from financing activities					
Net change in financial liabilities/assets	18 19 21 22	2,740		(2,014)	
Net Change in Liabilities for Lease	21 22	644		810	
Decrease in bank loans and borrowings	21 22	(22,916)		(16,118)	
Increase in bank loans and borrowings	21 22	42,800		40,000	
Purchase of Treasury Shares	16	(4,287)		(3,624)	
Dividends paid	16	(32,919)		(35,056)	
Financial expense paid	31	(11,332)		(5,606)	
Total cash flows generated by (used in) financing activities		(25,270)		(21,608)	
D. Cash flows for the period (A+B+C)		(42,620)		9,876	
E. Cash and cash equivalents at the beginning of the period	20	343,162		226,609	
F. Cash and cash equivalents at the end of the period (D+E)	20	300,542		236,485	

CONSOLIDATED **INTERIM** STATEMENT OF CHANGES IN EQUITY

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

6-month period ending 30 June 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 period	0	0	0	17,644	0	17,644	296	17,940
Other comprehensive income (loss)	0	0	0	(720)	(8,014)	(8,734)	0	(8,734)
Comprehensive income	0	0	0	16,924	(8,014)	8,910	296	9,206
Dividends approved and/or distributed	0	0	0	(32,658)	0	(32,658)	(106)	(32,764)
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	300	0	300	0	300
Other changes	0	0	0	8	0	8	0	8
Balance at 30 June 2024	161,137	(16,602)	21,400	125,556	1,622	293,113	6,075	299,188

For information on the individual items, see Note "16" "Equity".

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

6-month period ending 30 June 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 01 January 2023	161,137	(5,316)	21,400	106,422	15,143	298,786	6,212	304,998
Profit for the period	0	0	0	50,120	0	50,120	419	50,539
Other comprehensive income (loss)	0	0	0	80	(8,709)	(8,629)	0	(8,629)
Other comprehensive income (loss) from investments accounted for using the equity method	0	0	0	0	(126)	(126)	0	(126)
Comprehensive income	0	0	0	50,200	(8,835)	41,365	419	41,784
Dividends approved and/or distributed	0	0	0	(35,039)	0	(35,039)	(746)	(35,785)
Purchase of treasury shares	0	(3,624)	0	0	0	(3,624)	0	(3,624)
Allocation of treasury shares	0	522	0	(552)	0	30	0	(30)
Share-based incentive plan reserve	0	0	0	141	0	141	0	141
Other changes	0	0	0	106	0	106	(7)	99
Balance at 30 June 2023	161,137	(8,418)	21,400	121,278	6,308	301,705	5,878	307,583

NOTES TO THE CONDENSED INTERIM CONSOLIDATED FINANCIAL STATEMENTS

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.

These condensed interim consolidated financial statements are in accordance with IAS 34, with the disclosures deemed appropriate for a clearer understanding of the Group's economic and financial situation for the first half of 2024. For this reason, these financial statements do not include all the additional information required in the annual financial statements and should be read jointly with the Group's consolidated financial statements as at 31 December 2023.

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

The publication of the condensed consolidated financial statements as at 30 June 2024 was authorised by resolution of the directors on 30 July 2024.

2. BASIS OF PREPARATION

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, 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 significantly affected by these phenomena, and as the production of electricity is a public utility activity, for this reason not subject to a reduction in operations.

It is pointed out that certain valuation processes, especially the most complex ones such as the determination of any impairment of non-current assets, are generally carried out in full only during the preparation of the annual financial statements, when all the necessary information is available, unless there are impairment indicators calling for an immediate assessment of any impairment.

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.

2.1 DISCRETIONARY VALUATIONS AND SIGNIFICANT ACCOUNTING ESTIMATES

The preparation of the condensed interim consolidated financial statements involves estimates and assumptions that affect the reported amounts of assets and liabilities and the disclosure of contingent assets and liabilities at the date of the financial statements. Actual results may differ from estimates based on data that reflect the current information available. Estimates are used to record provisions for bad debts, write-downs of assets, current and deferred taxes, other provisions and funds. Estimates and assumptions are reviewed periodically and the effects of any changes are reflected immediately in the income statement. For a broader description of the valuation processes that are most relevant to the Group, please refer to the chapter "Discretionary valuations and significant accounting estimates" of the consolidated financial statements as at 31 December 2023.

As regards the valuation of financial assets and the determination of expected losses on the same, due to the nature of the financial assets held by the Group, which mainly relate to cash and cash equivalents, receivables from the "Gestore dei Servizi Energetici" for the granting of the incentive tariff and VAT tax receivables, there are no particular risks arising from the uncertainties defined above.

The condensed interim 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 related to both the ongoing conflict between Ukraine and Russia, which has compounded the level of uncertainty in the international markets, and 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 accounting standards adopted in the preparation of the Consolidated Interim Report are consistent with those used in the preparation of the Group's annual financial statements for the period 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 below.

2.2 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 2023	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.
- **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%.
On 31 May 2024, the group acquired 100% of the shares in the company:
50% of the shares held by Alerion Servizi Tecnici e Sviluppo S.r.l. (previously held)
50% of the shares held by Naonis Wind S.r.l. (newly bought)
The company has thus gone from equity-based consolidation to fully consolidation.
- **Alerion Gavorrano S.r.l.:** the company, fully owned by Alerion Servizi Tecnici e Sviluppo S.r.l., was established on 5 June 2024.
- **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%.
On 7 June 2024, the group acquired 100% of the shares in the company:
50% of the shares held by Alerion Servizi Tecnici e Sviluppo S.r.l. (previously held)
50% of the shares held by Naonis Wind S.r.l. (newly bought)

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 fully consolidation.
- **Vulturu Wind Farm 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 fully consolidation.
- **Pasubio S.r.l.:** On 16 February 2024, the group acquired 100% of the shares in the company, wholly held 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, wholly held by Alerion Energy RO S.r.l.
- **Energo 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 fully consolidation.

The values of the Group's currencies as at 30 June 2024 are shown below:

	First half 2024	at 30 June 2024	First half 2023	at 31 December 2023
	Average	Spot	Average	Spot
RON New Leu - (Romania)	4.9743	4.9773	4.9342	4.9756
New Lev Bulgaria	1.9558	1.9558	1.9558	1.9558
British Pound Sterling	0.8547	0.8464	0.8764	0.8691

The following table shows the scope of consolidation as at 30 June 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		
- Fri-eI 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-eI Ichnusa S.r.l.	Bolzano - Piazza del Grano 3	10	100.00		
- Fri-eI Campidano S.r.l.	Bolzano - Piazza del Grano 3	100		100.00	Fri-eI Ichnusa S.r.l.
- Fri-eI 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-eI Nulvi Holding S.r.l.
- FW Holding S.r.l.	Bolzano - Piazza del Grano 3	100	100.00		
- Fri-eI Basento S.r.l.	Bolzano - Piazza del Grano 3	10		100.00	FW Holding S.r.l.
- Fri-eI Ricigliano S.r.l.	Bolzano - Piazza del Grano 3	10		100.00	FW Holding S.r.l.
- Fri-eI Grottole S.r.l.	Bolzano - Piazza del Grano 3	50		100.00	Fri-eI 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		
- Enernac S.r.l.	Milan - Via Renato Fucini 4	40	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.
- Naonis Wind S.r.l.	Milan - Via Renato Fucini 4	20	100.00		
- 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 Guardianara 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	50 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.
- Bioenergia S.r.l.	Milan - Via Renato Fucini 4	1	50.00	Alerion Servizi Tecnici e Sviluppo S.r.l.
			50.00	Naonis Wind S.r.l.
- Generai S.r.l.	Milan - Via Renato Fucini 4	10	50.00	Alerion Servizi Tecnici e Sviluppo S.r.l.
			50.00	Naonis Wind S.r.l.
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.

NOTES TO THE INTERIM CONSOLIDATED FINANCIAL STATEMENTS

NON CURRENT ASSET

4. INTANGIBLE ASSETS WITH A FINITE LIFE

The following table shows the changes in Intangible assets with a finite useful life that occurred in the half-year:

	Rights and concessions	Developm ent costs	Patents and intellectual property rights	Other intangible assets	Work in progress	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	18,331	0	0	2	429	18,762
Increases	585	680	0	14	8,564	9,843
Decreases	0	0	0	(135)	(484)	(619)
Impairment Test Adjustments	0	0	0	0	0	0
Total change Gross value	18,916	680	0	(119)	8,509	27,986
Accumulated amortisation						
Change in the scope of consolidation	(21)	0	0	(2)	0	(23)
Amortisation	(7,533)	(287)	(26)	(11)	0	(7,857)
Elimination of amortisation fund for asset disposals	0	0	0	122	0	122
Total change in accumulated amortisation	(7,554)	(287)	(26)	109	0	(7,758)
Gross value as at 30.06.2024	355,802	21,008	440	1,609	11,474	390,333
Amortisation fund	(97,750)	(5,446)	(323)	(1,567)	0	(105,086)
Net value as at 30.06.2024	258,052	15,562	117	42	11,474	285,247

Rights and concessions amounted to EUR 258,052 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 EUR 18,331 thousand increase in the period mainly reflects the inclusion in the Group's line-by-line consolidation of companies previously held under joint venture arrangements following the acquisition of their remaining shares, specifically: Bioenergia S.r.l., Generali S.r.l., Vulturu Wind Farm S.r.l., Vulturu Power Park S.r.l. and Energo Windprod S.r.l.

Development costs amounted to EUR 15,562 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.

As required by IAS 36, the Company must assess at each reporting date 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.

As regards the remaining intangible assets, in carrying out the sensitivity analyses as at 30 June 2024, reference was made to the results at the end of the first half of 2024 compared to the plans approved and used in the last impairment test in December 2023. Despite the drop in sales prices, a positive operating performance was recorded in the first half-year, which resulted in an overall profit of EUR 17.9 million for the six months under review.

The analyses concerned in particular:

- the electricity price curve trend for the entire plan period covered by the annual impairment analyses. It should be noted that at 30 June 2024, the average price curve showed a positive change compared to December 2023;
- the interest rate curve trend for the first half of 2024 and subsequent periods. It is pointed out that interest rates remained in line with the values of December 2023 and therefore there is no sign of a reduction in the value of intangible assets;
- energy production for the period in question. It is noted that the windiness at the sites during 2024 showed an average increase compared to the same period in 2023 and is in line with the expectations incorporated in the impairment analyses carried out at the end of 2023;
- It is also pointed out that the Group's market capitalisation of approximately EUR 0.8 billion as of 30 June 2024 was significantly higher than its book equity at the same date, supporting the maintenance of asset values.

Therefore, at the time of preparing these condensed interim consolidated financial statements, taking into account the analyses of internal and external indicators, no indicators of impairment were found. Please refer to the Annual Report for the sensitivity analyses carried out on the recoverable value of the Group's CGUs, assuming a reduction in electricity sale prices, a decrease in production compared to the historical average and an increase in the discount rate, also identifying which thresholds of the aforementioned variables may lead the headroom to cancel out.

Assets under construction amounted to EUR 11,474 thousand, up by EUR 8,509 thousand compared to 31 December 2023. This increase is mainly attributable to the capitalisation of costs incurred for the construction of new plants in Italy.

5. PROPERTY, PLANT AND EQUIPMENT

The following table shows the changes in 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	(35,830)
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	968	0	0	0	6,830	7,798
Increases	567	542	4,087	241	26,774	32,211
Decreases	(388)	(684)	(2,198)	(4)	(469)	(3,743)
Other reclassifications	252	(252)	49,619	0	(49,619)	0
Total change Gross value	1,399	(394)	51,508	237	(16,484)	36,266
Accumulated depreciation						
Depreciation	(588)	(170)	(18,106)	(216)	0	(19,080)
Elimination of depreciation fund for asset disposals	0	56	1,310	0	0	1,366
Total change in accumulated depreciation	(588)	(114)	(16,796)	(216)	0	(17,714)
Gross value as at 30.06.2024	36,567	5,871	984,249	4,092	112,807	1,143,586
Depreciation fund	(6,188)	(803)	(524,502)	(1,770)	0	(533,263)
Net value as at 30.06.2024	30,379	5,068	459,747	2,322	112,807	610,323

The items **Land** and **Buildings** totalled EUR 35,447 thousand, the value of which increased by EUR 303 thousand compared to 31 December 2023, when it was EUR 35,144 thousand, mainly as a result of the purchase of land and the change in the consolidation scope deriving from the acquisitions in the period.

Plant and machinery amounted to EUR 459,747 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 due to the increase deriving from the commissioning of certain plants in Romania, the change in the full scope of consolidation, and the decrease related to ordinary depreciation during the period.

Other assets amounted to EUR 2,322 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 112,807 thousand (EUR 129,291 thousand as at 31 December 2023). The EUR 16,484 decrease is mainly due to the reclassification to "Plant and machinery" of the assets related to the farms that became operational during the first half of 2024, partially offset by the capitalisation of costs incurred for the construction of new plants in Italy and Romania.

6. INVESTMENTS ACCOUNTED FOR USING THE EQUITY METHOD

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

As of 30 June 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..

Alerion also holds investments accounted for using the equity method in the companies 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. and Tre Torri Energia 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.

(EUR thousands)	30.06.2024	31.12.2023	Change
New Green Molise S.r.l.	18,384	19,720	(1,336)
Ecoenergia Campania S.r.l.	2,196	2,686	(490)
Generai S.r.l.	0	884	(884)
Bioenergia S.r.l.	0	885	(885)
Parco Eolico Santa Croce del Sannio House S.r.l.	82	88	(6)
Energio 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.	47	53	(6)
Total Investments accounted for using the equity method	20,709	33,246	(12,537)

Please refer to Note "40" for details on investments in joint ventures and those held under the equity method.

7. OTHER NON-CURRENT ASSETS

Other non-current assets amounted to EUR 1,438 thousand (compared to EUR 1,246 thousand as at 31 December 2023) and mainly include VAT receivables that are expected to be realised after the next 12 months.

CURRENT ASSETS

8. INVENTORIES

Inventories amounted to EUR 12,988 thousand (EUR 10,561 thousand as at 31 December 2023). The balance in question refers to the Group company Alerion Service S.r.l., which is engaged in the Asset Management of the operating farms 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.

9. TRADE RECEIVABLES

Trade receivables amounted to EUR 17,891 thousand (EUR 22,575 thousand as at 31 December 2023) and are mainly represented by receivables accrued on the sale of energy produced in June 2024. The decrease from the previous period is due to the price decrease that took place in the first half of 2024.

Trade receivables are generally due in 30-45 days.

10. CURRENT TAX ASSETS

Current tax assets amounted to EUR 7,591 thousand (EUR 6,092 thousand as of 31 December 2023) and mainly related to IRES current tax assets (EUR 1,482 thousand requested for reimbursement and EUR 4,568 thousand for advance payments made in excess of the payable for the period), IRAP current tax assets (EUR 251 thousand requested for reimbursement and EUR 281 thousand for advance payments made in excess of the payable for the period).

11. OTHER CURRENT ASSETS

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

(EUR thousands)	30.06.2024	31.12.2023	Change
Tax receivables	24,435	19,373	5,062
Other accounts receivable	19,742	13,714	6,028
Total other current assets	44,177	33,087	11,090

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 19,742 thousand (EUR 13,714 thousand as of 31 December 2023), net of an allowance for doubtful accounts of EUR 1,049 thousand, and mainly related to receivables for incentives for EUR 3,414 thousand (EUR 184 thousand as of 31 December 2023), other receivables for EUR 11,153 thousand related mainly to dividends from companies consolidated using the equity method yet to be collected in the amount of EUR 2,305 thousand, and advances to suppliers in the amount of EUR 2,217 thousand. In addition, the item includes EUR 729 thousand for accrued income and EUR 5,312 thousand for prepaid expenses.

Incentive receivables are generally due in 60 days.

NON CURRENT LIABILITIES

12. OTHER NON-CURRENT LIABILITIES

Other non-current liabilities amounted to EUR 22,366 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, and Anglona wind farms, respectively. The change is 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.

(EUR thousands)	30.06.2024	31.12.2023	Change
Other liabilities	22,366	15,849	6,517
Total other non-current liabilities	22,366	15,849	6,517

CURRENT LIABILITIES

13. TRADE PAYABLES

Trade payables amounted to EUR 68,543 thousand (EUR 95,689 thousand as at 31 December 2023) and refer to payables to suppliers. 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 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.

14. CURRENT TAX LIABILITIES

Current tax liabilities amounted to EUR 40,339 thousand (EUR 34,446 thousand as at 31 December 2023) and mainly refer to current tax liabilities for IRES, amounting to EUR 5,998 thousand, current tax liabilities for IRAP, amounting to EUR 1,149 thousand, and other current tax liabilities in the amount of EUR 33,191 thousand.

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)	30.06.2024	31.12.2023	Change
Current tax liabilities for IRAP	1,149	247	902
Substitute tax payable	1	7	(6)
Current tax liabilities for IRES	5,998	990	5,008
Other current tax liabilities	33,191	33,202	(11)
Total current tax liabilities	40,339	34,446	5,893

15. OTHER CURRENT LIABILITIES

Other current liabilities amounted to EUR 12,080 thousand (EUR 16,477 thousand as of 31 December 2023), and were composed as follows:

(EUR thousands)	30.06.2024	31.12.2023	Change
Payables to employees and directors	1,916	1,494	422
Payables to tax authorities	629	1,088	(459)
Social security charges payable	570	585	(15)
Other payables	8,965	13,310	(4,345)
Total other current liabilities	12,080	16,477	(4,397)

The item **Other payables** mainly comprises:

- payables for municipal agreements in the amount of EUR 3,696 thousand;
- deferred income recognised in connection with the current portion of capital grants payable to the subsidiaries Eolo 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 678 thousand (EUR 733 thousand as at 31 December 2023).

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

16. 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 constantly 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 30 June 2024 amounted to EUR 293,113 thousand, a decrease of EUR 27,727 thousand compared to EUR 320,840 thousand as at 31 December 2023. The changes that occurred were:

- an increase of EUR 17,644 thousand for the Group's profit for the period;
- an increase of EUR 782 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;
- an increase of EUR 62 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;
- an increase of EUR 300 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 2023-2025 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.
- a decrease of EUR 8,014 thousand due to the change in the fair value of derivative financial instruments, net of tax effect;
- a decrease of EUR 32,658 thousand due 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 ex-dividend 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 32,658 thousand, took place on the terms and in the manner decided by the Shareholders' Meeting.

The statement of changes in equity items as at 30 June 2024 compared to those as at 31 December 2023 is presented in the consolidated financial statements.

Details of the individual items are given 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 30 June 2024 was negative for EUR 16,602 thousand (negative for EUR 12,582 as of 31 December 2023) and refers to the purchase countervalue of the 691,480 treasury shares held by the company.

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 125,556 thousand (EUR 141,249 thousand as at 31 December 2023) and include accumulated profits/losses, net of distributed dividends.

The **hedging reserve** is positive in the amount of EUR 1,622 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 in the period totalled EUR 8,014. Please refer to Note "23", "Derivative Financial Instruments", where changes in the hedging reserve are shown.

Capital, reserves and profit attributable to non-controlling interests totalled EUR 6,075 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	Operational headquarters	Percentage of ownership	Gains (losses) on non-controlling interests		Equity attributable to non-controlling interests		
			First half 2024	First half 2023	30.06.2024	31.12.2023	
(Thousands of Euros)							
Alerion Bulgaria AD	Bulgaria	92.5%	92.5%	(1)	(1)	(8)	(7)
Parco Eolico Licodia Eubea	Italy	80%	80%	119	111	968	955
Wind Energy EOOD	Bulgaria	51%	51%	23	70	927	904
Wind Stream EOOD	Bulgaria	51%	51%	10	49	830	820
Wind Systems EOOD	Bulgaria	51%	51%	48	70	934	886
Wind Power 2 EOOD	Bulgaria	51%	51%	24	65	870	846
FRI-EL Anglona	Italy	90%	90%	96	98	(344)	(363)
Draghiescu Partners	Romania	90%	90%	(20)	(25)	(199)	(179)
FRI-EL Nulvi Holding	Italy	90%	90%	(2)	(1)	2,112	2,037
Bisalta	Romania	86%	86%	(1)	0	(15)	(14)
Mitoc Partners	Romania	0%	0%	0	(13)	0	0
Phoenix Catalyst	Romania	0%	0%	0	(1)	0	0
Phoenix Ceres	Romania	0%	0%	0	(1)	0	0
Phoenix Genesis	Romania	0%	0%	0	(1)	0	0
Phoenix Nest	Romania	0%	0%	0	(1)	0	0
Total				296	419	6,075	5,885

17. ACCOUNTING FINANCIAL INDEBTEDNESS OF ONGOING OPERATIONS

Please find below details of financial indebtedness as at 30 June 2024 and 31 December 2023, presented on the basis of the new schedule required by ESMA Guideline 32-232-1138 of 4 March 2021:

(values in Thousands of Euro)		30.06.2024	31.12.2023
Cash and cash equivalents			
Cash	20	33	13
Cash equivalents	20	300,509	343,149
Total cash and cash equivalents	20	300,542	343,162
Financial receivables and other current financial assets	19	71,714	77,657
Liquidity		372,256	420,819
Current financial liabilities			
Bank facilities	22	(35,021)	(73)
Derivative financial instruments	23	(4,728)	0
Current financial debt	22 23	(39,749)	(73)
Bank loans and borrowings and project financing	22	(18,870)	(29,635)
Lease liabilities	22	(1,136)	(1,137)
Bonds issued	22	(7,276)	(3,721)
Other loans and borrowings	22	(2,637)	(440)
Current portion of non-current financial debt	22	(29,919)	(34,933)
Current financial indebtedness	22 23	(69,668)	(35,006)
CURRENT FINANCIAL INDEBTEDNESS		302,588	385,813
Non-current financial liabilities			
Bank loans and borrowings and project financing	21	(143,031)	(146,937)
Other loans and borrowings	21	(22,962)	(17,463)
Lease liabilities	21	(14,946)	(15,550)
Derivative financial instruments	23	(151)	(352)
Non-current financial debt	21 23	(181,090)	(180,302)
Bonds issued	21	(664,960)	(664,241)
Debt instruments	21	(664,960)	(664,241)
NON-CURRENT FINANCIAL INDEBTEDNESS	21 23	(846,050)	(844,543)
FINANCIAL INDEBTEDNESS*		(543,462)	(458,730)
*Financial Indebtedness calculated as per ESMA32-382-1138 of 4 March 2021			
FINANCIAL COVENANTS provided for in current bond regulations			
ACCOUNTING FINANCIAL INDEBTEDNESS net of Derivatives		(525,025)	(452,823)

NON-CURRENT FINANCIAL ASSETS

18. FINANCIAL RECEIVABLES AND OTHER NON-CURRENT FINANCIAL ASSETS

Financial Receivables and Other Non-Current Financial Assets amounted to EUR 15,473 thousand (compared to EUR 14,994 thousand as of 31 December 2023) and included: i) financial receivables from companies valued using the equity method, ii) financial assets related to development and investment transactions in Romania, as described in the annual report as at 31 December 2023.

CURRENT FINANCIAL ASSETS

19. FINANCIAL RECEIVABLES AND OTHER CURRENT FINANCIAL ASSETS

This item amounted to EUR 69,799 thousand (EUR 68,218 thousand as at 31 December 2023) and includes the group's financial assets that represent temporary uses of cash. In particular, part of the financial assets (EUR 67,642 thousand) refers to bonds with an average maturity of about five years with primary financial counterparties, the amount of which includes the effects of the positive fair value valuation of EUR 1,762 thousand.

The positive change in **financial receivables and other current financial assets** compared to the previous period, amounting to EUR 1,581 thousand, was mainly due to interest income accrued in the period for EUR 2,880 thousand, 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 1,084 thousand gross of the related tax effect, was recognised in comprehensive income.

20. CASH AND CASH EQUIVALENTS

Bank Deposits amounted to EUR 300,542 thousand (EUR 343,162 thousand as at 31 December 2023).

(EUR thousands)	30.06.2024	31.12.2023	Change
Bank deposits	162,671	182,013	(19,342)
Cash-in-hand and cash equivalents	33	13	20
Time deposits	137,838	161,136	(23,298)
Total cash and cash equivalents	300,542	343,162	(42,620)

Bank Deposits amounted to EUR 300,542 thousand (EUR 343,162 thousand as at 31 December 2023). It should be noted that, as of 30 June 2024, the Bank Deposits attributable to Group companies that do not have project financing amounted to EUR 104,568 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 58,102 thousand as of 30 June 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.

As at 30 June 2024, current account balances temporarily used in "time deposit contracts" decreased by EUR 23,298 thousand compared to 31 December 2023.

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

NON-CURRENT LIABILITIES

21. NON-CURRENT FINANCIAL LIABILITIES

(EUR thousands)	30.06.2024	31.12.2023	Change
Bonds issued	664,960	664,241	719
Bank loans and borrowings	143,031	146,937	(3,906)
Lease liabilities	14,946	15,550	(604)
Loans from non-controlling investors	22,962	17,463	5,499
Total non-current financial liabilities	845,899	844,191	1,708

The **Bonds issued** at 30 June 2024, which increased by EUR 719 thousand mainly as a result of the portion of amortised cost entered in the income statement for the period, is composed as follows: i) by the value of the 2019-2025 bond loan subscribed on 12 December 2019 for a countervalue of EUR 200,000 thousand, net of issuance costs of EUR 769 thousand, ii) 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 1,245 thousand, iii) by the value of the 2022-2028 bond issued on 17 May 2022 for a countervalue of EUR 100,000 thousand, net of issuance costs of EUR 951 thousand, and iv) by the value of the 2023-2029 bond issued on 12 December 2023 for a countervalue of EUR 170,000 thousand, net of issuance costs of EUR 2,076 thousand.

Bank loans and borrowings as at 30 June 2024 amounted to EUR 143,031 thousand (EUR 146,937 as at 31 December 2023), down compared to the previous year-end mostly by reason of the loan instalments overdue and repaid as at 30 June 2024. The item is mainly 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 19,038 thousand, Fri-El Albareto S.r.l. for EUR 12,800 thousand and Eolica PM S.r.l. for EUR 32,160 thousand, net of ancillary costs, ii) the long-term portion of the loan taken out for the purchase of the Via Fucini building for EUR 3,075 thousand, net of ancillary costs, iii) the long-term portion of bank loans obtained by Alerion Clean Power S.p.A. from Mediocredito in the amount of EUR 1,087 thousand, and iv) the long-term portion of project financing loans held by Enermac S.r.l. in the amount of EUR 35,804 thousand and by Anemos Wind in the amount of EUR 6,128 thousand and the bank loan granted to Alerion Clean Power S.p.A. by Crédit Agricole for an amount of EUR 19,546, net of ancillary costs.

Compared to 31 December 2023, there was i) a decrease due to the early repayment of the loan granted to Naonis Wind S.r.l. in the amount of EUR 7,791 thousand, ii) an increase for the non-current portion of the new loan granted by Mediocredito Trentino Alto Adige S.p.A. to Fri-el Solar in the amount of EUR 5,441 thousand, taken out in the second quarter of 2024, iii) the reclassification of the long-term portion, among non-current financial liabilities, of the project financing loan held by Seddanus in the amount of EUR 7,951 thousand, following the termination of the non-compliance with the parameter at the previous year-end.

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 30.06.24	Interest Rate	IRS	Expiry
Bonds issued 2019 2025 Green Bond	199,196	3,366	0	202,562	Bond Loan Rate 3.125%	n.a.	2025
Bonds issued 2021 2027 Green Bond	199,288	2,420	0	201,708	Bond Loan Rate 2.25%	n.a.	2027
Bonds issued 2022 2028 Green Bond	101,119	0	(1,643)	99,476	Bond Loan Rate 3.5%	n.a.	2028
Bonds issued 2023 2029 Green Bond	168,359	131	0	168,490	Bond Loan Rate 6.75%	n.a.	2029
Albareto Project financing	14,617	0	(606)	14,011	Euribor 6M + 1.95 %	0.95%	2035
Naonis project financing	8,455	0	(8,455)	0	Euribor 6M + 1.80 %	1.90%	Refunded
Enermac project financing	40,649	0	(2,028)	38,621	Euribor 6M + 1.80 %	1.93%	2039
Anemos Wind Project financing	12,296	0	(2,604)	9,692	Euribor 6M + 1.55 %	1.39%	2028
Eolica PM Project financing	36,510	0	(1,474)	35,036	Euribor 6M + 1.95 %	1.11%	2035
Green Energy Sardegna Project financing	21,553	0	(847)	20,706	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	1,839	0	10,034	4.35%	n.a.	2040
Project financing Fri-el Solar	0	5,441	0	5,441	Euribor 6M + 2.0 %	n.a.	2039
Credit Agricole Bank Loan	24,762	0	(1,715)	23,047	Euribor 6 month + 1.45%	3.33%	2028
Fucini4 Mortgage Loan	3,521	0	(147)	3,374	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	(419)	1,939	Euribor 3 month + 1.8%	n.a.	2026
Bank loans and borrowings	73	34,948	0	35,021	Euribor 1 month + 1.0%	n.a.	until revoked
Lease liabilities	16,685	0	(603)	16,082	Incremental debt rate 3.71%	n.a.	
Shareholder loan - non-controlling investors	17,663	5,703	0	23,366			
Other financial liabilities	242	1,991	0	2,233			
Total Financial Liabilities	879,197	55,839	(24,197)	910,839			
<i>of which</i>							
Current	35,006			64,940			
Non-current	844,191			845,899			

With reference to the above loans, information is provided below, by individual project, on the amount of 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	Commit ments, guarantees given in favour of lenders	Significa nt contract ual clauses
Morcone Pontelandolfo (BN)	Eolica PM S.r.l.	51.8	61,603	35,036	35,036	Proj. financing	2035	(*)	(**)
Villacidro (SU)	Green Energy Sardegna S.r.l.	30.8	32,507	20,706	0	Proj. financing	2035	(*)	(**)
Albareto (PR)	Fri-El Albareto S.r.l.	19.8	24,654	14,011	0	Proj. financing	2035	(*)	(**)
Regalbuto (EN)	Anemos Wind S.r.l.	50.0	26,983	9,692	9,692	Proj. financing	2028	(*)	(**)
Orta Nova (FG)	Enermac S.r.l.	51.0	51,948	38,621	38,621	Proj. financing	2039	(*)	(**)
Ex Scaini (SU)	Alerion Seddanus S.r.l.	13.5	16,500	10,034	10,034	Proj. financing	2040	(*)	(**)
Grotte Alte (CT)	Fri-el Solar S.r.l.	n.a.	15,759	5,441	0	Proj. financing	2039	(Itg)	(Itg)
		216.9	229,955	133,541	93,383				

(*) 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 30 June 2024 relating to Current assets attributable to Group companies, financed under the project financing scheme:

(EUR thousands)	30.06.2024	Values attributable to project-financed companies	31.12.2023	Values attributable to project-financed companies
Trade receivables	17,891	4,137	22,575	7,739
Current tax assets	7,591	1,582	6,092	1,637
Other current assets	44,177	5,532	33,087	2,557
<i>of which incentive credits</i>	<i>3,414</i>	<i>420</i>	<i>184</i>	<i>184</i>
Financial receivables and other current financial assets	69,799	479	68,218	674
Cash and cash equivalents	300,542	58,102	343,162	58,487
CURRENT ASSETS:	440,000	69,832	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.

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

As at 30 June 2024, the covenants shown above have been met.

COMPLIANCE WITH THE FINANCIAL COVENANTS OF THE BONDS:

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 financial report.

Please note that with reference to "**Bond 2021 -2027**", "**Bond 2022 -2028**" and "**Bond 2023 -2029**", 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 financial report for each financial year in which the issue took place.

Conclusions on Meeting the Financial Covenants of the Bonds as at 31 December 2023

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

Lease payables and lease liabilities amounting to 14,946 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, amounting to EUR 22,962 thousand as at 30 June 2024, 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 9,951 thousand, net of ancillary costs of EUR 100 thousand, to support Alerion's development in Spain, through its subsidiary;
- for EUR 12,958 thousand, net of ancillary 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. During the first half of 2024, the Romanian subsidiary obtained an additional tranche of financing in the amount of EUR 5,500 thousand as agreed between the parties.

Considering that, in substance, the two SIMEST transactions qualify as a financing transaction and taking into account 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 Romanian subsidiary Alerion Renewable RO, did not present non-controlling interests in the consolidated financial statements.

22. CURRENT FINANCIAL LIABILITIES

Current financial liabilities amounted to EUR 64,940 thousand (EUR 35,006 thousand as at 31 December 2023), and are detailed as follows:

(EUR thousands)	30.06.2024	31.12.2023	Change
Loans and borrowings and bank facilities	53,891	29,708	24,183
Bonds issued	7,276	3,721	3,555
Operating lease liabilities	1,136	1,137	(1)
Loans from non-controlling investors	2,637	440	2,197
Total current financial liabilities	64,940	35,006	29,934

Loans and borrowings and bank facilities amounted to EUR 53,891 thousand vs. EUR 29,708 thousand as at 31 December 2023. The increase is mainly due to the use of the Group's credit lines for EUR 35,000 thousand.

This item, amounting to EUR 53,891 thousand, includes the short-term portions of project financing loans relating to the plants of: i) Eolica PM S.r.l. for EUR 2,875 thousand; ii) Anemos Wind for EUR 3,564 thousand; iii) Green Energy Sardegna S.r.l. for EUR 1,668 thousand; iv) Fri-El Albareto S.r.l. for EUR 1,211 thousand; v) Enermac S.r.l. for a total amount of EUR 2,816 thousand and vi) Alerion Seddanus S.r.l. for a total amount of EUR 2,083 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 and Naonis S.r.l.. It should be noted that the project financing held by the subsidiary Seddanus, unlike the previous annual 2023 closing, is classified as current and non-current financial liabilities as contractually defined.

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 852 thousand and the new bank loan signed with Credit Agricole on 25 October 2023 amounted to EUR 3,500 thousand as at 30 June 2024.

The item **Bonds issued** as of 30 June 2024 in the amount of EUR 7,276 thousand refers to the value of interest accrued in the half year in relation to the bond loans issued i) on 19 December 2019 with duration 2019-2025, ii) on 3 November 2021 with duration 2021-2027, iii) on 17 May 2022 with duration 2022-2028 and iv) the new bond loan stipulated on 12 December 2023 with duration 2023-2029. The change compared to 31 December 2023 refers to interest accrued in the period and not yet paid.

Lease payables and liabilities, which amounted to EUR 1,136 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.

23. DERIVATIVE FINANCIAL INSTRUMENTS

(EUR thousands)	30.06.2024	31.12.2023	Change
Non-current assets for derivative financial instruments	4,981	3,812	1,169
Current assets for derivative financial instruments	1,915	9,439	(7,524)
Total assets for derivative financial instruments (a)	6,896	13,251	(6,355)
Non-current liabilities for derivative financial instruments	151	352	(201)
Current liabilities for derivative financial instruments	4,728	-	4,728
Total liabilities for derivative financial instruments (b)	4,879	352	4,527
Net amount of fair value for derivative financial instruments = (a - b)	2,017	12,899	(10,882)

As of 30 June 2024, derivative financial instruments on the Financial Statements, **recorded as assets**, amounted to a total of EUR 6,896 thousand (EUR 13,251 thousand as of 31 December 2023), of which the current portion, amounting to EUR 1,915 thousand, represented cash flows due within one year, while the non-current portion, amounting to EUR 4,981 thousand, included future cash flows until the end of the derivative contract corresponding to the repayment of the project financing.

As of 30 June 2024, derivative financial instruments on the Financial Statements, **recorded as liabilities**, amounted to a total of EUR 4,879 thousand (EUR 352 thousand as of 31 December 2023), of which the non-current portion, amounting to EUR 151 thousand, included future cash flows until the end of the derivative contract corresponding to the repayment of the project financing, while the current portion, amounting to EUR 4,728 thousand, represented cash flows due within one year.

As at 30 June 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 30 June 2024	Share at CFH	Share at CE	Fair value of derivative financial instruments as at 31 December 2023
Banco BPM (Fucini)	3,374	3,401	385	33	0	352
Banco BPM (Anemos Wind)	9,692	7,532	261	13	0	248
Unicredit (Green Energy Sardegna)	20,706	15,824	1,330	212	0	1,118
Unicredit (Eolica PM)	35,036	26,697	2,427	340	0	2,087
Unicredit (Enermac)	38,621	29,534	1,408	261	241	906
Unicredit (Naonis Wind)	0	0	0	(230)	27	203
Crédit Agricole Italia (Alerion Clean Power)	23,047	11,625	(136)	204	2	(342)
Unicredit (Guardionara)	0	0	0	(23)	0	23
Unicredit (Fri-el Albareto)	14,011	10,894	1,070	129	0	941
Derivative Financial Instruments on Project Financing	144,487	105,507	6,745	939	270	5,536

Counterparty (Company) (amounts in Thousands of Euro)	Commodity Swaps	Notional Derived (GWh)	Fair value of derivative financial instruments as at 30 June 2024	Share at CFH	Share at CE	Fair value of derivative financial instruments as at 31 December 2023
Unicredit (Alerion Clean Power)	0	306	(4,728)	(12,091)	0	7,363
Commodity Swap Derivative Financial Instruments	0	306	(4,728)	(12,091)	0	7,363
Derivative Financial Instruments Attributable to Line-by-Line Consolidated Equity Investments			2,017	(11,152)	270	12,899
related tax effect			(284)	3,140	(63)	(3,361)
Derivative financial instruments attributable to line-by-line consolidated participations net of the related tax effect			1,733	(8,012)	207	9,538

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, Interest Rate Swap contracts with a notional value of about EUR 105,507 were in place, which fix the interest at an average IRS rate of about 4% for a period of 15 years on average from the date of stipulation.

It should be noted that the Group also enters 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 306 GWh were in place on maturities relating to the current period, 2024, and in part also maturities relating to 2025.

The change for the period in the fair value of Interest Rate Swaps on project financing was positive by EUR 1,209 thousand, mainly attributable to the settlement of differentials during the half-year period.

The change in the fair value of Commodity Swaps on energy prices was negative by EUR 12,091 thousand due to lower expected energy prices for the hedged maturities. The change was stated entirely under equity.

Derivative financial instruments: *Cash Flow Hedge*

As indicated in the sections on interest rate risk management and commodity price risk management in the annual report, the Group stipulates:

- Interest Rate Swap contracts to manage the risk arising from interest rate fluctuations on loans granted by financial institutions, converting most of these loans from floating rate to fixed rate loans;
- Commodity swap contracts to manage the risk deriving from the volatility of electricity sale prices, providing for the monthly exchange of a differential between a fixed price and a variable price indexed to the average of the benchmark price (National Single Price, "PUN") recorded in the reference month, applied to a given monthly volume of electricity (notional).

The fair value of Interest Rate Swaps and Commodity Swaps on energy prices in place as at 30 June 2024 is estimated to be a net amount of EUR 2,017 thousand (at 31 December 2023 it was EUR 12,899 thousand) and includes the following positions:

- the fair value of commodity swap contracts attributable to line-by-line consolidated companies in place as at 30 June 2024 is negative by EUR 4,728 thousand.
- the positive fair value of interest rate swap contracts attributable to line-by-line consolidated companies in place as at 30 June 2024 is EUR 6,745 thousand.

Counterparty (*) data as at 30 June 2024 (amounts in Thousands of Euro)	Notional amount	Fair value as at 30 June 2024	Inception Date	Effective date	Termination Date	Fixed Rate	Variable rate
Interest Rate Derivatives							
Banco BPM (Fucini)	3,401	385	18/01/2022	30/06/2022	30/06/2032	0.47%	Euribor 6M
Banco BPM (Anemos Wind)	7,532	261	12/05/2022	30/06/2022	31/12/2028	1.39%	Euribor 6M
Unicredit (Green Energy Sardegna)	15,824	1,330	30/10/2018	31/12/2018	29/06/2035	1.23%	Euribor 6M
Unicredit (Enermac)	29,534	1,408	22/12/2023	30/06/2022	29/06/2035	1.93%	Euribor 6M
Unicredit (Eolica PM)	26,697	2,427	21/12/2018	21/12/2018	29/06/2035	1.11%	Euribor 6M
Crédit Agricole Italia (Alerion Clean Power)	11,625	(136)	06/11/2023	23/10/2023	28/12/2028	3.33%	Euribor 6M
Unicredit (Fri-el Albareto)	10,894	1,070	15/02/2019	28/06/2019	29/06/2035	0.95%	Euribor 6M
Interest Rate Derivatives	105,507	6,745					
Counterparty (*) data as at 30 June 2024 (amounts in Thousands of Euro)	Notional (GWh)	Fair value as at 30 June 2024	Inception Date	Effective date	Termination Date	Fixed Price	Variable Price
Commodities Derivatives							
Unicredit (Alerion Clean Power)	155	(2,087)	23-Jan-24	1-Oct-24	31-Dec-24	99	National Single Price ("PUN")
Unicredit (Alerion Clean Power)	151	(2,641)	23-Jan-24	1-Jan-25	31-Mar-25	102	
Commodities Derivatives	306	(4,728)					
Derivative Financial Instruments Attributable to Line- by-Line Consolidated Equity Investments		2,017					

(*) 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 line-by-line consolidated companies in place at 30 June 2024 is estimated to be a positive amount of EUR 2,017 thousand (at 31 December 2023 it was a positive amount of EUR 12,899 thousand). This value is shown under assets for derivative financial instruments in the amount of EUR 6,896 thousand and partly under payables for derivative financial instruments in the amount of EUR 4,879 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 1,622 thousand as of 30 June 2024.

Company	Hedging Reserve Movements			
	Hedging reserve** as at 30 June 2024	Hedging reserve as at 31 December 2023	Differential regulations	Fair Value Adjustment
Banco BPM (Fucini)	385	352	(61)	94
Banco BPM (Anemos Wind)	261	248	(111)	124
Unicredit (Enermac)	1,277	1,016	(308)	569
Unicredit (Naonis Wind)	0	230	(322)	92
Unicredit (Green Energy Sardegna)	1,330	1,118	(457)	669
Unicredit (Guardionara)	0	23	(23)	0
Unicredit (Eolica PM)	2,427	2,087	(391)	731
Crédit Agricole Italia (Alerion Clean Power)	(136)	(340)	(35)	239
Unicredit (Alerion Clean Power)	(4,728)	7,363	(9,768)	(2,323)
Unicredit (Fri el Albareto)	1,070	941	(169)	298
Hedging reserve before tax	1,886	13,038	(11,645)	493
Change in deferred tax liabilities	(264)	(3,402)	3,175	(37)
Net Hedging Reserve	1,622	9,636	(8,470)	456

(**) CFH (Hedging Reserve)

The hedging reserve, net of tax effect, decreased by EUR 8,014 thousand at 30 June 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 should be noted that the hedging reserve related to commodity swap contracts, which at 31 December 2023 amounted to a positive figure of EUR 7,363 thousand before tax, was released to the income statement in the first quarter of 2024, at the same time as the hedged electricity production occurred. As at 30 June 2024, the open reserve before tax on new hedges amounted to a negative figure of EUR 4,728 thousand.

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 institutions Bankinter and Mediocredito in the parent company totalling EUR 1,938 thousand;
- bank deposits, on demand and short-term (maximum maturity three months), used for temporary cash use.

24. POST-EMPLOYMENT BENEFITS AND OTHER EMPLOYEE BENEFITS

The item amounted to EUR 1,487 thousand (EUR 1,390 thousand as of 31 December 2023) and included the actuarial value of the Group's actual debt to all employees determined by applying the criteria set forth in IAS 19.

(EUR thousands)	30.06.2024	31.12.2023	Change
Post employment benefits	1,487	1,390	97
Total post-employment benefits and other employee benefits	1,487	1,390	97

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

Table Economic and Financial Actuarial Assumptions

<i>Date of calculation</i>	30/06/2024
<i>Mortality rate</i>	IPS55 tables
<i>Disability rates</i>	INPS-2000 tables
<i>Staff turnover rate</i>	2.00%
<i>Discount rate*</i>	3.61%
<i>Rate of salary increase</i>	1.00%
<i>Rate of advances</i>	1.00%
<i>Inflation rate</i>	2.50%

Group employees as at 30 June 2024 totalled 195. The composition is detailed below:

	As at 31.12.23	Increases	Decreases	As at 30.06.2024	Average value of the period
Executives	4	0	0	4	4
Middle managers and Office workers	98	28	(8)	118	116
Blue-collar employees	67	10	(4)	73	69
Total employees	169	38	(12)	195	189

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

	Average age		Graduates	
	at 31.12.2023	at 30.06.2024	at 31.12.2023	at 30.06.2024
Executives	51	52	4	4
Middle managers and Office workers	38	38	71	86
Blue-collar employees	34	34	0	0
Mean value	36.5	36.6	75	90

25. PROVISIONS FOR FUTURE RISKS AND CHARGES

(EUR thousands)	30.06.2024	31.12.2023	Change
Provision for taxes and tax litigation	3,017	2,925	92
Provision for litigation risks	149	147	2
Provisions for other risks	8,539	10,767	(2,228)
Total provisions for future risks and charges	11,705	13,839	(2,134)

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	92	35	323	450
(Uses/releases)	0	(33)	(2,551)	(2,584)
As at 30 June 2024	3,017	149	8,539	11,705

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". As at 30 June 2024 the item amounted to EUR 3,017 thousand (EUR 2,925 thousand as at 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 30 June 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. Both 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 4,365 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 increased by EUR 54 thousand, as a balancing entry to property, plant and equipment, in connection with the change in discount rates;
- the provision relating to the Spanish operating company Comiolica of EUR 1,499 thousand (equal to EUR 4,030 thousand as of 31 December 2023) calculated on the yield envisaged by Spanish legislation on wind power generation plants, reflected in the income statement under other revenue and income.

A more detailed description of legal disputes can be found in Note "39", "Legal disputes".

26. COMMITMENTS AND GUARANTEES

The contractual commitments undertaken by the Alerion Group and the guarantees given to third parties and resulting as at 30 June 2024 are summarised below:

- Sureties or Guarantees issued in favour of third parties totalling EUR 287,184 thousand, of which:
 - EUR 189,787 thousand relating to project financing bank loans and non-controlling investors. Project financing guarantees amount to EUR 162,787 thousand and their residual debt entered in the financial statements is EUR 93,383 thousand;
 - EUR 70,282 thousand securing supply contracts entered into by the group through its SPVs in the development phase;
 - EUR 16,403 thousand securing environmental restoration obligations included in the authorisations held by the SPVs;
 - EUR 3,241 thousand in favour of "Gestore Servizi Energetici" - GSE S.p.A. for participation in the corresponding auctions;
 - EUR 7,471 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., Enermac S.r.l., Naonis Wind S.r.l., and Alerion Seddanus S.r.l. securing project finance loans.

INCOME STATEMENT

27. OPERATING REVENUE

Operating revenue for the first half of 2024 came in at EUR 81,542 thousand (EUR 86,376 thousand in the first half of 2023) and mainly refers to:

- revenue from the sale of electricity in the amount of EUR 70,359 thousand (EUR 85,209 thousand as at 30 June 2023);
- incentive tariff revenues of EUR 11,183 thousand (EUR 1,167 thousand as at 30 June 2023).

In the first half of 2024, the average selling price for fully consolidated wind power plants incentivised according to the Feed-in Tariff (FIP), formerly "green certificates", were EUR 128.2 per MWh, compared to EUR 142.4 per MWh in the same period in 2023. In particular:

- the average electricity selling price in 2024 for fully consolidated plants was EUR 86 per MWh, compared to EUR 142.4 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 the period for the Krupen plant in Bulgaria was approximately EUR 74.88 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 year on 30 June.

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. At the reporting date, contracts for a notional amount of approximately 300 GWh have been signed, to be traded in the last quarter of 2024 and the first quarter of 2025.

28. OTHER REVENUES AND INCOME

Other revenues and income in the first semester of 2024 amounted to EUR 9,816 thousand (EUR 25,125 thousand in the first half of 2023), down from the previous half 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.

The other changes in the item 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 1,554 thousand (EUR 1,019 thousand in the first half of 2023);
- insurance indemnities for interventions on production sites and indemnities for non-production totalling EUR 493 thousand, recognised in the income statement at the time the settlement is determined (EUR 5,067 thousand in the first half of 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 and Anglona wind farms, totalling EUR 786 thousand (EUR 830 thousand in the first half of 2023).

29. OPERATING COSTS

Operating costs in the first semester of 2024 amounted to EUR 26,472 thousand (EUR 25,603 thousand in the first half of 2023) and are detailed as follows:

(EUR thousands)	First half 2024	First half 2023	Change
Operating costs			
Personnel	6,521	4,867	1,654
Board of Directors and Corporate Costs	1,270	1,075	195
Consulting and collaborations	3,725	4,075	(350)
Insurance	2,432	2,445	(13)
Maintenance	8,122	6,540	1,582
Royalties and Leases	1,758	1,872	(114)
IMU (property tax)	413	521	(108)
Other Production Costs and Imbalances	238	296	(58)
Other operating costs	1,956	3,899	(1,943)
Other Operating Costs	19,914	20,723	(809)
Accruals to provisions for risks	37	13	24
Accruals to provisions for risks	37	13	24
Total operating costs	26,472	25,603	869

Operating costs in the first half of 2024 amounted to EUR 26,472 thousand, up by EUR 869 thousand compared to EUR 25,603 thousand in 2023. As a result of new recruits in 2024 following the new organisational structure of the group, **personnel expenses** increased by EUR 1,654 thousand compared to the previous figure.

The item **Board of Directors and Corporate Costs** came to EUR 1,270 thousand in the first half of 2024, up compared to the first half of 2023 (EUR 1,075 thousand).

Consulting amounted to EUR 3,725 thousand, a decrease of about EUR 350 thousand compared to the previous period when it amounted to EUR 4,075 thousand.

Royalties came to EUR 1,758 thousand at the end of the first half of 2024, down by about EUR 114 thousand compared to the previous period as a result of the contraction of revenues from the sale of electricity.

Maintenance costs mainly include the maintenance costs for operating plants and amounted to EUR 8,122 in the first half of 2024, an increase compared to the same period of 2023, when they came to EUR 6,540 thousand.

Accruals to provisions for risks amounted to EUR 37 thousand (EUR 13 thousand as at 30 June 2023).

The following table shows the details of personnel expenses.

(EUR thousands)	2024	2023	Change
Wages, salaries and social security contributions	4,878	3,590	1,288
Social security contributions	1,172	961	211
Post-employment benefits	232	171	61
Other personnel expenses	239	145	94
Total personnel expenses	6,521	4,867	1,654

30. AMORTISATION, DEPRECIATION AND IMPAIRMENT LOSSES

The following table shows the details of amortisation, depreciation and impairment losses.

(EUR thousands)	First half 2024	First half 2023	Change
Amortisation of intangible assets	7,857	7,704	153
Depreciation of property, plant and equipment	19,080	17,763	1,317
Impairment losses/reversals of impairment losses	0	16,921	(16,921)
Total amortisation, depreciation and impairment losses	26,937	42,388	(15,451)

The item Amortisation, depreciation and impairment losses increased with respect to the previous period, amounting to EUR 26,937 thousand, and is fully attributable to the depreciation of the Group's operating plants (in the first half of 2023, it amounted to EUR 25,467 thousand).

It should be noted that the depreciation of assets recognised in accordance with IFRS 16 as Land or Buildings amounted to EUR 665 thousand as at 30 June 2024.

it is pointed out that in the first half of 2023 the item Impairment losses/reversals of impairment losses related to the acquisitions of Fri-el Guardionara and Fri-el Anzi, provisionally accounted for (IFRS 3) with the recognition of certain surpluses arising upon first-time acquisition and provisionally allocated to the item "concessions". The impairment analyses conducted as at 30 June 2023, given the significantly different market conditions from those prevailing at the valuation date, resulted in a valuation adjustment of EUR 16,921 thousand, gross of the related tax effect.

31. NET FINANCIAL COSTS

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

(EUR thousands)	First half 2024	First half 2023	Change
Financial income:			
interest from banks	2,043	1,071	972
income from derivative financial instruments	1,902	938	964
financial income from third parties	4,714	2,533	2,181
other financial income	4	0	4
Total financial income	8,663	4,542	4,121
Financial costs:			
interests on Bond	(13,059)	(7,673)	(5,386)
interests and financial costs	(6,390)	(4,948)	(1,442)
other financial costs	(208)	(584)	376
Total financial costs:	(19,657)	(13,205)	(6,452)
Total Net financial costs	(10,994)	(8,663)	(2,331)

Financial income

Financial income amounted to EUR 8,663 thousand in the first half of 2024, an increase of EUR 4,121 thousand compared to the previous half year, 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, and ii) current account balances temporarily used in "time deposit contracts".

Income from derivative financial instruments include changes in the fair value of derivative financial instruments that did not qualify as hedges at the measurement date of 30 June 2024 (EUR 270 thousand) and IRS coupons income from project financing contracts settled in the course of the first half of 2024 (EUR 1,632 thousand).

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 19,657 thousand (EUR 13,205 thousand as of 30 June 2023) and included **short-term bank interest and charges** of EUR 6,390 thousand, which mainly related to interest accrued on the utilisation of project financing and **interest accrued on the bond loan** of EUR 13,059 thousand. **Other financial costs** of EUR 208 thousand include financial costs related to leasing liabilities recognised in accordance with IFRS 16 and expenses related to foreign exchange differences accrued during the half year.

32. NET GAINS ON EQUITY INVESTMENTS AND OTHER FINANCIAL ASSETS

Net gains on equity investments were positive by EUR 214 thousand and mainly refer to interest income from subsidiaries, while they were positive by EUR 22,876 thousand in the first half of 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.

33. INCOME TAXES

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

Thousands of Euros	First half 2024	First half 2023	Change
Current taxes	(4,392)	(13,326)	8,934
Deferred tax assets relating to the emergence and reversal of temporary differences	(5,751)	(3,023)	(2,728)
Deferred tax liabilities related to the emergence and reversal of temporary differences	(8)	7,041	(7,049)
Income Taxes in the Consolidated Income Statement	(10,151)	(9,308)	(843)

Deferred tax assets and deferred tax liabilities

The composition of deferred tax assets and liabilities at 30 June 2024 is as follows:

	Consolidated Statement of financial position			Consolidated Income Statement	Other comprehensive income and other changes	Consolidated Income Statement
Values in thousands	30/06/2024	31/12/2023	Change	First half 2024		First half 2023
(A) Deferred tax liabilities						
Discounting of Post-employee benefits	(16)	8	(24)	0	(24)	0
Deferred tax liabilities on temporary differences related to non-taxable dividends and amortisation and depreciation	(3,640)	(3,396)	(244)	(244)	0	(614)
Deferred tax assets on temporary differences recognised due to application of IFRS 16 Financial Leases	(2,696)	(2,831)	135	135	0	135
Deferred tax liabilities on temporary differences recognised on intra-group eliminations	(144)	(144)	0	0	0	0
Business combination (IFRS3)	(38,976)	(40,419)	1,443	1,443	0	5,976
Derivative financial instruments	(1,862)	(2,351)	489	(1,384)	1,873	(780)
Adaptation to Group Accounting Standards	(1,522)	(1,776)	254	42	212	2,324
Total (A)	(48,856)	(50,909)	2,053	(8)	2,061	7,041
(B) Deferred tax assets						
Deferred tax assets on temporary differences on the recognition of accruals to provisions for risks, amortisation, depreciation and impairment losses	3,862	12,332	(8,470)	(8,470)	0	139
Derivative financial instruments	446	1,112	(666)	(2,054)	1,388	(2,337)
Consolidation adjustments for the purpose of adjusting the financial statements to the IFRS principles used by the group	(3,506)	(2,717)	(789)	(709)	(80)	(746)
Deferred tax assets on temporary differences related to interest surpluses	(75)	(75)	0	0	0	21
Deferred tax assets on temporary differences recognised due to application of IFRS 16 Operating leases	322	303	19	19	0	16
Deferred tax assets on temporary differences recognised on intra-group eliminations	900	931	(31)	(31)	0	(31)
Losses available for offset against future taxable profits	5,659	9	5,650	5,650	0	5
Other deductible temporary differences	19,600	19,756	(156)	(156)	0	(90)
Total (B)	27,208	31,651	(4,443)	(5,751)	1,308	(3,023)
Net Deferred Tax Assets	(21,648)	(19,258)	(2,390)	(5,759)	3,369	4,018
Current taxes				(4,392)		(13,326)
Total taxes for the period				(10,151)		(9,308)

Deferred tax assets and deferred tax liabilities

The difference from 31 December 2023 of EUR 2,390 thousand was recognised, partly directly in negative changes in equity and partly in the consolidated income statement.

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 for finance 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	29,959	(1,868)	28,091
Theoretical tax	8,549	656	9,205
Permanent differences	(582)	(172)	(754)
Temporary differences	(9,101)	0	(9,101)
Other Changes in Tax Consolidation	(860)	0	(860)
Other changes	5,880	0	5,878
Effective tax	3,886	484	4,370
Effective tax %	13.0%	n.a.	15.6%
Other taxes	32	0	32
Consolidation adjustments	0	(10)	(10)
Total current taxes	3,918	474	4,392
Deferred tax assets and liabilities	3,178	0	3,178
Consolidation adjustments	2,729	(148)	2,581
Total deferred tax assets and liabilities	5,907	(148)	5,759
Financial year taxes	9,825	326	10,151

34. 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 period, net of treasury shares purchased by Alerion Clean Power S.p.A. in the first half of 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>	First half 2024	First half 2023
Profit for the period attributable to ordinary shareholders from continuing operations	17,940	50,539
Profit attributable to non-controlling interests	296	419
Net profit (loss) for the period attributable to the owners of the parent	17,644	50,120

Number of shares outstanding

No. of shares outstanding	54,229,403	54,229,403
Treasury shares on the date	691,480	364,803
Weighted average of outstanding shares	53,578,135	53,892,905

Earnings per share

<i>(Euro)</i>	First half 2024	First half 2023
Result per share	0.33	0.93

35. 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** and **Holding Activities**.

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

Operating revenue by Geographical Area	Period ending 30 June 2024		Financial period ending 30 June 2023	
	Thousands of Euros	% of total	Thousands of Euros	% of total
(values in Thousands of Euro)				
Italy (Islands)	30,773	38%	31,115	36%
Italy (Mainland)	43,781	54%	48,566	56%
Spain	1,373	2%	3,574	4%
Bulgaria	1,020	1%	1,416	2%
Romania	4,595	5%	1,705	2%
Operating revenue	81,542	100%	86,376	100%

Fields of activity: Statement of financial position

(Thousands of euro)	Operational activities		Holding		Consolidated	
	30.06.2024	31.12.2023	30.06.2024	31.12.2023	30.06.2024	31.12.2023
NON-CURRENT ASSETS:						
Intangible assets	285,247	265,019	0	0	285,247	265,019
Property, plant and equipment	600,657	582,663	9,666	9,108	610,323	591,771
Financial receivables and other non-current financial assets	26,258	37,629	14,905	14,423	41,163	52,052
Other non-current assets	20,745	21,169	7,901	11,728	28,646	32,897
TOTAL NON-CURRENT ASSETS	932,907	906,480	32,472	35,259	965,379	941,739
CURRENT ASSETS:						
Inventories	12,988	10,561	0	0	12,988	10,561
Financial receivables and other current financial assets	2,438	2,693	69,276	74,964	71,714	77,657
Other current assets	55,724	46,381	13,935	15,373	69,659	61,754
Cash and cash equivalents	96,094	83,540	204,448	259,622	300,542	343,162
TOTAL CURRENT ASSETS	167,244	143,175	287,659	349,959	454,903	493,134
TOTAL ASSETS	1,100,151	1,049,655	320,131	385,218	1,420,282	1,434,873
EQUITY	142,133	170,745	157,055	155,980	299,188	326,725
NON-CURRENT LIABILITIES:						
Non-current financial liabilities	134,062	136,209	711,988	708,334	846,050	844,543
Other non-current liabilities	76,879	73,727	7,535	8,260	84,414	81,987
TOTAL NON-CURRENT LIABILITIES	210,941	209,936	719,523	716,594	930,464	926,530
CURRENT LIABILITIES:						
Current financial liabilities	17,080	25,742	52,589	9,265	69,668	35,006
Other current liabilities	111,271	100,162	9,691	46,450	120,962	146,612
TOTAL CURRENT LIABILITIES	128,351	125,904	62,280	55,715	190,630	181,618
Inter-segment financing	618,726	543,070	(618,726)	(543,070)	0	0
TOTAL LIABILITIES	958,018	878,910	163,077	229,239	1,121,094	1,108,148
TOTAL EQUITY AND LIABILITIES	1,100,151	1,049,655	320,131	385,218	1,420,282	1,434,873

Fields of activity: Income statement

(Thousands of euro)	Operational activities		Holding		Consolidated	
	First half 2024	First half 2023	First half 2024	First half 2023	First half 2024	First half 2023
Operating revenue	81,542	86,376	0	0	81,542	86,376
Other revenues and income	5,598	7,926	4,218	17,199	9,816	25,125
TOTAL REVENUES	87,140	94,302	4,218	17,199	91,358	111,501
Operating costs	23,522	23,188	2,951	2,415	26,472	25,603
Share of net profit of investments accounted for using the equity method	922	2,124	0	0	922	2,124
Amortisation, depreciation and impairment losses	26,533	42,172	404	216	26,937	42,388
OPERATING PROFIT (EBIT)	38,008	31,066	864	14,568	38,871	45,634
Financial net gains on equity investments	(7,521)	14,851	(3,259)	(638)	(10,780)	14,213
PROFIT BEFORE TAX	30,487	45,917	(2,396)	13,930	28,091	59,847
Income taxes					(10,151)	(9,308)
PROFIT FOR THE PERIOD FROM OPERATING ACTIVITIES					17,940	50,539
PROFIT FOR THE PERIOD					17,940	50,539
Profit attributable to non-controlling interests					296	419
PROFIT ATTRIBUTABLE TO THE OWNERS OF THE PARENT					17,644	50,120

Operational Activities:

Operating revenue in the first half of 2024 amounted to EUR 81,542 thousand (EUR 86,376 thousand in the first half of 2023) and is detailed as follows:

- revenue from the sale of electricity in the amount of EUR 70,359 thousand (EUR 85,209 thousand as at 30 June 2023);
- incentive tariff and guarantee of origin revenues of EUR 11,183 thousand (EUR 1,167 thousand as at 30 June 2023).

In the first half of 2024, the average selling price for fully consolidated wind power plants incentivised according to the Feed-in Tariff (FIP), formerly "green certificates", were EUR 128.2 per MWh, compared to EUR 142.4 per MWh in the first half of 2023. In particular:

- the average electricity selling price in the first half of 2024 was EUR 86 per MWh, compared to EUR 142.4 per MWh in the same period of 2023;
- the average Feed-in Premium in the first half of 2024 was 42.2 (null per MWh 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 the period for the Krupen plant in Bulgaria was approximately EUR 74.88 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 year on 30 June.

Operating Profit (EBIT) in the first half of 2024 was EUR 38,008 thousand (EUR 31,066 thousand in the first half of 2023) after amortisation, depreciation and impairment losses of EUR 26,533 thousand (EUR 42,172 thousand as at 30 June 2023).

Property, plant and equipment and Intangible assets as at 30 June 2024 amounted to EUR 885,904 thousand, a EUR 38,222 increase compared to 31 December 2023, mainly due to the entry into the consolidation scope of the companies acquired in the first half of 2024 and previously held under a joint venture arrangement, namely Bioenergia S.r.l. and Generai S.r.l., and to new investments.

Holding:

As at 30 June 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.

36. FINANCIAL RISK MANAGEMENT POLICY

Please find below updated information on the interest rate risk, compared to the information already given in the financial statements as at 31 December 2023:

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 financial instruments that do not qualify as hedges are recognised in the income statement in the period in which they occur; all derivatives outstanding at 30 June 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, mostly originated by payables to banks and linked to the volatility of the Euribor curve, is limited as at 30 June 2024 as a result of the repeated issue of Bonds, starting from the one subscribed on 19 December 2019 at a 3.125% fixed rate, that subscribed on 3 November 2021 at a 2.25% fixed rate and that subscribed on 17 May 2022 at a 3.5% fixed rate and, lastly, the latest one subscribed on 12 December 2023 at a 6.75% fixed rate, which are not affected by interest rate volatility.

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 (National Single Price, "PUN") recorded in the reference month, applied to a given monthly volume of electricity (notional).

37. DETAILS OF RELATED PARTY AND INTRA-GROUP TRANSACTIONS AS AT 30 JUNE 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.

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In the consolidated financial statements as at 30 June 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 which, in the first half of 2024, amounted in total to EUR 3,549 thousand recognised in the item "other revenue and income" (EUR 6,043 thousand as of 31 December 2023) and EUR 198 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:

<i>(values in Thousands of Euro)</i>	Total Revenues and Income	Costs	Assets	Liabilities
Entities with significant influence on the Group:				
Investments accounted for using the equity method:				
Ecoenergia Campania S.r.l.	61	0	0	35
New Green Molise S.r.l.	1,143	2	6,738	65
Parco Eolico Santa Croce del Sannio House S.r.l.	5	0	73	3
Tre Torri Energia S.r.l.	12	0	522	0
Alerion Clean Power RO Srl	90	1	7,712	34
Total Investments accounted for using the Equity Method	1,311	3	15,045	137
Related parties:				
FRI EL Green Power Group	20,894	970	11,994	6,470
Wind Development Srl	0	59	5	1,457
Simest S.p.A.	0	586	0	22,903
Total related parties	20,894	1,615	11,999	30,830
Total	22,205	1,618	27,044	30,967

It should be noted that revenues from the FRI-EL Group, amounting to EUR 20,894 thousand, are mainly attributable to the recharging of employees in Alerion Servizi Tecnici e Sviluppo S.r.l. and to the sale of electricity to Fri-el Trading S.r.l.

Costs payable to the FRI-EL Group, amounting to EUR 970 thousand, mainly relate to i) fees for asset management services of EUR 383 thousand; ii) administrative services of EUR 401 thousand; iii) costs for use of third-party assets of EUR 92 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	539	8,629	0	0	9,168
<i>total trade receivables</i>	<i>17,891</i>	<i>17,891</i>	<i>17,891</i>	<i>17,891</i>	<i>17,891</i>
incidence	3.0%	48.2%	0%	0%	51.2%
Other current assets	2,305	1,392	5	0	3,702
<i>total other current assets</i>	<i>44,177</i>	<i>44,177</i>	<i>44,177</i>	<i>44,177</i>	<i>44,177</i>
incidence	5.2%	3.2%	0%	0%	8.4%
Current financial receivables	132	0	0	0	132
<i>total current financial receivables</i>	<i>69,799</i>	<i>69,799</i>	<i>69,799</i>	<i>69,799</i>	<i>69,799</i>
incidence	0.2%	0%	0%	0%	0.2%
Non-current financial receivables	12,069	1,972	0	0	14,041
<i>total non-current financial receivables</i>	<i>15,473</i>	<i>15,473</i>	<i>15,473</i>	<i>15,473</i>	<i>15,473</i>
incidence	78.0%	12.7%	0%	0%	90.7%
Non-current financial liabilities	2	0	0	22,903	22,905
<i>total non-current financial liabilities</i>	<i>845,899</i>	<i>845,899</i>	<i>845,899</i>	<i>845,899</i>	<i>845,899</i>
incidence	0%	0%	0%	2.7%	2.7%
Other non-current liabilities	0	0	1,440	0	1,440
<i>total other non-current liabilities</i>	<i>22,366</i>	<i>22,366</i>	<i>22,366</i>	<i>22,366</i>	<i>22,366</i>
incidence	0%	0%	6.4%	0%	6.4%
Current financial liabilities	0	0	0	0	0
<i>total current financial liabilities</i>	<i>64,940</i>	<i>64,940</i>	<i>64,940</i>	<i>64,940</i>	<i>64,940</i>
incidence	0%	0%	0%	0%	(0.1%)
Trade payables	18	552	17	0	587
<i>total trade payables</i>	<i>68,543</i>	<i>68,543</i>	<i>68,543</i>	<i>68,543</i>	<i>68,543</i>
incidence	0%	0.9%	0%	0%	0.9%
Current tax liabilities	0	5,070	0	0	5,070
<i>total current tax liabilities</i>	<i>40,339</i>	<i>40,339</i>	<i>40,339</i>	<i>40,339</i>	<i>40,339</i>
incidence	0%	12.6%	0%	0%	12.6%
Other current liabilities	117	848	0	0	964
<i>total other current liabilities</i>	<i>12,080</i>	<i>12,080</i>	<i>12,080</i>	<i>12,080</i>	<i>12,080</i>
incidence	1.0%	7.0%	0%	0%	8.0%
Provisions for future risks and charges	0	0	0	0	0
<i>Total provisions for future risks and charges</i>	<i>11,705</i>	<i>11,705</i>	<i>11,705</i>	<i>11,705</i>	<i>11,705</i>
incidence	0%	0%	0%	0%	0%
Electricity sales	0	18,458	0	0	18,458
<i>total electricity sales</i>	<i>70,359</i>	<i>70,359</i>	<i>70,359</i>	<i>70,359</i>	<i>70,359</i>
incidence	0%	26.2%	0%	0%	26.2%
Other revenues and income	1,113	2,436	0	0	3,549
<i>total other revenue and income</i>	<i>9,816</i>	<i>9,816</i>	<i>9,816</i>	<i>9,816</i>	<i>9,816</i>
incidence	11.3%	24.8%	0%	0%	36.2%
Other operating costs	3	970	59	121	1,152
<i>total other operating costs</i>	<i>19,914</i>	<i>19,914</i>	<i>19,914</i>	<i>19,914</i>	<i>19,914</i>
incidence	0.0%	4.9%	0.3%	0.6%	5.8%
Net financial costs	0	0	0	(465)	(465)
<i>total net financial costs</i>	<i>(10,994)</i>	<i>(10,994)</i>	<i>(10,994)</i>	<i>(10,994)</i>	<i>(10,994)</i>
incidence	0%	0%	0%	4.2%	(4.2%)
Net gains on equity investments	198	0	0	0	198

<i>total net gains on equity investments</i>	214	214	214	214	214
<i>incidence</i>	92.5%	0%	0%	0%	92.5%

38. 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, COOs and key management personnel is contained in the Report on Remuneration, pursuant to Article 123 ter T.U.F. (Consolidated Law on Finance).

39. LEGAL DISPUTES

Outstanding legal disputes as at 30 June 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 up to 31 December 2023 were therefore shown under other receivables and were assessed as recoverable.

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 1.2 million.

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 30 June 2024 amounted to EUR 1.9 million.

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 Ordona 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 an operator that is not part of the Fri-El/Alerion perimeter - 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 is still pending and the hearing will be held on 6 November 2024.

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 2024.

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;
- 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.

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 2024.

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.

The hearing will be held on 28 January 2025.

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.

40. INVESTMENTS ACCOUNTED FOR USING THE EQUITY METHOD [DETAIL]

For each company, the current and non-current assets, liabilities, expenses and revenues recognised in the consolidated financial statements as at 30 June 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. Alerion owns 50% of the company's shares.

Ecoenergia Campania S.r.l. (EUR thousands)

	30.06.2024	31.12.2023
Non-Current Assets	6,270	6,648
Current Assets	1,975	3,588
<i>of which Cash and cash equivalents</i>	<i>1,115</i>	<i>2,822</i>
Total assets	8,245	10,236
Equity	4,392	5,372
Non-current liabilities	375	377
Current liabilities	3,478	4,487
Total liabilities and equity	8,245	10,236
	First half 2024	First half 2023
Total Revenues and Income	1,191	1,771
Costs	(873)	(1,038)
<i>of which Amortisation, depreciation and impairment losses</i>	<i>(374)</i>	<i>(373)</i>
<i>of which Interest Expense</i>	<i>(8)</i>	<i>(7)</i>
<i>of which Income Taxes</i>	<i>(145)</i>	<i>(304)</i>
Profit for the period	318	733
Dividends distributed	(1,298)	(2,328)
	30.06.2024	31.12.2023
Net assets	4,392	5,372
Percentage held in participation	50%	50%
Book value of the shareholding	2,196	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. Alerion owns 50% of the company's shares.

New Green Molise S.r.l. (EUR thousands)

	30.06.2024	31.12.2023
Non-Current Assets	52,389	54,255
Current Assets	12,386	15,271
<i>of which Cash and cash equivalents</i>	<i>10,231</i>	<i>13,880</i>
Total assets	64,775	69,526
Equity	36,769	39,439
Non-current liabilities	10,443	10,467
<i>of which Non-current financial liabilities</i>	<i>10,058</i>	<i>10,074</i>
Current liabilities	17,563	19,620
<i>of which Current financial liabilities</i>	<i>900</i>	<i>974</i>
Total liabilities and equity	64,775	69,526
	First half 2024	First half 2023
Total Revenues and Income	6,708	7,460
Costs	(4,768)	(4,828)
<i>of which Amortisation, depreciation and impairment losses</i>	<i>(2,070)</i>	<i>(2,075)</i>
<i>of which Interest Expense</i>	<i>(42)</i>	<i>(212)</i>
<i>of which Income Taxes</i>	<i>(1,155)</i>	<i>(1,116)</i>
Profit for the period	1,940	2,632
Dividends distributed	(4,610)	(4,392)
	30.06.2024	31.12.2023
Net assets	36,769	39,439
Percentage held in participation	50%	50%
Book value of the shareholding	18,385	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 30 June 2024, according to the equity method valuation of the investment:

Tre Torri Energia S.r.l.

	30.06.2024	31.12.2023
Non-Current Assets	537	512
Current Assets	83	107
<i>of which Cash and cash equivalents</i>	20	24
Total assets	620	619
Equity	96	109
Non-current liabilities	522	510
<i>of which Non-current financial liabilities</i>	522	503
Current liabilities	2	0
Total liabilities and equity	620	619
	First half 2024	First half 2023
Total Revenues and Income	3	0
Costs	(16)	0
Profit for the period	(13)	0
	30.06.2024	31.12.2023
Net assets	96	109
Percentage held in participation	49%	49%
Book value of the shareholding	47	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 30 June 2024, according to the equity method valuation of the investment:

Alerion Clean Power RO S.r.l.

	30.06.2024	31.12.2023
Non-Current Assets	6,626	6,286
Current Assets	293	226
<i>of which Cash and cash equivalents</i>	17	24
Total assets	6,919	6,512
Equity	(925)	(577)
Non-current liabilities	7,729	5,786
<i>of which Non-current financial liabilities</i>	7,729	5,786
Current liabilities	115	1,303
<i>of which Current financial liabilities</i>	82	82
Total liabilities and equity	6,919	6,512
	First half 2024	First half 2023
Total Revenues and Income	11	0
Costs	(360)	0
Profit for the period	(349)	0
	30.06.2024	31.12.2023
Net assets	(925)	(577)
Percentage held in participation	49%	49%
Book value of the shareholding	(453)	(283)

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 30 June 2024, according to the equity method valuation of the investment:

Mitoc Partners S.r.l.

	30.06.2024	31.12.2023
Non-Current Assets	1,227	1,204
Current Assets	96	87
Total assets	1,323	1,291
Equity	281	317
Non-current liabilities	920	881
<i>of which Non-current financial liabilities</i>	<i>920</i>	<i>881</i>
Current liabilities	123	93
Total liabilities and equity	1,323	1,291
	First half 2024	First half 2023
Costs	(42)	0
Profit for the period	(42)	0
	30.06.2024	31.12.2023
Net assets	281	317
Percentage held in participation	36.75%	36.75%
Book value of the shareholding	103	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 30 June 2024, according to the equity method valuation of the investment:

Phoenix Catalyst S.r.l.	30.06.2024	31.12.2023
Non-Current Assets	497	492
Current Assets	12	12
Total assets	509	504
Equity	415	411
Non-current liabilities	82	79
<i>of which Non-current financial liabilities</i>	<i>82</i>	<i>79</i>
Current liabilities	12	13
Total liabilities and equity	509	504
	First half 2024	First half 2023
Costs	(1)	0
Profit for the period	(1)	0
	30.06.2024	31.12.2023
Net assets	415	411
Percentage held in participation	36.75%	36.75%
Book value of the shareholding	152	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 30 June 2024, according to the equity method valuation of the investment:

Phoenix Ceres S.r.l.	30.06.2024	31.12.2023
Non-Current Assets	497	492
Current Assets	12	12
Total assets	509	504
Equity	415	411
Non-current liabilities	82	78
<i>of which Non-current financial liabilities</i>	<i>82</i>	<i>78</i>
Current liabilities	12	15
Total liabilities and equity	509	504
	First half 2024	First half 2023
Costs	(1)	0
Profit for the period	(1)	0
	30.06.2024	31.12.2023
Net assets	415	411
Percentage held in participation	36.75%	36.75%
Book value of the shareholding	152	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 30 June 2024, according to the equity method valuation of the investment:

Phoenix Genesis S.r.l.	30.06.2024	31.12.2023
Non-Current Assets	497	492
Current Assets	11	11
Total assets	508	503
Equity	413	410
Non-current liabilities	78	75
<i>of which Non-current financial liabilities</i>	<i>78</i>	<i>75</i>
Current liabilities	17	18
Total liabilities and equity	508	503
	First half 2024	First half 2023
Costs	(1)	0
Profit for the period	(1)	0
	30.06.2024	31.12.2023
Net assets	413	410
Percentage held in participation	36.75%	36.75%
Book value of the shareholding	152	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 30 June 2024, according to the equity method valuation of the investment:

Phoenix Nest S.r.l.

	30.06.2024	31.12.2023
Non-Current Assets	426	421
Current Assets	22	22
Total assets	448	443
Equity	147	144
Non-current liabilities	289	286
<i>of which Non-current financial liabilities</i>	<i>289</i>	<i>286</i>
Current liabilities	12	13
Total liabilities and equity	448	443
	First half 2024	First half 2023
Costs	(1)	0
Profit for the period	(1)	0
	30.06.2024	31.12.2023
Net assets	147	144
Percentage held in participation	36.75%	36.75%
Book value of the shareholding	54	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 30 June 2024, according to the equity method valuation of the investment:

Parco Eolico Santa croce del Sannio House S.r.l. (EUR thousands)

	30.06.2024	31.12.2023
		3
Non-Current Assets	193	197
Current Assets	61	72
<i>of which Cash and cash equivalents</i>	<i>47</i>	<i>60</i>
Total assets	254	269
Equity	164	175
Non-current liabilities	78	77
<i>of which Non-current financial liabilities</i>	<i>73</i>	<i>72</i>
Current liabilities	12	17
<i>of which Current financial liabilities</i>	<i>11</i>	<i>11</i>
Total liabilities and equity	254	269
	First half 2024	First half 2023
Total Revenues and Income	-	2
Costs	(11)	(8)
Profit for the period	(11)	(6)
	30.06.2024	31.12.2023
		3
Net assets	164	175
Percentage held in participation	50%	50%
Book value of the shareholding	82	88

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.

Certification of the interim Consolidated Financial Statements as at 30 June 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 condensed interim Consolidated Financial Statements during the first half of 2024.
2. It is further attested that:
 - 2.1 The Condensed interim consolidated financial statements as at 30 June 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 interim directors' report includes a reliable analysis of the important events that occurred in the first six months of the financial year and their impact on the Condensed interim consolidated financial statements, together with a description of the main risks and uncertainties for the next six months of the year. The interim directors' report also includes a reliable analysis of information on relevant transactions with related parties.

Milan, 30 July 2024

The Chief Executive Officer

Josef Gostner

(signed on the original)

Manager in charge of the financial reporting

Stefano Francavilla

(signed on the original)



KPMG S.p.A.
Revisione e organizzazione contabile
Via Vittor Pisani, 25
20124 MILANO MI
Telefono +39 02 6763.1
Email it-fmauditaly@kpmg.it
PEC kpmgspa@pec.kpmg.it

(This independent auditors' report has been translated into English solely for the convenience of international readers. Accordingly, only the original Italian version is authoritative.)

Report on review of condensed interim consolidated financial statements

*To the Shareholders of
Alerion Clean Power S.p.A.*

Introduction

We have reviewed the accompanying condensed interim consolidated financial statements of the Alerion Clean Power Group, comprising the consolidated interim statement of financial position and consolidated interim statement of changes in equity, the consolidated interim income statement, the consolidated interim comprehensive income statement, the consolidated interim cash flows statement and notes thereto, as at and for the six months ended 30 June 2024. The Directors are responsible for the preparation of these condensed interim consolidated financial statements in accordance with the International Financial Reporting Standard applicable to interim financial reporting (IAS 34), endorsed by the European Union. Our responsibility is to express a conclusion on these condensed interim consolidated financial statements based on our review.

Scope of Review

We conducted our review in accordance with Consob (the Italian Commission for Listed Companies and the Stock Exchange) guidelines set out in Consob resolution no. 10867 dated 31 July 1997. A review of condensed interim consolidated financial statements consists of making inquiries, primarily of persons responsible for financial and accounting matters, applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with International Standards on Auditing (ISA Italia) and, consequently, does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion on the condensed interim consolidated financial statements.

Conclusion

Based on our review, nothing has come to our attention that causes us to believe that the condensed interim consolidated financial statements of the Alerion Clean Power Group as at and for the six months



Alerion Clean Power Group

Report on review of condensed interim consolidated financial statements

30 June 2024

ended 30 June 2024 have not been prepared, in all material respects, in accordance with the International Financial Reporting Standard applicable to interim financial reporting (IAS 34), endorsed by the European Union.

Milan, 31 July 2024

KPMG S.p.A.

(signed on the original)

Silvia Di Francesco
Director