

# 1H 2024 Report

## Premier Energy PLC





### Premier Energy PLC

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Registration number: **HE316455**



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



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

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

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*Directors' Report for 6-months period ended June 30<sup>th</sup>, 2024*

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## 1H 2024 RESULTS HIGHLIGHTS

- **7% growth** in owned RES production (from date of acquisition/commissioned development) + 80 MW of wind and 5 MW of solar added after June 30<sup>th</sup> – on plan to reach strategic target
- **48% growth** in electricity MWh supplied and **26% growth in natural gas MWh** supplied
- **11%** natural gas distribution customer growth
- **Stable Premier Energy Moldova performance as expected** on a normalized basis
- CEZ Vanzare (renamed as Premier Energy Furnizare) acquisition completed, bringing an **additional 1.3 million supply customers**, with ongoing integration
- **21%** normalized revenue growth
- **3%** normalized EBITDA growth (negatively impacted by market conditions)
- Highly liquid financial position with ~ **€109 million of net working capital and cash balance**
- **Outperformed on items in management control**; profitability impacted by exogenous factors

OPERATIONAL KPIs		1H 2024	1H 2023	Variation
<b>Owned Renewable Energy Production</b>	MWh	68,821	64,266	7%
<b>Owned Renewable Energy Capacity<sup>(a)</sup></b>	MW	97	50	96%
<b>Managed Renewable Energy Capacity</b>	MW	746	651	15%
<b>Electricity Supply Quantities</b>				
<b>Electricity Supply Quantities</b>	MWh	2,991,927	2,020,576	48%
<b>Electricity Distribution Customers</b>	#	951,736	943,736	1%
<b>Natural Gas Supply Quantities</b>				
<b>Natural Gas Supply Quantities</b>	MWh	3,393,533	2,702,416	26%
<b>Natural Gas Distribution Customers</b>	#	156,991	141,153	11%
<b>Total Energy Customers</b>	#	2,343,834	948,845	147%

FINANCIAL KPIs		1H 2024	1H 2023	Variation
<b>Revenue</b>	€ in mil.	512.4	465.3	10%
<b>Normalized Revenue<sup>(b)</sup></b>	€ in mil.	534.8	441.9	21%
<b>Adjusted EBITDA<sup>(c)</sup></b>	€ in mil.	30.8	74.9	-59%
<b>Normalized EBITDA<sup>(d)</sup></b>	€ in mil.	53.2	51.4	3%
<b>Net Profit</b>	€ in mil.	19.9	49.6	-60%
<b>Normalized Net Profit<sup>(e)</sup></b>	€ in mil.	39.9	26.9	48%
<b>Net Debt</b>	€ in mil.	66.3		
<b>Net Working Capital &amp; Cash<sup>(f)</sup></b>	€ in mil.	108.8		

- (a) Majority of the new capacity was acquired in Q2 2024 (July 2024 80 MW wind plant acquisition is excluded).
- (b) Defined as Revenue adjusted for Tariff Deviations and Energy Supplied but Unbilled variances in Moldova.
- (c) Defined as Profit from Operations plus Depreciation & Amortization Expense, less Gain on Bargain Purchase, and adjusting for any Net Foreign Currency Losses or Gains.
- (d) Defined as Adj. EBITDA adjusted for Tariff Deviations and Energy Supplied but Unbilled variances in Moldova.
- (e) Defined as Net Profit adjusted for after-tax Tariff Deviations & Energy Supplied but Unbilled variances in Moldova.
- (f) Defined as Net Debt plus Non-debt Current Liabilities less Non-Cash Current Assets.



# 1H 2024 Earnings Call

29.08.2024

15:00 EEST | 14:00 CET | 13:00 UK

Join the H1 2024 results calls with Premier Energy Group's top management to discuss the performance in the six months of 2024 as well as the prospects for the remainder of the year.



**José Garza**  
CEO



**Peter Stohr**  
CFO



**Giacomo Billi**  
Head of Renewables



**Jose Luis Gomez Pascual**  
CM Premier Energy Moldova



**Madalina Vasile**  
CMO



**Miruna Ciocea**  
Head of M&A



**Zuzanna Kurek**  
IR Officer



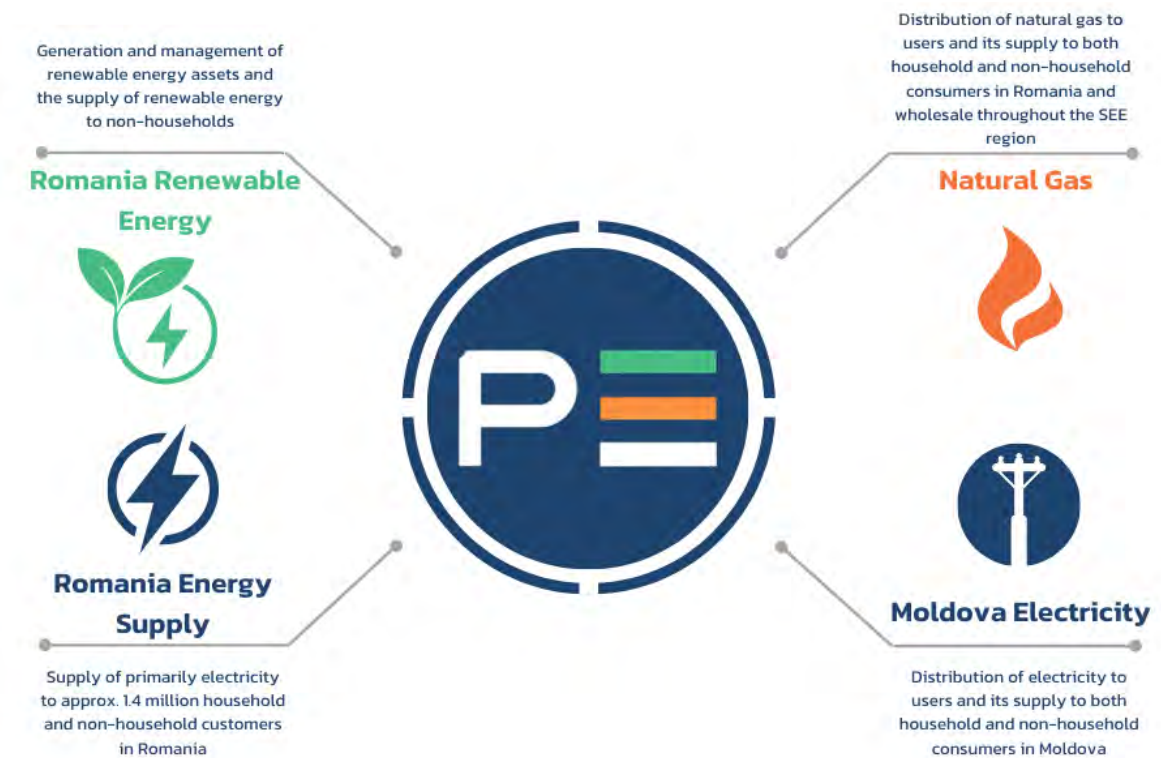
**Cristian Prevenda**  
IR Officer

Request your log-in details by emailing the IR Team at:  
[investor.relations@premierenergygroup.eu](mailto:investor.relations@premierenergygroup.eu)

# ABOUT PREMIER ENERGY GROUP

## CORE BUSINESS SEGMENTS

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



### Romania Renewable Energy

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

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

The Group is one of the largest renewable energy suppliers and aggregators, with a robust presence in generation, supply, asset management, and aggregation services.

## Romania Energy Supply

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

## Natural Gas Distribution and Supply

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

As of June 30<sup>th</sup>, 2024, Premier Energy distributed gas to over 155,000 consumption points in Romania and supplied gas to over 140,000 customers. With 118 gas concessions across Romania, and with a distribution network spanning almost 3,700 km, the majority capable of supporting green hydrogen distribution, the concessions strategically cover areas around Bucharest and the southern and western regions of Romania, including remote areas with anticipated demand growth.

## Republic of Moldova electricity distribution and supply

The Group is the largest electricity distributor and supplier in Moldova, serving around 70% of the population with nearly 1 million consumption points, and holding over 75% market share in the electric supply market. Premier Energy Distribution S.A., the Group's subsidiary in Moldova, operates a network of approximately 35,700 km, covering 16 districts and the capital, Chisinau, as one of the two distributors in the country.

Moreover, in Moldova, the Group leads as the largest renewable services provider, delivering forecasting, balancing, aggregation and supply services to an approximate 20% share of the installed renewables capacity in the country. This highlights Premier Energy's commitment to driving profitable renewable energy adoption and sustainability, catalyzing the region's energy transition.

## ESG AND SUSTAINABILITY

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

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

## SHAREHOLDING STRUCTURE

Following the successful IPO on May 28<sup>th</sup>, 2024, Premier Energy Group’s shares are tradeable on the Main Market of the Bucharest Stock Exchange, International Category, under the ticker symbol “PE”.

The shareholding structure of the Group, as of June 30<sup>th</sup>, 2024, is as follows:



## KEY EVENTS IN 1H 2024

### ACQUISITIONS

#### Completion of the acquisition of Premier Energy Furnizare, formerly CEZ Vanzare | April 2024

On April 15<sup>th</sup>, 2024, Premier Energy completed the acquisition of CEZ Vanzare from the Australian investment fund Macquarie Asset Management. With the completion of the acquisition, CEZ Vanzare was renamed Premier Energy Furnizare.

With 19 years of experience in the Romanian market, CEZ Vanzare is the main electricity supplier in southwestern Romania, recently also becoming a gas supplier, with a total portfolio of 1.3 million customers, primarily household and small business clients, supplies annually approximately 3.2 TWh of electricity and natural gas. Following the acquisition, the customer portfolio of the Group increased to 2.3 million residential and non-residential customers in Romania and Moldova.

The transaction and change of ownership had no impact on the contractual provisions between Premier Energy Furnizare and its customers, employees (including the management team), suppliers, or partners. Since closing, the business underwent a successful separation from the other former CEZ Group businesses with only the separation of the IT systems remaining. The business will be more integrated into the Premier Energy Group in the coming period.

#### Completion of the acquisition of wind parks in Vaslui | April 2024

Also on April 15<sup>th</sup>, 2024, the Premier Energy Group completed the acquisition of three wind parks and four additional turbine locations with already executed components located within the Dranceneni area, in Vaslui County, Romania. The operating wind parks have a total installed capacity of 18 MW. When completed, the four additional turbine locations will increase the total installed capacity up to 8 MW.

Alive Wind Power One, a subsidiary of Premier Energy Group that was established for this acquisition, owns these respective plants.

#### Signing of the acquisition of two new solar park developments | June 2024

On June 14<sup>th</sup>, 2024, Premier Energy announced the signing of the acquisition of two new photovoltaic projects for renewable electricity production through the entity Alive Renewable Holding Limited, the investment vehicle of the Premier Energy Group, and Motor Oil Renewable Energy Single Member S.A., the renewables arm of the Motor Oil (Hellas) Corinth Refineries S.A. Group.

The projects, which also consider the development of battery storage, comprise 86 MW in PV installed capacity as well as 18MWh in storage capacity. The park areas are located in Buzau County, Romania. The development activities will be coordinated by Alive Capital S.A. Premier Energy and Motor Oil expect to complete the construction of the projects by the second half of 2025.

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

On July 30<sup>th</sup>, Premier Energy successfully completed the acquisition of an 80 MW wind plant near Mihai Viteazu in Constanta County, Romania. The wind plant generates an estimated 165 GWh of electricity on an annual basis. The acquisition contract to acquire Eolica Dobrogea One S.R.L., since renamed to Premier Wind 80 S.R.L., from Iberdrola was signed in April 2024.

The acquisition, one of the largest in the Group's history, valued at approximately EUR 88 million with a lockbox date of January 1<sup>st</sup>, 2024, was facilitated by a syndicated loan of EUR 61 million provided by Vista Bank and Optima Bank.

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

## **OPERATIONAL DEVELOPMENTS**

### **Starting operations of 13.2 MW cogeneration balancing plant | YTD 2024**

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

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

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

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

In August, the Group secured its first contract through a local commodity exchange auction to supply natural gas in the Republic of Moldova. Premier Energy will commence natural gas supply operations in Moldova starting September 2024.

## CAPITAL MARKETS

### IPO on the Bucharest Stock Exchange | May 2024

Following a successful IPO which took place between May 8<sup>th</sup> and 15<sup>th</sup>, 2024, Premier Energy debuted trading on the Bucharest Stock Exchange's Main Market on May 28<sup>th</sup>, 2024. During the IPO, 35.9 million shares were sold, of which 25 million were newly issued shares, 6.25 million shares were sold by the sole shareholder, EMMA Alpha Holding, and 4.7 million shares were overallocated and treated as a sale of the sole shareholder. The Group attracted approximately EUR 140 million from investors, of which approximately EUR 97 million were primary proceeds and approximately EUR 43 million were secondary proceeds for EMMA Capital. The capital raised by the Group will be used to accelerate investment plans in Southeastern Europe, especially in the area of renewable electricity production plants.

### Optimization of the capital structure | June, July and August 2024

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

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



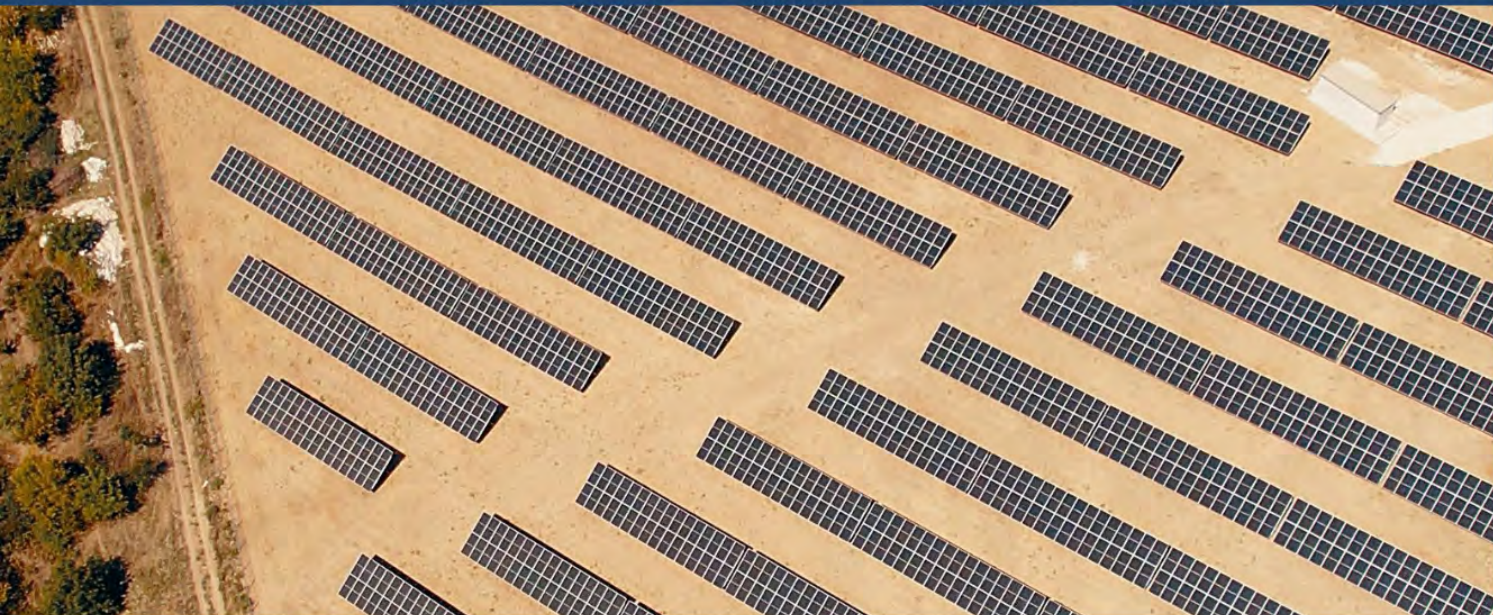
**Premier Energy's 18 MW Wind Park, near Dranceni, Vaslui County, Romania**



**Premier Energy's Solar Park, Buzau County, Romania**



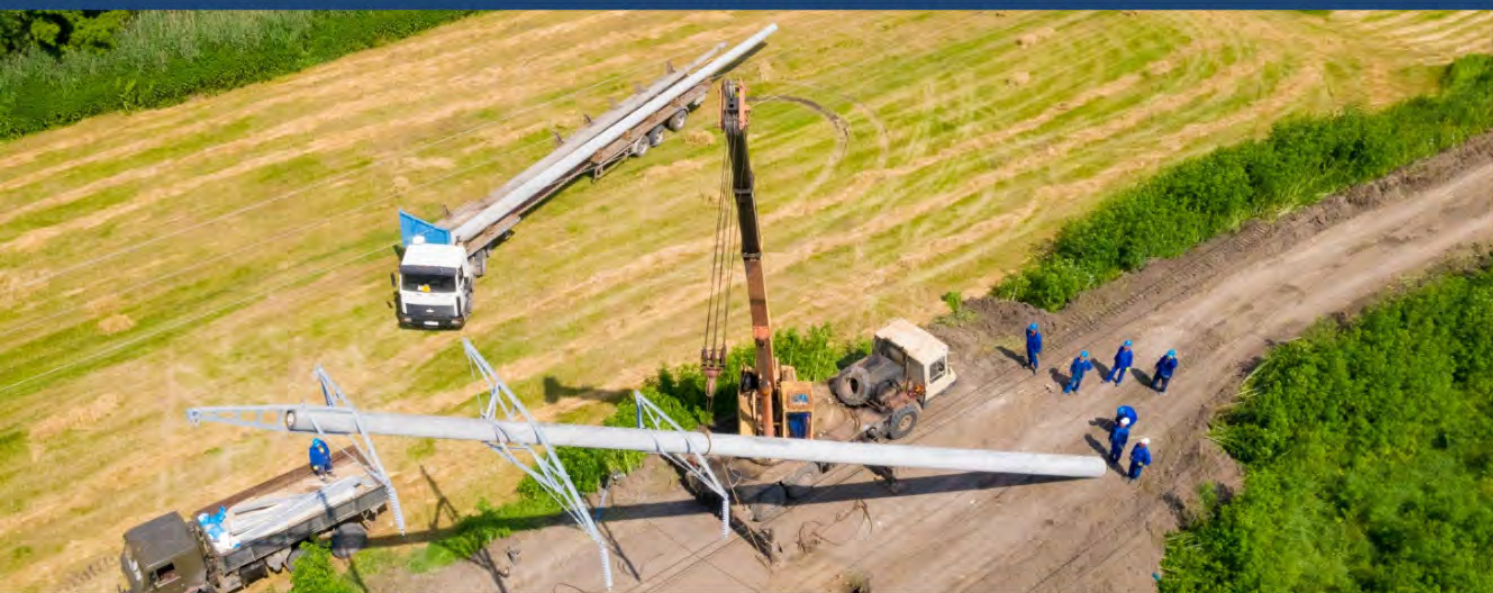
**Premier Energy's 80 MW Wind Park, near Mihai Viteazu, Constanta County, Romania**



**Premier Energy's Solar Park, near Chisinau, Republic of Moldova**



**Premier Energy's 110kV Electrical Transformation and Distribution Substation, Valea Trandafirilor, Chisinau, Republic of Moldova**



**Premier Energy's 110kV overhead power line (LEA) CET-2, Codru substation, Chisinau, Republic of Moldova**

# FINANCIAL RESULTS ANALYSIS

## OPERATIONAL KPIs

		1H 2024	1H 2023	Variation
<b>Owned Renewable Energy Production</b>	MWh	68,821	64,266	7%
LFL <sup>(a)</sup>		62,233	64,266	-3%
<b>Owned Renewable Energy Capacity<sup>(b)</sup></b>	MW	97	50	96%
<b>Managed Renewable Energy Capacity</b>	MW	746	651	15%
<b>Electricity Supply Quantities</b>	MWh	2,991,927	2,020,576	48%
o/w Moldova	MWh	1,565,387	1,455,960	8%
LFL <sup>(c)</sup>	MWh	2,415,138	2,020,576	20%
<b>Electricity Supply Customers</b>	#	2,182,331	839,855	160%
o/w Moldova	#	846,149	839,818	1%
LFL <sup>(c)</sup>	#	846,271	839,855	1%
<b>Electricity Distribution Customers</b>	#	951,736	943,736	1%
<b>Electricity Distribution RAB</b>	\$ in mil.	201.4	196.4	0%
<b>WACC (Regulated Return on RAB)</b>	%	11.71%	10.28%	n/a
<b>Natural Gas Distribution Quantity</b>	MWh	1,431,153	1,358,340	5%
<b>Natural Gas Distribution Customers</b>	#	156,991	141,153	11%
<b>Natural Gas Distribution RAB</b>	€ in mil.	75.0	58.6	28%
<b>Regulated Rate of Return</b>	%	6.39%	6.39%	n/a
<b>Natural Gas Supply Quantities</b>	MWh	3,393,533	2,702,416	26%
LFL <sup>(c)</sup>	MWh	3,349,237	2,702,416	24%
<b>Natural Gas Supply Customers</b>	#	161,503	108,990	48%
o/w CEZ Vanzare (PEF)	#	21,111	0	n/a
LFL <sup>(c)</sup>	#	140,392	108,990	29%
<b>Total Energy Customers</b>	#	2,343,834	948,845	147%

(a) Like-for-like renewable production excludes the impact of Alive Wind Power One, Alive Sun Power One, and Alive Sun Power Two recently acquired plants.

(b) Noteworthy that the majority of the new capacity was acquired in Q2 2024 and that the July 2024 acquisition of the 80 MW wind plant is excluded.

(c) Like-for-like figures exclude the impact of the CEZ Vanzare acquisition.

In the first half of 2024, Premier Energy experienced strong growth across its divisions, with both electricity and natural gas supply quantities generating significant, double-digit growth (48% in electricity supply and 20% in gas supply respectively). This growth was achieved not only inorganically by the CEZ Vanzare and the 18 MW wind park acquisitions, but also organically, especially in the natural gas segment where the distribution footprint, supplied gas volumes and number of customers increased. The management team delivered on the indicators that were under its control.

### Renewable Production

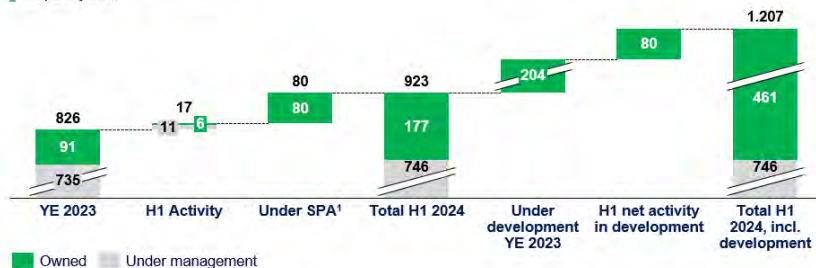
The renewable production from owned plants saw a modest increase of 7%, driven primarily by newly acquired and developed generation assets. This growth was tempered by less favorable wind conditions in Romania during 1H 2024, leading to a 10-15% decrease in electricity production from owned wind parks vs. the same period last year.

**7% YoY increase**  
in own renewables  
production

In terms of strategic developments in the renewables segment, Premier Energy is well on its way to achieving its stated ambitious target of 1,400 – 1,600 MW of capacity by 2026 and successfully closed the acquisitions of the 80 MW wind plant from Iberdrola (in July) as well as the 18 MW wind plant from a private owner. Moreover, the Group has increased renewables under management by 11 MW (respectively by 91 MW of new assets as the 80 MW acquired wind plant from Iberdrola was prior to the acquisition managed by the Group). Additionally, the Group continued to expand its renewable energy footprint by building 6 MW of solar plants in the Republic of Moldova while an additional 5 MW of solar plants in Moldova were commissioned in August. The Group’s 99 MW wind plant development received the Favorable Notice from Romanian Civil Aeronautical Authority in July 2024 and construction on the ready-to-build plant should start in 4Q 2024. Finally, the Group announced the development of two projects with an overall capacity of 86 MW solar and 18 MW of battery storage alongside the Motor Oil group and will look forward to continuing to grow its electricity balancing capabilities. Overall, the Group added 177 MW of renewable production assets and 18 MWh of battery storage capacity under development into its portfolio in the past 6 months.

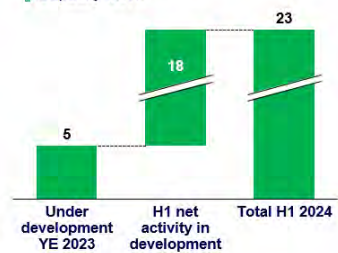
The renewable energy sources (RES) portfolio as of 30.6.2024 consists of:

**Portfolio of renewables**  
Capacity MW



Notes: (1) 80 MW wind farm that closed in July 2024

**Battery storage**  
Capacity MWh



## Electricity Supply

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

**#4** electricity supplier in Romania

## Natural Gas Division

In the first half of 2024, Premier Energy's natural gas division experienced a significant increase in supply volumes, up by 26% overall, and 24% on a LFL basis. This growth was driven by robust domestic sales in Romania alongside a strong performance in wholesale markets outside of Romania. Additionally, distribution volumes saw a healthy growth of 5% during the same period, reflecting the growing distribution footprint and solid market position of the Group as well as continued increasing natural gas demand.

**26%** YoY growth in gas supplied

The robust operational growth was further supported by strategic infrastructure developments and market expansion. The Group added 16 thousand customers connected to its distribution network, which is 11% higher compared to last year. Moreover, the Group successfully built 110 kilometers of new distribution network, enhancing its capacity to meet the growing demand. This expansion was complemented by the winning of two new concession agreements, bringing the total number of gas concessions held by Premier Energy to 118, further solidifying its market presence.

**26K** natural gas clients gained in H1'24

The natural gas client base expanded by 26K during this period, with approximately 21K of these new clients coming through the acquisition of CEZ Vanzare, highlighting the strategic value of this acquisition in bolstering the company's customer base.

**11%** YoY growth in natural gas distribution customers

## Moldova Division

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

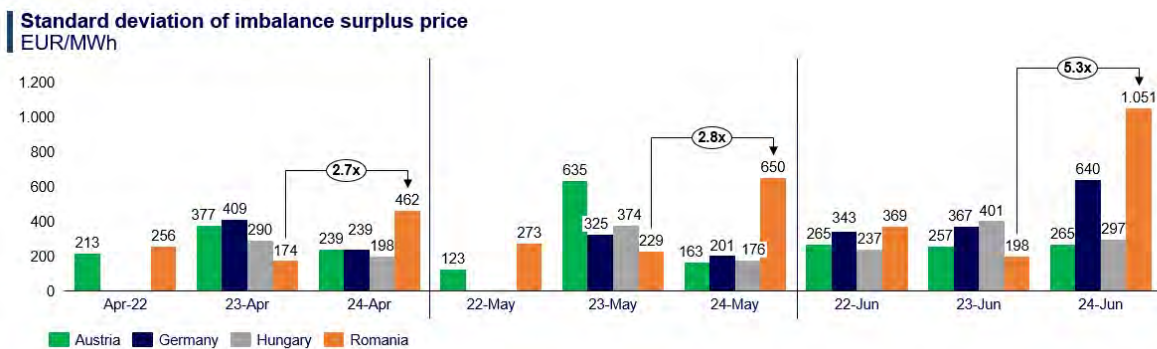
**11.71%** WACC return on RAB, in R. of Moldova

## MARKET CONTEXT

### Unsustainably High Electricity Balancing Costs in Romania

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

The impact was particularly severe in May and June when balancing costs escalated dramatically. In May 2024, these costs were 3 times higher on a relative basis compared to May 2023, and in June 2024, the costs surged to more than five times the relative level of June 2023. This surge resulted in negative EBITDA for all renewable electricity production plants in Romania (*note: estimate made by the Group*), including the Group's Romanian renewable plants and electricity supply businesses.



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

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

Beyond regulatory limitations, several other factors significantly contribute to the challenges faced by the balancing segment of the electricity industry. The lower hydroelectric production in 1H 2024 due to warmer weather and local drought conditions has strained the system's stability. The increasing integration of renewable energy sources into the grid, especially those still in testing phases or operated by prosumers with limited forecasting capabilities and with no financial link to the balancing market, has introduced additional volatility. Moreover, the ongoing reconstruction of power lines and the limited competition within the balancing market have compounded these issues.

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

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

### Regulatory Updates

1H 2024 brought also several regulatory changes in Romania that are relevant to the activities of the Group.

One of the key regulatory changes was a change in the solidarity tax for renewable electricity producers starting on April 1<sup>st</sup>, 2024 – lowering the tax cap on producers from 450 RON/MWh to 400 RON/MWh, with any sales exceeding this threshold still subject to a 100% tax. Additionally, imbalance costs were capped at 10% of the value of electricity delivered from own production for wind and solar producers, 5% for other producers, and expenses related to energy derivatives contracts were included in the monthly expenses. For electricity suppliers, a reimbursement mechanism was introduced, capped at a maximum of 700 RON/MWh based on the average monthly sourcing costs, though there is concern that sourcing costs might exceed this cap in the coming months. The gross profit margin cap for gas suppliers was increased from 12 RON/MWh to 15 RON/MWh.

Furthermore, starting on April 1<sup>st</sup>, 2024, the MACEE, or Centralized Electricity Procurement Mechanism, became voluntary, and the margin for electricity quantities sold on wholesale markets increased from 2% to 10%.

In the gas distribution sector, the regulated rate of return was raised from the current 6.39% to 6.94% (in real terms) for the next regulatory period beginning January 1<sup>st</sup>, 2025.

Regarding balancing costs, these are now reimbursed to suppliers up to 5% of the value of purchased electricity. However, management believes a more equitable approach would involve tightening this percentage based on the volume of imbalances relative to the supplied volume. Looking ahead, Romania's anticipated participation in the Picasso platform in 2025 is expected to enhance competition in the balancing market.

The company, and the whole supply industry as a whole, also noted challenges with prosumers, who are compensated based on suppliers' average monthly sourcing costs, yet often deliver

electricity during low-cost hours, creating financial strain for suppliers. Some prosumers, acting more as pure producers with minimal consumption relative to production, leverage the prosumer scheme without facing taxes or market exposure, leaving suppliers to absorb the balancing costs and the difference between the average sourcing costs and real market pricing of electricity produced by the prosumers.

## INTERIM PROFIT OR LOSS STATEMENT ANALYSIS

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

The Group achieved a 21% growth of the total revenue on a normalized basis, after adjusting for tariff deviations and energy supplied but unbilled in Moldova, registering EUR 534.8 million in 1H 2024, versus EUR 441.9 million in 1H 2023. Excluding the normalization, the growth was 10%, as the Group generated EUR 512.4 million in IFRS turnover in 1H 2024 and EUR 465.3 million in 1H 2023. This strong normalized top-line performance reflects the continued growth of the Group paired with the effectiveness of the Group's diversified business approach and the resilience of the core operations.

The revenues from the renewable segment in Romania saw a 13% decline, to EUR 87.4 million. This segment was impacted by lower overall electricity prices, the introduction of the new solidarity tax on electricity production plants from April 2024, and the reduced wind production in Romania. The newly acquired Romania Energy Supply segment generated EUR 78.6 million of revenues during its first 3 months of ownership by the Group since its April closing. The revenue from the natural gas distribution and supply business increased by 20% during the first half of the year. The electricity distribution and supply business in the Republic of Moldova saw a 13% YoY decline on an IFRS basis but was essentially flat on a normalized basis at approximately the EUR 200 million level for the six-month period.

At the level of other operating income, the 60% increase of this category was mainly attributable to the acquisition of CEZ Vânzare, rebranded to Premier Energy Furnizare, and represents the Romanian State's subsidy for price caps and the RON 73 allowed electricity gross margin that are in place and that are recoverable from the Ministry of Energy.

	30 June 2024	30 June 2023	Variation
	TEUR	TEUR	%
Romania Renewable Energy Revenue	87,362	100,511	-13%
Romania Energy Supply Revenue	78,629	0	n/a
Natural Gas Revenue	169,745	141,571	20%
Moldova Electricity Revenue	176,696	223,231	-23%
<b>Revenue from core operations</b>	<b>512,432</b>	<b>465,313</b>	<b>10%</b>
<i>Tariff Deviations (Moldova)</i>	<i>17,555</i>	<i>(36,173)</i>	-
<i>Energy Supplied / Unbilled (Moldova)</i>	<i>4,845</i>	<i>12,725</i>	-62%
<b>Normalized Revenue</b>	<b>534,832</b>	<b>441,865</b>	<b>21%</b>
Other Operating Income	39,573	24,661	60%
Gain on Bargain Purchase	14,143	4,037	350%

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

	30 June 2024	30 June 2023	Variation
	TEUR	TEUR	%
<b>Operating Expenses</b>	<b>(521,198)</b>	<b>(415,084)</b>	<b>26%</b>
Depreciation & Amort.	(11,876)	(9,532)	25%
Unrealized FX Gain / Losses	(2,032)	(626)	225%
<b>Profit From Operations</b>	<b>31,042</b>	<b>68,769</b>	<b>-55%</b>
<b>Reported EBITDA</b>	<b>30,807</b>	<b>74,890</b>	<b>-59%</b>
<i>Tariff Deviations (MD)</i>	<i>17,555</i>	<i>(36,173)</i>	-
<i>Energy Supplied / Unbilled (Moldova)</i>	<i>4,845</i>	<i>12,725</i>	-62%
<b>Normalized EBITDA</b>	<b>53,207</b>	<b>51,442</b>	<b>3%</b>
Profit Before Tax	23,199	64,315	-64%
<b>Profit After Tax</b>	<b>19,886</b>	<b>49,553</b>	<b>-60%</b>
<i>After-tax Tariff Deviations (Moldova)</i>	<i>15,688</i>	<i>(33,864)</i>	6%
<i>After-tax Energy Supplied / Unbilled (Moldova)</i>	<i>4,264</i>	<i>11,198</i>	-62%
<b>Normalized Profit After Tax</b>	<b>39,838</b>	<b>26,887</b>	<b>48%</b>

Despite these challenges, Premier Energy still managed to achieve a 3% growth in normalized EBITDA, which amounted to EUR 53.2 million for 1H 2024, vs EUR 51.4 million registered in 1H 2023. The normalization includes the value of tariff deviations in the Republic of Moldova in the total amount of EUR 17.6 million (vs. an outperformance, and hence a negative adjustment, of EUR 36.2 million in 1H 2023), and the tariff in force impact in energy supplied but not billed in Moldova in the amount of EUR 4.8 million (vs positive EUR 12.7 million in 1H 2023).

The profit before tax amounted to EUR 23.2 million for 1H 2024, registering a 64% decrease, with profit after tax amounting to EUR 19.9 million, a 60% YoY decline. The normalized net profit, adjusting for the after-tax tariff and energy supplied but unbilled impacts, amounted to EUR 39.8 million, a 48% YoY normalized increase.

## Segment analysis

1H 2024 EUR in '000s	Romania Renewable Energy	Romania Energy Supply	Natural Gas	Moldova Electricity	Corporate	Total
Revenue	87,362	78,629	169,745	176,696		512,432
Impact of Tariff Deviation				17,555		17,555
Impact of Energy Unbilled				4,845	-	4,845
<b>Normalized Revenue</b>	<b>87,362</b>	<b>78,629</b>	<b>169,745</b>	<b>199,096</b>	<b>0</b>	<b>534,832</b>
Profit from Operations	10,852	13,769	14,321	(5,266)	(2,634)	31,042
Plus: Depr. & Amort.	2,775		3,382	5,719		11,876
Less: Gain on Bargain		(14,143)				(14,143)
Plus: Net FX Losses					2,032	2,032
Adjusted EBITDA	13,627	(374)	17,703	453	(602)	30,807
Impact of Tariff Deviation				17,555		17,555
Impact of Energy Unbilled				4,845		4,845
<b>Normalized EBITDA</b>	<b>13,627</b>	<b>(374)</b>	<b>17,703</b>	<b>22,853</b>	<b>(602)</b>	<b>53,207</b>
Net Profit	958	21,453	9,732	(6,571)	(5,684)	19,886
Impact of After-tax Tariff Dev.				15,688		15,688
Impact of After-tax Unbilled				4,264		4,264
<b>Normalized Net Profit</b>	<b>958</b>	<b>21,453</b>	<b>9,732</b>	<b>13,381</b>	<b>(5,684)</b>	<b>39,838</b>

1H 2023 EUR in '000s	Romania Renewable Energy	Natural Gas	Moldova Electricity	Corporate	Total
Revenue	100,511	141,571	223,231		465,313
Impact of Tariff Deviation			(36,173)		(36,173)
Impact of Energy Unbilled			12,725	-	12,725
<b>Normalized Revenue</b>	<b>100,511</b>	<b>141,571</b>	<b>199,783</b>	<b>0</b>	<b>441,865</b>
Profit from Operations	31,039	1,531	38,221	(2,022)	68,769
Plus: Depreciation & Amort	1,963	2,481	5,088		9,532
Less: Gain on Bargain	(4,037)				(4,037)
Plus: Net FX Losses				626	626
Adjusted EBITDA	28,965	4,012	43,309	(1,396)	74,890
Impact of Tariff Deviation			(36,173)		(36,173)
Impact of Energy Unbilled			12,725		12,725
<b>Normalized EBITDA</b>	<b>28,965</b>	<b>4,012</b>	<b>19,861</b>	<b>(1,396)</b>	<b>51,442</b>
Net Profit	20,257	623	32,725	(4,052)	49,553
Impact of After-tax Tariff Dev.			(33,864)		(33,864)
Impact of After-tax Unbilled			11,198		11,198
<b>Normalized Net Profit</b>	<b>20,257</b>	<b>623</b>	<b>10,059</b>	<b>(4,052)</b>	<b>26,887</b>

Analyzing the key operating segments, for the renewable segment in Romania, Premier Energy registered 1H 2024 revenues of EUR 87.4 million, a 13% decrease. Although renewable production from owned plants increased by 7% and the managed business continues to grow, the market price of electricity was materially lower this year than last year. The renewable segment's EBITDA was largely influenced by the high balancing costs that the industry faced during May and June, which were three times and five times relatively higher, respectively, than those in May and June 2023, therefore registering a 53% YoY decline, to EUR 13.7 million. Nevertheless, the Group's balancing plant in Făgăraș, Romania, which as described earlier was acquired as an idle plant in 2022, became fully commercially operational as a licensed balancing plant on 1 July 2024 and will help alleviate some of the impacts from future balancing cost pressures.

The acquisition of the former CEZ Vânzare (renamed Premier Energy Furnizare) in Romania was completed in April, and therefore as of April 1<sup>st</sup>, 2024, the results of the business are included in the consolidated results for 1H 2024. The revenue generated in 1H 2024 during the Group's ownership of the business amounted to EUR 78.6 million. The EBITDA generated by Premier Energy Furnizare was minimal due to the high balancing costs combined with price caps and remuneration caps, including remuneration caps on the balancing costs which are tied to the value of the purchase price as well as due to the increased volumes from prosumers. As mentioned in the market context section, the prosumers are compensated based on the supplier's average monthly sourcing costs vs. being more appropriately compensated by the actual sourcing costs as prosumers typically deliver electricity during low-cost hours, creating financial strain for suppliers such as Premier Energy Furnizare.

The natural gas division generated a 20% revenue increase, reaching EUR 169.7 million in 1H 2024, vs EUR 141.6 in 1H 2023. This evolution was driven by LFL supply volumes increasing by 24%, supported by strong Romanian domestic sales as well as wholesale revenue outside of Romania. The natural gas distribution segment will be further bolstered by EUR 11 million of distribution assets put into function during the first half of the year (and included in RAB next year). At the level of EBITDA, the division noted a 340% increase reaching EUR 17.7 million, supported by the growing volumes as well as increased margins, including through the increased regulatory margin limit from RON 12 / MW to RON 15 / MW starting in April 2024.

In the Republic of Moldova, the business performed according to expectations. Adjustments need to be made for tariff deviations that stem from the outperformance against the regulatory-allowed profits and return on assets in 2023, which is then causing a comparative underperformance in 1H 2024 as expected. As a reminder, the electricity supply and distribution divisions in Moldova are fully regulated with the supply division earning a 1% profit margin on top of total (agreed with the regulator) costs. Since the largest cost component is the actual price of electricity, the volatility of electricity prices causes the business to materially deviate from the 1% regulatory profit margin that the business is supposed to earn on an annual basis since tariffs are fixed over a medium-term. As such, tariff deviations are frequent in the business and usually reversed in the following years. The decrease in 1H 2024 revenues in Moldova was thus driven primarily by a reduction in underlying tariffs, which were linked to lower electricity sourcing costs as well as the tariff deviation from last year. Consequently, for 1H 2024, the revenues from the Moldovan electricity segment decreased 21%, reaching EUR 176.7 million, with the normalized revenue (adjusting for the tariff deviations and change in tariffs of energy

sold but unbilled) remaining stable on a year-over-year basis, at EUR 199.1 million, and normalized EBITDA amounting to EUR 22.9 million, a 6% YoY increase.

### Note on the Normalization

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

In ths. EUR	1H'24	1H'23	2023	2022	2021
<b>IFRS, Reported EBITDA</b>	<b>453</b>	<b>43,309</b>	<b>75,097</b>	<b>32,809</b>	<b>4,481</b>
Impact of Tariff Deviation (non-IFRS)	17,555	(36,173)	(47,938)	13,278	23,010
<b>Statutory EBITDA (non-IFRS)</b>	<b>18,008</b>	<b>7,136</b>	<b>27,159</b>	<b>46,087</b>	<b>27,491</b>
Impact of Energy Unbilled	4,845	12,725	9,940	(12,593)	1,127
<b>Normalized EBITDA (non-IFRS)</b>	<b>22,853</b>	<b>19,861</b>	<b>37,099</b>	<b>33,494</b>	<b>28,618</b>
<hr/>					
Energy Unbilled – Ending Balance (GWh)	31	36	71	74	73
Tariff in force – End-of Period (MDL)	2.19	2.82	2.23	4.50	1.43
Regulated WACC Returns	11.7%	10.3%	10.3%	8.3%	7.8%

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

from a low of 7.8% in 2021 (based on the very low 10-year US treasury levels during the pandemic year of 2020) to a level of 11.7% in 2024.

Regarding energy unbilled effects, which result from the timing differences between the procurement of energy (accounted for as expenses) and the billing based on meter readings (accounted for as revenue), an adjustment needs to be made to reflect the year-to-date and year-over-year differences in the tariff in force and the quantity of energy supplied at the end of the periods.

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

## INTERIM STATEMENT OF FINANCIAL POSITION ANALYSIS

The evolution of the consolidated balance sheet as of June 30<sup>th</sup>, 2024 reflects a robust financial position, marked by increased equity, overall profits, and strategic acquisitions in the first six months of 2024.

The total assets increased 31%, reaching EUR 960.3 million. The fixed assets saw an 8% increase in 1H 2024, up to EUR 507.1 million, largely due to strategic investments, as reflected by the property, plant, and equipment position, which increased 8%, up to EUR 430.9 million. As mentioned before, in April 2024, Premier Energy acquired an 18 MW operating wind park, expanding its renewable energy portfolio. Additionally, the company continued to invest in its distribution businesses in both Romania (natural gas) and Moldova (electricity) and developed multiple solar plants in Moldova.

At the level of current assets, there is a significant increase of 74%, up to EUR 453.2 million. The principal contribution to this category has been brought by the trade receivables which saw a 150% increase, to EUR 217.8 million. Trade and other receivables, as well as short-term bank debt, increased primarily due to the acquisition of CEZ Vânzare. Out of EUR 217.8 million in receivables, over EUR 100 million is tied to government support scheme receivables related to CEZ Vânzare. It is important to mention that more than EUR 70 million of these receivables were received in July and August 2024, significantly improving the company's cash flow position post-reporting period. Cash position saw a 60% increase, up to EUR 130.2 million reflecting primarily the net proceeds from the IPO.

The equity noted a significant increase in 1H 2024, driven by both the successful IPO in May and the profits generated during this period. As of June 2024, equity stood at EUR 516.3 million, up 27% from EUR 405 million as of December 2023. The share premium registered a 402% increase, up to EUR 112.8 million, as a direct result of the successful IPO.

The liabilities increased 36%, to EUR 443.9 million. As of June 2024, Premier Energy's net debt stood at EUR 66.3 million. However, after adjusting for working capital, the company reported

an adjusted net debt position of negative EUR 109 million, indicating a net cash and working capital surplus. The relatively high net working capital position was primarily due to the significant receivables, including over EUR 100 million from government support schemes, and EUR 39 million in inventory, particularly inventory of natural gas-in-storage.

Of note is that the interim statement of financial position as of June 2024 includes over EUR 50 million of investments that have been made into assets which did not generate any meaningful revenue and profits during the first half of the year (for example, investments into various renewable development projects; investment into the balancing plant in Fagaras, Romania; investment into the 18 MW wind plant; capital expenditures into the distribution networks which have not yet been commissioned into RAB, etc.)

	30.06.2024	31.12.2023	Variation
	TEUR	TEUR	%
<b>NON-CURRENT ASSETS</b>	<b>507,091</b>	<b>470,979</b>	<b>8%</b>
Intangible assets and goodwill	47,377	47,759	-1%
Property, plant and equipment	430,914	399,132	8%
Investments in equity-accounted investees	199	199	0%
Loans receivable	4,747	4,855	-2%
Trade receivables	2,141	1,146	87%
Other assets	15,104	14,057	7%
Green certificates	382	1,090	-65%
Restricted deposits	467	2,303	-80%
Deferred tax assets	5,760	438	1,215%
<b>CURRENT ASSETS</b>	<b>453,167</b>	<b>259,861</b>	<b>74%</b>
Loans receivable	158	201	-21%
Current income tax assets	26	26	0%
Trade receivables	217,815	87,240	150%
Inventories	38,987	35,424	10%
Other assets	51,379	45,386	13%
Green certificates	2,611	3,895	-33%
Restricted deposits	11,516	5,638	104%
Financial assets at amortized cost – other deposits	30	-	-
Contract assets	486	779	-38%
Cash and cash equivalents	130,159	81,272	60%
<b>TOTAL ASSETS</b>	<b>960,258</b>	<b>730,840</b>	<b>31%</b>
<b>EQUITY</b>	<b>516,338</b>	<b>404,985</b>	<b>27%</b>
Share capital	125	100	25%
Share premium	112,772	22,457	402%
Common control transaction reserve	(5,018)	(5,018)	0%
Revaluation reserves	46,790	46,790	0%
Translation reserve	964	(18)	-
Legal reserve	3,435	3,434	0%
Retained earnings	297,993	232,122	28%
Profit for the year	17,129	65,871	-74%
Non-controlling interests	42,148	39,247	7%
<b>LIABILITIES</b>	<b>443,920</b>	<b>325,855</b>	<b>36%</b>
<b>Non-current liabilities</b>	<b>202,142</b>	<b>171,805</b>	<b>18%</b>
Provisions	16,155	6,227	159%
Due to banks and other financial institutions	102,558	100,379	2%
Trade payables	38	38	0%
Lease liabilities	4,882	4,542	7%
Other liabilities	55,325	38,040	45%
Deferred tax liabilities	23,184	22,579	3%
<b>Current liabilities</b>	<b>241,778</b>	<b>154,050</b>	<b>57%</b>
Bank overdrafts	55,823	-	-
Provisions	6,701	2,698	148%
Due to non-banks	138	1,318	-90%
Due to banks and other financial institutions	37,970	53,096	-28%
Current income tax liabilities	2,279	3,946	-42%
Trade payables	41,847	46,740	-10%
Contract liabilities	15,658	17,574	-11%
Lease liabilities	659	674	-2%
Other liabilities	80,703	28,004	188%
<b>TOTAL LIABILITIES AND EQUITY</b>	<b>960,258</b>	<b>730,840</b>	<b>31%</b>

## KEY FINANCIAL RATIOS

The main financial ratios of Premier Energy PLC's consolidated result, as of June 30<sup>th</sup>, 2024, are presented below.

*Financial data in EUR  
'000*

**30 June 2024**

### Liquidity ratio

Current assets	453,167	<b>= 1.87</b>
Current liabilities	241,778	

### Gearing ratio

Long-term interest-bearing debt	102,558	<b>= 19.9%</b>
Equity	516,338	

x100

### Trade receivables turnover

Average receivables	154,171	<b>= 15.0%</b>
Turnover x2	1,024,864	

### Fixed asset turnover

Turnover x2	1,024,864	<b>= 2.02</b>
Non-current assets	507,091	

## KEY RISKS FOR 2024

The key risks and uncertainties related to the Company's operations, which remain relevant for the second half of 2024, are thoroughly identified and detailed in the May 2024 Listing Prospectus, available [HERE](#). Additionally, for insights into the effects of current and anticipated capital expenditures, including information on their purpose and sources of financing, investors are encouraged to review relevant sections within the Listing Prospectus.

The management would like to further emphasize and detail the below-mentioned risks, which could have a significant impact on the Company's business both in the short and long term, potentially affecting performance in the second half of 2024.

### Regulation and Government Policy Change

The electricity generation, supply and distribution, and gas supply and distribution industries are heavily regulated, with regulator decisions directly affecting the Group's business performance and profitability.

Generation, distribution and supply of electricity activities and distribution and supply of gas are regulated both in Romania and Moldova, with rules for, among others, caps for end-prices, regulated tariffs, fixed permitted return on investments, mandatory network investment requirements, regulated size of the distribution networks, public services obligation, and access to final customers. As a result, unlike in other industries, relevant regulators have a significant influence on the revenue and profit margin the Group is allowed to generate from such services and the Group's overall performance depends on, among other things, regulator rules and the Group's ability to adapt to any changes of such rules and regulator decisions.

### Volatility in the acquisition cost of electricity and natural gas

Electricity and natural gas prices have in the past been, and are likely to continue to be, highly volatile for certain periods of time. The price of electricity and natural gas as tradable commodities depends on, among other things, global demand and supply, economic fluctuations, competition, macroeconomic events and political and governmental decisions, as well as on the structure of the selling markets for such commodities. Fluctuations in electricity or natural gas prices and, in particular, a material increase in the price of electricity or natural gas on the wholesale markets may cause a mismatch between the price the Group has to pay to purchase its electricity or gas (usually paid several months in advance) and the amount of revenue it is able to realize from selling such electricity and gas to residential or industrial consumers.

Moreover, the Group's ability to pass on the price for the supply of electricity or natural gas further on to residential or industrial consumers is difficult to predict and it can be outside of the Group's control as this is currently regulated by the Romanian and Moldovan governments, respectively, and it may be subject to emergency regulatory measures in times of high volatility. The Group cannot fully control the price it collects for the electricity it distributes/supplies and the gas it supplies, which may ultimately impact the retention of certain customers and/or the implementation of certain planned or potential projects of the Group.

Unanticipated price fluctuations for the electricity or natural gas supply can lead to significant variations between the price of electricity or gas purchased by the Group and the price at which it sells such electricity or gas, which in turn could negatively affect the business results and prospects of the Group.

## Political and Electoral Risks

The second half of 2024 coincides with electoral years in both Romania and the Republic of Moldova, two of Premier Energy's core markets. The political uncertainty and potential regulatory changes associated with election years could introduce additional volatility into the energy markets, particularly in relation to balancing costs. In Romania, electoral pressures might lead to populist measures or delays in implementing necessary regulatory reforms, further complicating the balancing market and exacerbating financial risks. Similarly, in the Republic of Moldova, the political landscape could influence market dynamics, potentially affecting regulatory frameworks and market stability.

The potential for regulatory uncertainty during this period in both countries adds another layer of risk, as it may impact both the immediate financial performance and the long-term strategic planning of companies operating in these markets. The combination of unpredictable balancing costs and the political and regulatory uncertainties of election years could lead to more extensive market disruptions. Renewable energy producers may be forced to curtail production or incur losses, destabilizing the market and threatening the long-term financial stability of companies heavily invested in renewables. To mitigate these risks, the Group may need to make strategic adjustments and place greater emphasis on developing and enhancing balancing capabilities.

## Economic Slowdown Risk

Potential economic slowdown in key markets of activity, as signaled by current trends in the United States, could have several implications for Premier Energy's operations. A global economic downturn could lead to reduced industrial activity and lower overall energy demand, particularly in export-driven economies such as Romania. For Premier Energy, this might translate into decreased consumption in key markets, potentially reducing electricity and natural gas sales volumes.

Additionally, an economic slowdown could lead to tighter financial conditions, making it more challenging to secure funding for new projects or refinance existing debt at favorable rates. This could impact the company's ability to invest in infrastructure, expand its renewable energy portfolio, and maintain growth momentum. Furthermore, consumer spending might also decline, leading to increased pressure on retail energy prices and margins, particularly in markets where Premier Energy operates. This potential decrease in revenue could challenge the company's financial performance, especially if balancing costs and regulatory uncertainties continue to strain profitability.

## Price Balancing Risk

The unregulated nature of the price balancing market presents significant risks for companies operating in the energy sector. Unlike other segments of the electricity market, the balancing sector operates without regulatory limitations, including without any price caps or solidarity taxes, leaving market participants exposed to substantial financial risks and volatility. This absence of regulation allows balancing costs to escalate unpredictably, as evidenced by the dramatic increases in May and June 2024, where relative costs surged by three and five times, respectively, compared to May and June 2023. Such volatility can severely impact any energy company's profitability, as these costs are hard to predict and managed effectively, as the energy company's businesses are for the most part regulated.

The unpredictability and magnitude of these costs can have a direct negative impact on financial performance, as seen with Premier Energy's renewables division, which reported negative EBITDA in May and June 2024 due to these extraordinary costs.

The unsustainable nature of these balancing costs poses a significant deterrent to future investments in renewable energy production in Romania. Investors may perceive the financial risks as too high without regulatory safeguards, potentially leading to a shift in investment focus away from renewable production sources. This scenario would undermine the growth and viability of renewable energy, a sector critical to collective energy transition goals.

In the broader context, the inability to predict and manage balancing costs could lead to more extensive market disruptions. Renewable energy producers may be forced to curtail production or incur losses, destabilizing the market and threatening the long-term financial stability of companies invested in renewables. To mitigate these risks, companies may need to make strategic adjustments and place greater emphasis on developing and enhancing their balancing capabilities, ensuring they can navigate this volatile and unpredictable aspect of the energy market as Premier Energy is doing.

Premier Energy remains committed to navigating the complex and evolving energy landscape in Romania. While the high electricity balancing costs in May and June 2024 presented challenges, the diversified and strategically vertically integrated approach positions the Group to mitigate these impacts and continue driving forward its profitable renewable energy ambitions.

### Prosumers remuneration

Premier Energy as a major electricity supplier has a sizeable portfolio of prosumers that is increasing over time. As the regulations allow prosumers with up to 200 kW of installed capacity to be compensated for the non-consumed production based on the average supplier monthly sourcing costs, the Group may need to cover the difference between the prosumers' remuneration and the market price for such production in case it exceeds the reimbursement limit of 700 LEI/MWh or such limits are not in place. Furthermore, the prosumers' production cannot be forecasted accurately due to a lack of timely measuring data from electricity distribution companies, which limits the Group's possibilities to profile its load curve accurately, exposing the Group to balancing market volatility. Due to the nature of the prosumers' production profile and the electricity market dynamics in Romania, the Group is to a larger degree exposed to short-term market volatility.

### Litigations

Regarding litigations, there have been no material changes in the status of the cases as outlined in the Listing Prospectus.

### DISCLAIMER

Investors should be aware that the factors outlined above do not encompass all potential risks related to the Group's operations, and the Group cannot guarantee that all relevant risks for the second half of 2024 have been captured. These risks should be considered in conjunction with the more comprehensive list of risks detailed in the Listing Prospectus, available [HERE](#). However, even when this report is read alongside the Listing Prospectus, there may be additional risk factors and uncertainties, currently unknown to the Group or its subsidiaries, that could emerge in the future and potentially impact the Group's actual results, financial condition, performance, and achievements, which may, in turn, affect the market value of the Group's shares.

Investors are strongly advised to conduct their own due diligence before making any investment decisions.

## DECLARATION OF THE MANAGEMENT

August 28<sup>th</sup>, 2024

In accordance with Section 10 sub-sections (3) (c) and (7) of the Transparency Requirements (Securities for Trading on a Regulated Markets) Law of 2007 as amended (the “Law”), we, the members of the Board of Directors and the other responsible persons for the preparation of the Non-Audited, Interim Condensed Consolidated Financial Statements for the six-month period ended 30 June 2024 (the “Interim Condensed Consolidated Financial Statements”) of **Premier Energy PLC** (the “Company”) confirm to the best of our knowledge that:

- a) the Interim Condensed Consolidated Financial Statements
  - i. have been prepared in accordance with the applicable International Financial Reporting Standards as adopted by the European Union and in accordance with the provisions of Section 10, sub-section (4) of the Law, and
  - ii. give a true and fair view of the assets, liabilities, financial position, and the profit or loss of Premier Energy PLC and the undertakings included in the consolidated accounts taken as a whole, and

José Garza  
Chairman of the Board of Directors  
Chief Executive Officer

Peter Stohr  
Member of the Board of Directors  
Chief Financial Officer

Radka Blazkova  
Member of the Board of Directors

Mirela Covasa  
Independent Member of the Board of Directors

Demetra Kalogerou  
Independent Member of the Board of Directors

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



[investor.relations@premierenergygroup.eu](mailto:investor.relations@premierenergygroup.eu)

**PREMIER ENERGY PLC**

**Interim Condensed Consolidated Financial Statements  
For the six-month period ended  
30 June 2024**

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

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## Officers and Professional Advisors

### Board of Directors:

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

Secretary  
Cymanco Services Limited  
5 Esperidon Street  
4th floor  
2001 Nicosia  
Cyprus

Bankers  
Unicredit Bank SA  
European Bank for Reconstruction and Development (EBRD)  
European Investment Bank (EIB)  
Alpha Bank Romania SA  
Vista Bank (Romania) SA  
Vista Leasing IFN (Romania) S.A.  
Credit Agricole Bank Romania S.A.  
PPF Banka a.s.  
BC Eximbank SA  
BC Moldova Agroindbank SA  
J&T Banka a.s.  
Patria Bank S.A.  
B.R.D. - Groupe Societe Generale S.A.  
Banca Comerciala Romana S.A.  
Raiffeisen Bank S.A.  
Garanti Bank S.A.  
Banca Transilvania S.A.  
ING Bank N.V.  
CEC Bank S.A.

Registered Office  
48 Themistokli Dervi Avenue  
Athienitis Centennial Building, 3<sup>rd</sup> floor, Office 303  
1066 Nicosia  
Cyprus

Registration number  
HE316455

**PREMIER ENERGY PLC**  
*Interim Condensed Consolidated Statement of Financial Position*  
*for the six months period ended 30 June 2024*

	Note	Unaudited 30 June 2024 TEUR	Audited 31 December 2023 TEUR
<b>ASSETS</b>			
<b>Non-current assets</b>			
Intangible assets and goodwill	5	47,377	47,759
Property, plant and equipment	6	430,914	399,132
Investments in equity-accounted investees	14	199	199
Loans receivable	11	4,747	4,855
Trade receivables	8	2,141	1,146
Other assets	12	15,104	14,057
Green certificates	13	382	1,090
Restricted deposits	10	467	2,303
Deferred tax assets	19	5,760	438
<b>Total non-current assets</b>		<b>507,091</b>	<b>470,979</b>
<b>Current assets</b>			
Loans receivable	11	158	201
Current income tax assets	29	26	26
Trade receivables	8	217,815	87,240
Inventories	9	38,987	35,424
Other assets	12	51,379	45,386
Green certificates	13	2,611	3,895
Restricted deposits	10	11,516	5,638
Financial assets at amortised cost – other deposits	10	30	--
Contract assets	22	486	779
Cash and cash equivalents	7	130,159	81,272
<b>Total current assets</b>		<b>453,167</b>	<b>259,861</b>
<b>Total assets</b>		<b>960,258</b>	<b>730,840</b>

The notes on pages 11 to 58 are an integral part of these interim condensed consolidated financial statements.

**PREMIER ENERGY PLC**  
*Interim Condensed Consolidated Statement of Financial Position (continued)*  
*for the six months period ended 30 June 2024*

		<b>Unaudited</b>	<b>Audited</b>
		<b>30 June 2024</b>	<b>31 December 2023</b>
	<b>Note</b>	<b>TEUR</b>	<b>TEUR</b>
<b>EQUITY</b>			
Share capital	20	125	100
Share premium	20	112,772	22,457
Common control transaction reserve	20	(5,018)	(5,018)
Revaluation reserves	20	46,790	46,790
Translation reserve	20	964	(18)
Legal reserve	20	3,435	3,434
Retained earnings		297,993	232,122
Profit for the period/year	20	17,129	65,871
<b>Equity attributable to owners of the Company</b>		<b>474,190</b>	<b>365,738</b>
<b>Non-controlling interests</b>	21	<b>42,148</b>	<b>39,247</b>
<b>Total equity</b>		<b>516,338</b>	<b>404,985</b>
<b>LIABILITIES</b>			
<b>Non-current liabilities</b>			
Provisions	15	16,155	6,227
Due to banks and other financial institutions	16	102,558	100,379
Trade payables	17	38	38
Lease liabilities	6	4,882	4,542
Other liabilities	18	55,325	38,040
Deferred tax liabilities	19	23,184	22,579
<b>Total non-current liabilities</b>		<b>202,142</b>	<b>171,805</b>
<b>Current liabilities</b>			
Bank overdrafts	7	55,823	--
Provisions	15	6,701	2,698
Due to non-banks	16	138	1,318
Due to banks and other financial institutions	16	37,970	53,096
Current income tax liabilities	29	2,279	3,946
Trade payables	17	41,847	46,740
Contract liabilities	22	15,658	17,574
Lease liabilities	6	659	674
Other liabilities	18	80,703	28,004
<b>Total current liabilities</b>		<b>241,778</b>	<b>154,050</b>
<b>Total liabilities</b>		<b>443,920</b>	<b>325,855</b>
<b>Total liabilities and equity</b>		<b>960,258</b>	<b>730,840</b>

On 27 August 2024, the Board of Directors of PREMIER ENERGY PLC authorised these interim condensed consolidated financial statements for issue.

Radka Blažková  
 Director

Petr Stöhr  
 Director

The notes on pages 11 to 58 are an integral part of these interim condensed consolidated financial statements.

<b>For the six months ended</b>		<b>Unaudited</b>	
	<b>Note</b>	<b>30 June 2024</b>	<b>30 June 2023</b>
		<b>TEUR</b>	<b>TEUR</b>
Revenues	22	512,432	465,313
Other operating income	26	39,573	24,661
Gain on bargain purchase	1	14,143	4,037
Cost of electricity, gas and transportation	22	(473,266)	(377,910)
Raw materials and consumables used	9	(2,202)	(2,299)
Depreciation and amortisation	5,6	(11,876)	(9,532)
Services and material expenses	23	(25,988)	(19,250)
Personnel expenses	24	(18,585)	(15,016)
Other operating expenses	27	(2,145)	(137)
Impairment loss on loans and receivables	25	(1,044)	(1,098)
Finance income	28	1,249	1,270
Finance expense	28	(9,092)	(5,724)
<b>Profit before tax</b>		<b>23,199</b>	<b>64,315</b>
Income tax expense	29	(3,313)	(14,762)
<b>Profit after tax</b>		<b>19,886</b>	<b>49,553</b>
<b>Other comprehensive income:</b>			
<b>Items that are or may be reclassified subsequently to profit or loss:</b>			
Translation reserves changes	20	995	1,954
<b>Other comprehensive income for the year</b>		<b>995</b>	<b>1,954</b>
<b>Total comprehensive income for the year</b>		<b>20,881</b>	<b>51,507</b>
Total profit attributable to:			
Owners of the Company		17,129	40,662
Non-controlling interests	21	2,757	8,891
		<b>19,886</b>	<b>49,553</b>
Total comprehensive income attributable to:			
Owners of the Company		17,116	40,660
Non-controlling interests	21	2,770	8,893
		<b>19,886</b>	<b>49,553</b>
Earnings per ordinary share attributable to the owners of the Company, basic and diluted (in EUR per share)	20	<b>0.164</b>	<b>0.407</b>

The notes on pages 11 to 58 are an integral part of these interim condensed consolidated financial statements.

**PREMIER ENERGY PLC**  
Interim Condensed Consolidated Statements of Changes in Equity  
for the six months period ended 30 June 2024

For the six months ended 30 June 2024

	Note	Share capital	Share premium	Common control transaction reserve	Revaluation reserve	Translation reserve	Legal reserve	Retained earnings	Total – Owners of the Company	Non-controlling interest	Total
Unaudited		TEUR	TEUR	TEUR	TEUR	TEUR	TEUR	TEUR	TEUR	TEUR	TEUR
<b>Balance as at 1 January 2024</b>		<b>100</b>	<b>22,457</b>	<b>(5,018)</b>	<b>46,790</b>	<b>(18)</b>	<b>3,434</b>	<b>297,993</b>	<b>365,738</b>	<b>39,247</b>	<b>404,985</b>
<b>Comprehensive income</b>											
Profit for the period		--	--	--	--	--	--	17,129	17,129	2,757	19,886
<b>Profit for the period</b>		<b>--</b>	<b>--</b>	<b>--</b>	<b>--</b>	<b>--</b>	<b>--</b>	<b>17,129</b>	<b>17,129</b>	<b>2,757</b>	<b>19,886</b>
Translation reserve change		--	--	--	--	982	--	--	982	13	995
<b>Total other comprehensive income for the period</b>		<b>--</b>	<b>--</b>	<b>--</b>	<b>--</b>	<b>982</b>	<b>--</b>	<b>--</b>	<b>982</b>	<b>13</b>	<b>995</b>
<b>Total comprehensive income for the period</b>		<b>--</b>	<b>--</b>	<b>--</b>	<b>--</b>	<b>982</b>	<b>--</b>	<b>17,129</b>	<b>18,111</b>	<b>2,770</b>	<b>20,881</b>
<b>Transactions with owners recognised directly in equity</b>											
<i>Contributions by and distributions to owners</i>											
Issue of new shares (inc. share premium)	20	25	90,315	--	--	--	--	--	90,340	--	90,340
Capital contributions from NCI to equity of subsidiaries		--	--	--	--	--	--	--	--	1,242	1,242
Dividends paid	20	--	--	--	--	--	--	--	--	(1,111)	(1,111)
Net contribution to legal reserve	20	--	--	--	--	--	1	--	1	--	1
<b>Total contributions by and distributions to owners</b>		<b>25</b>	<b>90,315</b>	<b>--</b>	<b>--</b>	<b>--</b>	<b>1</b>	<b>--</b>	<b>90,341</b>	<b>131</b>	<b>90,472</b>
<b>Total transactions with owners</b>		<b>25</b>	<b>90,315</b>	<b>--</b>	<b>--</b>	<b>--</b>	<b>1</b>	<b>--</b>	<b>90,341</b>	<b>131</b>	<b>90,472</b>
<b>Other movements</b>		<b>--</b>	<b>--</b>	<b>--</b>	<b>--</b>	<b>--</b>	<b>--</b>	<b>--</b>	<b>--</b>	<b>--</b>	<b>--</b>
<b>Balance as at 30 June 2024</b>		<b>125</b>	<b>112,772</b>	<b>(5,018)</b>	<b>46,790</b>	<b>964</b>	<b>3,435</b>	<b>315,122</b>	<b>474,190</b>	<b>42,148</b>	<b>516,338</b>

The notes on pages 11 to 58 are an integral part of these interim condensed consolidated financial statements.

**PREMIER ENERGY PLC**  
Interim Condensed Consolidated Statements of Changes in Equity  
for the six months period ended 30 June 2024

For the six months ended 30 June 2023

Note	Share capital	Share premium	Common control transaction reserve	Revaluation reserve	Translation reserve	Legal reserve	Retained earnings	Total – Owners of the Company	Non-controlling interest	Total
Unaudited	TEUR	TEUR	TEUR	TEUR	TEUR	TEUR	TEUR	TEUR	TEUR	TEUR
<b>Balance as at 1 January 2023</b>	<b>100</b>	<b>22,457</b>	<b>(5,018)</b>	<b>37,883</b>	<b>(7,587)</b>	<b>2,804</b>	<b>250,796</b>	<b>301,435</b>	<b>33,480</b>	<b>334,915</b>
<b>Comprehensive income</b>										
Profit for the period	--	--	--	--	--	--	40,662	40,662	8,891	49,553
<b>Profit for the period</b>	<b>--</b>	<b>--</b>	<b>--</b>	<b>--</b>	<b>--</b>	<b>--</b>	<b>40,662</b>	<b>40,662</b>	<b>8,891</b>	<b>49,553</b>
Translation reserve change	--	--	--	--	1,952	--	--	1,952	2	1,954
<b>Total other comprehensive income for the period</b>	<b>--</b>	<b>--</b>	<b>--</b>	<b>--</b>	<b>1,952</b>	<b>--</b>	<b>--</b>	<b>1,952</b>	<b>2</b>	<b>1,954</b>
<b>Total comprehensive income for the period</b>	<b>--</b>	<b>--</b>	<b>--</b>	<b>--</b>	<b>1,952</b>	<b>--</b>	<b>40,662</b>	<b>42,614</b>	<b>8,893</b>	<b>51,507</b>
<b>Transactions with owners recognised directly in equity</b>										
<i>Contributions by and distributions to owners</i>										
Capital contributions from NCI to equity of subsidiaries	--	--	--	--	--	--	--	--	643	643
Dividends paid	20	--	--	--	--	--	(18,000)	(18,000)	(10,337)	(28,337)
Net contribution to legal reserve, transfer	20	--	--	--	--	235	(235)	-	-	-
<b>Total contributions by and distributions to owners</b>	<b>--</b>	<b>--</b>	<b>--</b>	<b>--</b>	<b>--</b>	<b>235</b>	<b>(18,235)</b>	<b>(18,000)</b>	<b>(9,694)</b>	<b>(27,694)</b>
Transactions NCI without change in control	--	--	--	--	--	--	--	--	(7)	(7)
Effect from acquisitions through business combinations	--	--	--	--	--	--	--	--	1,647	1,647
<b>Total changes in ownership interests in subsidiaries</b>	<b>--</b>	<b>--</b>	<b>--</b>	<b>--</b>	<b>--</b>	<b>--</b>	<b>--</b>	<b>--</b>	<b>1,640</b>	<b>1,640</b>
<b>Total transactions with owners</b>	<b>--</b>	<b>--</b>	<b>--</b>	<b>--</b>	<b>--</b>	<b>235</b>	<b>(18,235)</b>	<b>(18,000)</b>	<b>(8,054)</b>	<b>(26,054)</b>
<b>Other movements</b>	<b>--</b>	<b>--</b>	<b>--</b>	<b>--</b>	<b>--</b>	<b>--</b>	<b>(440)</b>	<b>(440)</b>	<b>(7)</b>	<b>(447)</b>
<b>Balance as at 30 June 2023</b>	<b>100</b>	<b>22,457</b>	<b>(5,018)</b>	<b>37,883</b>	<b>(5,635)</b>	<b>3,039</b>	<b>272,783</b>	<b>325,609</b>	<b>34,312</b>	<b>359,921</b>

The notes on pages 11 to 58 are an integral part of these interim condensed consolidated financial statements.

For the six months ended		Unaudited	
	Note	30 June 2024	30 June 2023
		TEUR	TEUR
<b>Cash flows from operating activities</b>		<b>23,199</b>	<b>64,315</b>
<b>Profit for the period before tax</b>			
<b>Adjustment for:</b>			
Depreciation and amortisation	5,6	11,876	9,532
Impairment losses/(reversal) on property, plant and equipment	6,26	79	(112)
Impairment losses on trade receivables	25	1,046	1,098
Reversal of impairment losses on loans	25	(2)	--
Gain on bargain purchase	1	(14,143)	(4,037)
Net interest expense	28	6,440	3,395
Unrealised foreign exchange (gain)/loss		(346)	(1,763)
<b>Operating profit before changes in working capital and provisions</b>		<b>28,149</b>	<b>72,428</b>
Decrease/(increase) in contract assets		293	(166)
Decrease/(increase) in inventories		(1,595)	4,379
(Increase)/decrease in trade receivables and other assets		2,076	28,060
(Increase)/decrease in restricted deposits related to operating activities		(4,072)	6,512
Increase/(decrease) in trade payables and other liabilities		(9,171)	(24,984)
Increase/(decrease) in contract liabilities		(1,916)	(63)
Increase/(decrease) in provisions and employee cost		(3,978)	(9)
(Increase)/decrease in green certificates		1,992	428
Proceeds from derivatives		--	(654)
<b>Cash generated from operating activities</b>		<b>11,778</b>	<b>85,931</b>
Interest paid		(10,150)	(5,362)
Income tax paid		(7,223)	(11,732)
<b>Net cash (used in)/generated from operating activities</b>		<b>(5,595)</b>	<b>68,837</b>
<b>Cash flows from investing activities</b>			
Proceeds from sale of property, plant and equipment		975	1,305
Proceeds from advances for property, plant and equipment development		8,582	--
Proceeds from other financial assets		--	64
Proceeds from sale of intangible assets		--	30
Loans provided		(427)	(2,677)
Loans repaid		613	2,835
Interest received		50	47
Acquisition of subsidiary, net of cash and overdrafts acquired	1	(60,243)	(5,615)
Acquisition of investments in associates		--	(199)
Acquisitions of intangible assets	5	(855)	(813)
Acquisitions of property, plant and equipment	6	(29,918)	(18,103)
<b>Net cash used in investing activities</b>		<b>(81,223)</b>	<b>(23,126)</b>

The notes on pages 11 to 58 are an integral part of these interim condensed consolidated financial statements.

<b>For the six months ended</b>		<b>Unaudited</b>	
	<b>Note</b>	<b>30 June 2024</b>	<b>30 June 2023</b>
<b>Cash flows from financing activities</b>		<b>TEUR</b>	<b>TEUR</b>
Issue of new shares	20	90,340	--
Transactions with NCI without change in control		--	(7)
Capital contributions from NCI to equity of subsidiaries		606	643
Proceeds from interest-bearing loans and borrowings	16	60,784	46,830
Repayments of interest-bearing loans and borrowings	16	(71,235)	(53,838)
Net change in lease liabilities		212	(409)
Dividends paid	20	(1,111)	(28,337)
<b>Net cash generated from/(used in) financing activities</b>		<b>79,596</b>	<b>(35,118)</b>
<b>Net movement in cash and cash equivalents</b>		<b>(7,222)</b>	<b>10,593</b>
<b>At the beginning of the year</b>	7	<b>81,272</b>	<b>48,657</b>
Effects of movements in exchange rates on cash held		286	32
<b>At the end of the year</b>	7	<b>74,336</b>	<b>59,282</b>
<b>Cash and cash equivalents in the statement of cash flows are defined by:</b>			
Cash and cash equivalents in the statement of financial position	7	130,159	59,282
Bank overdrafts	7	(55,823)	--
<b>At the end of the year</b>	7	<b>74,336</b>	<b>59,282</b>

The notes on pages 11 to 58 are an integral part of these interim condensed consolidated financial statements.

## 1. Description of the Group

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

The condensed interim consolidated financial statements for the Company for six months ended 30 June 2024 and 30 June 2023 comprise the Company and its subsidiaries (together referred to as “the Group”) and the Group’s interest in associates.

### Initial public offering (“IPO”)

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

### Shareholders

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

The owners of the Company are as follows:

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

### Principal activities

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

### Regulatory environment

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

#### A. Relevant regulations in the renewable energy sector in Romania

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

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

## 1. Description of the Group (continued)

### Regulatory environment (continued)

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

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

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

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

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

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

#### *B. Relevant regulations in the natural gas sector in Romania*

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

##### *(a) Natural gas distribution*

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

##### *Connections to the gas distribution network*

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

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

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

## **1. Description of the Group (continued)**

### **Regulatory environment (continued)**

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

##### *(a) Natural gas distribution (continued)*

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

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

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

##### *(b) Natural gas supply*

The Group has the following natural gas supply licenses:

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

##### *Regulated market*

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

##### *Competitive market*

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

##### *Gas storage obligations*

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

##### *Gas trading obligations*

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

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

## **1. Description of the Group (continued)**

### **Regulatory environment (continued)**

#### ***C. Relevant regulations in the electricity sector in Moldova***

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

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

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

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

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

## 1. Description of the Group (continued)

### Description of the Ownership Structure

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

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

<sup>1)</sup> Forms part of JOSECO HOLDINGS CO. LIMITED GROUP.

<sup>2)</sup> Forms part of LIGATNE LIMITED GROUP.

<sup>3)</sup> PREMIER RENEWABLE INVEST CO S.R.L, ALIVE RENEWABLE HOLDING LIMITED and ALIVE CAPITAL Kft were established during 2024.

<sup>4)</sup> PROGAZ P&D S.A. was merged to PREMIER ENERGY S.R.L with effective date 30 June 2024.

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

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

## 1. Description of the Group (continued)

### Acquisitions in 2024

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

The following table summarises the recognised amounts of assets acquired, and liabilities assumed, at the date of acquisition of Premier Energy Furnizare S.A.:

	Note	TEUR
Intangible assets	5	271
Property, plant and equipment	6	390
Trade and other receivables	8	139,368
Other assets (financial and non-financial)	12	2,364
Inventories	9	1,968
Deferred tax asset	19	3,011
Cash and cash equivalents	7	10,356
Trade and other payables	17	(74,262)
Bank overdrafts	7	(30,981)
Provisions	15	(17,486)
Current income tax liabilities	29	(452)
<b>Total identifiable net assets acquired</b>		<b>34,547</b>
Consideration, paid in cash		(20,404)
<b>Gain on bargain purchase (+)</b>		<b>14,143</b>
<b>Cash effect on acquisition</b>		
Consideration, paid in cash		(20,404)
Cash acquired		10,356
Bank overdrafts		(30,981)
<b>Net cash outflow</b>		<b>(41,029)</b>

## 1. Description of the Group (continued)

### Acquisitions in 2024

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

- Wind power plants in operation:

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

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

CEE EXACTECH comprised of 2 wind turbines, with a total installed power capacity of **4 MW**

- Additional wind power plants in development:

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

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

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

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

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

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

## 1. Description of the Group (continued)

### Acquisitions in 2023

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

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

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

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

	Note	TEUR
Intangible assets	5	218
Property, plant and equipment	6	19,044
Trade and other receivables	8	96
Other assets (financial and non-financial)	12	34
Deferred tax asset	19	35
Cash and cash equivalents	7	4
Interest-bearing loans and borrowings – non-banks	16	(41)
Lease liabilities	6	(217)
Other liabilities	18	(9,044)
Provisions	15	(319)
Deferred tax liabilities	19	(1,600)
<b>Total identifiable net assets acquired</b>		<b>8,210</b>
<b>Non-controlling interest (on fair value of net assets)</b>		<b>(1,642)</b>
Consideration, paid in cash		(3,280)
<b>Gain on bargain purchase (+)</b>		<b>3,288</b>
<b>Cash effect on acquisition</b>		
Consideration, paid in cash		(3,280)
Cash acquired		4
<b>Net cash outflow</b>		<b>(3,276)</b>

## 1. Description of the Group (continued)

### Acquisitions in 2023

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

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

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

	Note	TEUR
Property, plant and equipment	6	2,459
Green certificates	13	534
Trade and other receivables	8	4
Income tax receivable	29	5
Other assets (financial and non-financial)	12	38
Cash and cash equivalents	7	4
Interest-bearing loans and borrowings – non-banks	16	(237)
Trade and other payables	17	(14)
Other liabilities	18	(10)
Current income tax liabilities	29	(1)
Deferred tax liabilities	19	(323)
<b>Total identifiable net assets acquired</b>		<b>2,459</b>
Consideration, paid in cash		(1,710)
<b>Gain on bargain purchase (+)</b>		<b>749</b>
<b>Cash effect on acquisition</b>		
Consideration, paid in cash		(1,710)
Cash acquired		4
<b>Net cash outflow</b>		<b>(1,706)</b>

## 1. Description of the Group (continued)

### Acquisitions in 2023

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

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

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

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

## 1. Description of the Group (continued)

### Acquisitions in 2023

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

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

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

	Note	TEUR
Intangible assets	5	262
Property, plant and equipment	6	2,129
Trade and other receivables	8	80
Income tax receivable	29	1
Other assets (financial and non-financial)	12	25
Inventories	9	22
Cash and cash equivalents	7	78
Trade and other payables	17	(2,019)
<b>Total identifiable net assets acquired</b>		<b>578</b>
Consideration, paid in cash		(1,911)
<b>Goodwill (-)</b>		<b>(1,333)</b>
<b>Cash effect on acquisition</b>		
Consideration, paid in cash		(1,911)
Cash acquired		78
<b>Net cash outflow</b>		<b>(1,833)</b>

## 1. Description of the Group (continued)

### Acquisitions in 2023

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

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

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

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

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

## **2. Basis of preparation**

### **a) Basis of preparation**

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

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

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

#### **A) Changes in accounting policy and disclosures**

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

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

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

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

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

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

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

## **2. Basis of preparation (continued)**

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

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

#### **IFRS 18 Presentation and Disclosure in Financial Statements.**

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

#### **IFRS 19 Subsidiaries without Public Accountability: Disclosures.**

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

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

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

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

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

## 2. Basis of preparation (continued)

### c) Presentation and functional currency

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

The following exchange rates were used during translations:

<b>Date</b>	<b>Closing exchange rate MDL/EUR</b>	<b>Average exchange rate MDL/EUR for the 6-month period</b>
30 June 2024	19.1901	19.2071
31 December 2023	19.3574	19.6431
30 June 2023	19.9690	19.8854
<b>Date</b>	<b>Closing exchange rate RON/EUR</b>	<b>Average exchange rate RON/EUR for the 6-month period</b>
30 June 2024	4.9773	4.9743
31 December 2023	4.9756	4.9467
30 June 2023	4.9635	4.9342
<b>Date</b>	<b>Closing exchange rate HUF/EUR</b>	<b>Average exchange rate HUF/EUR for the 6-month period</b>
30 June 2024	395.10	389.76
31 December 2023	382.80	381.85
30 June 2023	371.93	380.85
<b>Date</b>	<b>Closing exchange rate RSD/EUR</b>	<b>Average exchange rate RSD/EUR for the 6-month period</b>
30 June 2024	117.0278	117.1512
31 December 2023	117.1737	117.245
30 June 2023	117.34	117.31

### **3. Operating environment**

#### **Operating environment of the Group**

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

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

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

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

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

## **4. Operating segments**

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

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

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

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

## 4. Operating segments (continued)

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

### Six months ended 30 June 2024

TEUR	Romania Renewable energy	Natural Gas	Moldova Electricity	Romania Energy Supply	Corporate	Eliminations	Total
<b>Revenues</b>	<b>87,362</b>	<b>169,745</b>	<b>176,696</b>	<b>78,629</b>	-	-	<b>512,432</b>
<b>Intersegment Revenues</b>	7,290	1,055	421	-	-	(8,766)	-
<b>Cost of Sales</b>	<b>(79,837)</b>	<b>(136,777)</b>	<b>(158,316)</b>	<b>(98,336)</b>	-	-	<b>(473,266)</b>
<b>Intersegment Cost of Sales</b>	(793)	(428)	-	(7,545)	-	8,766	-
<b>Profit/(Loss) from operations</b>	4,355	13,694	(5,687)	21,314	(2,634)	-	<b>31,042</b>
<i>Out of which material non-cash items:</i>							
Gain on bargain purchase	-	-	-	14,143	-	-	<b>14,143</b>
Depreciation and amortisation	(2,775)	(3,382)	(5,719)	-	-	-	<b>(11,876)</b>
Impairment losses on loans and receivables	(13)	(909)	(63)	(61)	2	-	<b>(1,044)</b>
Impairment losses on property, plant and equipment and intangibles	-	(73)	(6)	-	-	-	<b>(79)</b>
<b>Profit/(Loss) before tax</b>	<b>2,055</b>	<b>12,984</b>	<b>(7,186)</b>	<b>21,028</b>	<b>(5,682)</b>	-	<b>23,199</b>
<i>Out of which:</i>							
Interest income	398	121	165	39	526	-	<b>1,249</b>
Interest expense	(1,639)	(536)	(1,174)	(764)	(3,576)	-	<b>(7,689)</b>
<b>Profit/(loss) after tax</b>	<b>958</b>	<b>9,732</b>	<b>(6,571)</b>	<b>21,453</b>	<b>(5,684)</b>	-	<b>19,886</b>
<i>Out of which:</i>							
Income tax	(1,097)	(3,128)	615	297	-	-	<b>(3,313)</b>
<b>Assets</b>	<b>175,160</b>	<b>253,091</b>	<b>269,372</b>	<b>175,158</b>	<b>87,477</b>	-	<b>960,258</b>
<b>Liabilities</b>	<b>(59,723)</b>	<b>(96,211)</b>	<b>(86,289)</b>	<b>(138,842)</b>	<b>(62,855)</b>	-	<b>(443,920)</b>
Capital expenditure*	22,449	10,677	17,403	-	8	-	50,537

\*The capital expenditure within the Romania Renewable Energy segment principally represents investments into renewable energy generation sources, including the asset purchase of the operational 18 MW wind park with an additional 8 MW in development for TEUR 19,214 in April 2024, while the capital expenditure within the Natural Gas segment represents primarily investments into the natural gas distribution network (and will become part of RAB). The total amount of TEUR 17,403 in Moldova electricity segment represents an amount of TEUR 8,602 which was invested into the electricity distribution network (and will become part of RAB) while an amount of TEUR 8,801 was invested into new renewable energy generation assets in Moldova.

## 4. Operating segments (continued)

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

TEUR	Romania Renewable energy	Natural Gas	Moldova Electricity	Romania Energy Supply	Corporate	Total
<b>Profit before tax as reported in consolidation</b>	<b>2,055</b>	<b>12,984</b>	<b>(7,186)</b>	<b>21,028</b>	<b>(5,682)</b>	<b>23,199</b>
Elimination of inter-segment profit	6,497	627	421	(7,545)	--	--
<b>Profit before tax for reportable segments</b>	<b>8,552</b>	<b>13,611</b>	<b>(6,765)</b>	<b>13,483</b>	<b>(5,682)</b>	<b>23,199</b>

TEUR	Romania Renewable energy	Natural Gas	Moldova Electricity	Romania Energy Supply	Corporate	Total
<b>Profit from operations as reported in consolidation</b>	<b>4,355</b>	<b>13,694</b>	<b>(5,687)</b>	<b>21,314</b>	<b>(2,634)</b>	<b>31,042</b>
Elimination of inter-segment profit	6,497	627	421	(7,545)	--	--
<b>Profit from operations for reportable segments</b>	<b>10,852</b>	<b>14,321</b>	<b>(5,266)</b>	<b>13,769</b>	<b>(2,634)</b>	<b>31,042</b>

## 4. Operating segments (continued)

Six months ended 30 June 2023 TEUR	Romania Renewable energy	Natural Gas	Moldova Electricity	Corporate	Eliminations	Total
<b>Revenues</b>	100,511	141,571	223,231	-	-	465,313
<b>Intersegment Revenues</b>	-	-	1,176	-	(1,176)	-
<b>Cost of Sales</b>	(68,367)	(144,430)	(165,113)	-	-	(377,910)
<b>Intersegment Cost of Sales</b>	-	(1,176)	-	-	1,176	-
<b>Profit/(Loss) from operations</b>	31,039	1,531	38,221	(2,022)	-	68,769
<i>Out of which material non-cash items:</i>						
Gain on bargain purchase	4 037	-	-	-	-	4,037
Depreciation and amortisation	(1,963)	(2,481)	(5,088)	-	-	(9,532)
Impairment losses on loans and receivables	(19)	(825)	(254)	-	-	(1,098)
Impairment losses on property, plant and equipment and intangibles	-	490	-	-	-	490
<b>Profit/(Loss) before tax</b>	30,308	732	37,327	(4,052)	-	64,315
<i>Out of which:</i>						
Interest income	571	221	329	149	-	1,270
Interest expense	(1,302)	(459)	(725)	(2,179)	-	(4,665)
<b>Profit/(loss) after tax</b>	20,257	623	32,725	(4,052)	-	49,553
<i>Out of which:</i>						
Income tax	(10,051)	(109)	(4,602)	-	-	(14,762)
<b>Assets as at 31.12.2023</b>	156,293	275,286	286,720	12,541	-	730,840
<b>Liabilities as at 31.12.2023</b>	(63,125)	(94,261)	(83,092)	(85,377)	-	(325,855)
Capital expenditure*	12,604	21,159	25,718	-	-	59,481

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

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

TEUR	Romania Renewable energy	Natural Gas	Moldova Electricity	Corporate	Total
<b>Profit/(loss) before tax as reported in consolidation</b>	30,308	732	37,327	(4,052)	64,315
Elimination of inter-segment profit	--	(1,176)	1,176	--	--
<b>Profit/(loss) before tax for reportable segments</b>	30,308	(444)	38,503	(4,052)	64,315

## 5. Intangible assets

	Goodwill	Software	Trademarks	Right-of-use asset	Other intangible assets	Total
	TEUR	TEUR	TEUR	TEUR	TEUR	TEUR
<b>Acquisition cost</b>						
<b>2023</b>						
Balance as at 1 January 2023	17,176	4,372	--	--	21,353	42,901
Acquisitions through business combinations	1,893	262	--	217	4,534	6,906
Acquisitions through asset deal	--	--	--	--	82	82
Additions	--	1,510	2	222	29	1,763
Additions through internal development	--	--	--	--	1	1
Translation difference	(46)	103	--	(4)	(118)	(65)
<b>Balance as at 31 December 2023</b>	<b>19,023</b>	<b>6,247</b>	<b>2</b>	<b>435</b>	<b>25,881</b>	<b>51,588</b>
<b>30 June 2024</b>						
Balance as at 1 January 2024	19,023	6,247	2	435	25,881	51,588
Acquisitions through business combinations	--	271	--	--	--	271
Additions	--	847	--	--	8	855
Disposals	--	(212)	--	--	--	(212)
Transfers	--	(223)	--	--	223	--
Translation difference	(2)	27	--	--	(9)	16
<b>Balance as at 30 June 2024</b>	<b>19,021</b>	<b>6,957</b>	<b>2</b>	<b>435</b>	<b>26,103</b>	<b>52,518</b>
<b>Accumulated amortization</b>						
<b>2023</b>						
Balance as at 1 January 2023	--	(630)	--	--	(1,172)	(1,802)
Charge for the year	--	(661)	--	(6)	(1,406)	(2,073)
Translation difference	--	26	--	--	20	46
<b>Balance as at 31 December 2023</b>	<b>--</b>	<b>(1,265)</b>	<b>--</b>	<b>(6)</b>	<b>(2,558)</b>	<b>(3,829)</b>
<b>30 June 2024</b>						
Balance as at 1 January 2024	--	(1,265)	--	(6)	(2,558)	(3,829)
Charge for the period	--	(534)	--	(5)	(990)	(1,529)
Disposals	--	212	--	--	--	212
Transfers	--	6	--	6	(12)	--
Translation difference	--	2	--	1	2	5
<b>Balance as at 30 June 2024</b>	<b>--</b>	<b>(1,579)</b>	<b>--</b>	<b>(4)</b>	<b>(3,558)</b>	<b>(5,141)</b>
<b>Carrying amounts</b>						
<b>As at 31 December 2023</b>	<b>19,023</b>	<b>4,982</b>	<b>2</b>	<b>429</b>	<b>23,323</b>	<b>47,759</b>
<b>As at 30 June 2024</b>	<b>19,021</b>	<b>5,378</b>	<b>2</b>	<b>431</b>	<b>22,545</b>	<b>47,377</b>

## **5. Intangible assets (continued)**

During the six months ended 30 June 2024, acquisition of intangible assets through business combination relates to the acquisition of the Romanian subsidiary PREMIER ENERGY FURNIZARE (former CEZ Vanzare S.A.) as described in Note 1.

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

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

In 2023, acquisition of intangible assets through business combination relates to the acquisitions in Romania described in Note 1. The acquired intangible assets are comprised mainly of project rights related to DA VINCI NEW PROJECT S.R.L. of TEUR 4,533 with finite useful life of 25 years (the amortization is expected in the second half of 2024), right-of-use assets in total amount of TEUR 217 and software in total amount of TEUR 262.

In first 6 month ended 30 June 2024 a 30 June 2023, amortisation amount of TEUR 1,529 and TEUR 1,046 was recognised in profit or loss.

## 6. Property, plant and equipment

	Land and buildings	Vehicles and Other tangible assets and equipment	Right-of- use asset	Tangible assets under construction	Electricity distribution network	Gas distribution networks	Advance payments	Total
	TEUR	TEUR	TEUR	TEUR	TEUR	TEUR	TEUR	TEUR
<b>2023</b>								
Balance as at 1 January 2023	13,567	44,803	5,185	21,322	194,349	75,502	219	354,947
Acquisitions through business combinations	7,527	12,683	422	1,550	-	2,032	-	24,214
Acquisitions through asset deals	1,616	1,215	--	--	--	--	--	2,831
Additions	60	969	1,353	29,288	12,868	4,700	8 480	57,718
Change in lease contracts conditions	--	--	--	--	--	--	--	--
Disposals	(64)	(4,082)	(14)	(1,683)	(1,855)	--	(227)	(7,925)
Transfers	873	518	-	(16,559)	5,666	9,502	--	--
Revaluation	--	--	--	--	--	10,295	--	10,295
Translation differences	61	(21)	(36)	(34)	10,794	(1,586)	37	9,215
<b>Balance as at 31 December 2023</b>	<b>23,640</b>	<b>56,085</b>	<b>6,910</b>	<b>33,884</b>	<b>221,822</b>	<b>100,446</b>	<b>8 509</b>	<b>451,296</b>
<b>30 June 2024</b>								
Balance as at 1 January 2024	23,640	56,085	6,910	33,884	221,822	100,446	8 509	451,296
Acquisitions through business combinations	--	2	388	--	--	--	--	390
Acquisitions through asset deals	100	16,942	93	2,504	--	--	--	19,639
Additions	--	1,247	125	22,208	1,395	41	5,027	30,043
Disposals	--	(321)	--	(969)	(552)	--	(8,582)	(10,424)
Transfers	(7,480)	17,555	--	(26,293)	4,615	11,603	--	--
Translation differences	106	51	(3)	10	1,944	(38)	35	2,105
<b>Balance as at 30 June 2024</b>	<b>16,366</b>	<b>91,561</b>	<b>7,513</b>	<b>31,344</b>	<b>229,224</b>	<b>112,052</b>	<b>4,989</b>	<b>493,049</b>

## 6. Property, plant and equipment (continued)

	Land and buildings	Vehicles and Other tangible assets and equipment	Right-of-use asset	Tangible assets under construction	Electricity distribution network	Gas distribution networks	Advance payments	Total
	TEUR	TEUR	TEUR	TEUR	TEUR		TEUR	TEUR
<b>Accumulated depreciation and impairment</b>								
<b>2023</b>								
Balance as at 1 January 2023	(1,002)	(6,078)	(1,738)	(1,820)	(21,198)	(7,802)	--	(39,638)
Charge for the year	(723)	(3,131)	(237)	--	(9,051)	(3,894)	--	(17,036)
Impairment loss / reversal of impairment loss	--	--	--	188	--	--	--	188
Revaluation	--	--	--	--	--	309	--	309
Disposals	--	2,932	--	--	1,832	--	--	4,764
Transfers	--	--	--	--	--	--	--	--
Translation difference	329	116	11	110	(1,514)	198	--	(750)
<b>Balance as at 31 December 2023</b>	<b>(1,396)</b>	<b>(6,161)</b>	<b>(1,964)</b>	<b>(1,522)</b>	<b>(29,931)</b>	<b>(11,190)</b>	<b>--</b>	<b>(52,164)</b>
<b>30 June 2024</b>								
Balance as at 1 January 2024	(1,396)	(6,161)	(1,964)	(1,522)	(29,931)	(11,190)	--	(52,164)
Charge for the period	(212)	(2,208)	(367)	--	(4,909)	(2,651)	--	(10,347)
Impairment loss	--	--	--	(6)	--	(73)	--	(79)
Disposals	--	318	--	--	549	--	--	867
Transfers	322	(322)	--	--	--	--	--	--
Translation difference	(11)	(134)	--	--	(269)	2	--	(412)
<b>Balance as at 30 June 2024</b>	<b>1,297</b>	<b>8,507</b>	<b>2,331</b>	<b>1,528</b>	<b>34,560</b>	<b>13,912</b>	<b>0</b>	<b>62,135</b>
<b>Carrying amount</b>								
As at 31 December 2023	22,244	49,924	4,946	32,362	191,891	89,256	8,509	399,132
As at 30 June 2024	15,069	83,054	5,182	29,816	194,664	98,140	4,989	430,914

During the six-months ended 30 June 2024, acquisition of intangible assets through business combination relates to the acquisition of the Romanian subsidiary PREMIER ENERGY FURNIZARE (former CEZ Vanzare S.A.) as described in Note 1.

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

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

In the first six months ended 30 June 2024 and 30 June 2023, depreciation amount of TEUR 10,347 and TEUR 8,486 was recognised in profit or loss.

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

## 6. Property, plant and equipment (continued)

### *Fair value hierarchy*

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

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

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

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

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

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

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

### **Leases**

The right-of-use tangible assets are recognised in accordance with IFRS 16 and are mainly represented by leased premises of Romanian offices and leased land for renewable production assets. As at 30 June 2024, the Group recorded lease liabilities related to right-of-use assets) for the total amount of TEUR 5,541 (31 December 2023: TEUR 5,216).

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

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

## 7. Cash and cash equivalents

	30 June 2024	31 December 2023
	TEUR	TEUR
<b>Cash and cash equivalents</b>		
Current accounts	43,403	79,431
Cash on hand	44	41
Other cash equivalents	4,762	1,493
Demand deposits	81,950	307
<b>Cash and cash equivalents in the statement of financial position</b>	<b>130,159</b>	<b>81,272</b>
Bank overdrafts	(55,823)	--
<b>Cash and cash equivalents in the statement of cash flows</b>	<b>74,336</b>	<b>81,272</b>

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

As a result of the acquisition of PREMIER ENERGY FURNIZARE S.A (formerly CEZ Vanzare S.A.), the Group recognises bank overdrafts at the amount of TEUR 55,823. Bank overdrafts are pledged on bank current accounts.

In 2021, the Group's natural gas business opened an escrow account at the Romanian Commodities Exchange (BRM) for settlement of gas transactions. It covers the next month's estimated gas purchases of the business via BRM. The contractual restriction relates only to the use of the funds, while the Group has access and can withdraw these funds at any time. The balance of this account amounted to TEUR 2,546 as at 30 June 2024 (31 December 2023: TEUR 1,408

## 8. Trade receivables

	30 June 2024	31 December 2023
	TEUR	TEUR
Current	217,815	87,240
Non-current	2,141	1,146
<b>Total</b>	<b>219,956</b>	<b>88,386</b>

The trade receivables refer mainly to the sale of electricity and natural gas and related distribution and works, and services performed (user installations) by the Romanian and Moldovan companies.

While there was a decrease in trade receivables of approximately TEUR 20,000 in the natural gas business, the significant increase in trade receivables is mainly due to the acquisition of PREMIER ENERGY FURNIZARE (formerly CEZ Vanzare S.A.) which had a fair value of trade receivable balance as at 30 June 2024 of TEUR 158,000. Out of this amount, TEUR 125,000 comprises receivables from the state for sales related to the state support scheme, receivables from electricity customers amounted to TEUR 31,000 and from gas customers TEUR 2,000. Receivables for electricity include receivables from sold energy and accrued receivables for unbilled energy (TEUR 14,000). During July 2024, the Group collected TEUR 68,000 out of the total of TEUR 125,000 of state receivables.

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

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

## 9. Inventories

	<b>30 June 2024</b>	<b>31 December 2023</b>
	<b>TEUR</b>	<b>TEUR</b>
Raw materials and consumables	662	751
Auxiliary materials	356	338
Natural gas stored held at third parties	35,747	25,099
Other	2,222	9,236
<b>Total</b>	<b>38,987</b>	<b>35,424</b>

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

The Romanian natural gas entities pledged gas in storage as security for liabilities in the amount TEUR 35,747 as of 30 June 2024 and TEUR 25,099 as of 31 December 2023.

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

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

During the first half year of 2024, the Romanian and Moldovan entities recognised raw materials and consumables used as an expense of TEUR 2,202 (30 June 2023: TEUR 2,299, 31 December 2023: TEUR 4,847).

## 10. Financial assets

### Financial assets at amortised cost – other deposits

#### Restricted deposits

	<b>30 June 2024</b>	<b>31 December 2023</b>
	<b>TEUR</b>	<b>TEUR</b>
Term deposits – current	30	-
Deposits with restricted access – current	11,516	5,638
Deposits with restricted access – non-current	467	2,303
<b>Total</b>	<b>12,013</b>	<b>7,941</b>

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

## 11. Loans receivable

The Group has provided loans receivable from its related parties as of 30 June 2024 TEUR 295 (31 December 2023: TEUR 305) and third parties as of 30 June 2024 TEUR 4,610 (31 December 2023: TEUR 4,751) which are repayable as follows:

30 June 2024	Average interest rate	Less than 3 months	3 months to 1 year	1 to 5 years	More than 5	Non-specified	Total TEUR
Loans receivable	4.14%	55	103	1,138	3,609	--	4,905

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

During the six months ended 30 June 2024, the Group provided TEUR 427 new loans to related and third parties and received repayments at the total amount of TEUR 597.

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

As at 30 June 2024 and 31 December 2023 loan receivable balances from third parties of TEUR 4,615 and TEUR 4,751 were secured over shares held by minority shareholders of a Cypriot subsidiary in favour of the Company under the Deed of Pledge Agreements between the Company and the minority shareholders of the Cypriot subsidiary.

## 12. Other assets

	30 June 2024 TEUR	31 December 2023 TEUR
<b>Financial assets</b>		
Other assets	24,081	23,096
<b>Subtotal financial assets</b>	<b>24,081</b>	<b>23,096</b>
<b>Non-financial assets</b>		
Advances to suppliers	136	44
Other tax receivables	2,757	3,278
Deferred expenses and prepayments	30,386	20,927
Other assets – non-financial	9,123	12,098
<b>Subtotal non-financial assets</b>	<b>42,402</b>	<b>36,347</b>
<b>Total</b>	<b>66,483</b>	<b>59,443</b>
Current	51,379	45,386
Non-current	15,104	14,057
<b>Total</b>	<b>66,483</b>	<b>59,443</b>

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

## 12. Other assets (continued)

The increase in other assets is mainly attributable to the increase in deferred expenses and prepayments. Deferred expenses and prepayments represent mainly advances paid to energy suppliers.

## 13. Green certificates

	30 June 2024 TEUR	31 December 2023 TEUR
Current	2,611	3,895
Non-current	382	1,090
<b>Green certificates total</b>	<b>2,993</b>	<b>4,985</b>

The decrease in the value of green certificates is attributable to a higher number of green certificates being sold during the six months ended 30 June 2024 than obtained through the production levels of the Group's renewable electricity generation assets in Romania.

## 14. Investments in equity-accounted investees

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

	Type of equity method investment	Country of incorporation	Ownership interest (%)		Carrying amount TEUR	
			30 June 2024	31 December 2023	30 June 2024	31 December 2023
			BRASOV RENEWABLES S.R.L. <sup>1)</sup>	Associate	Romania	20,40
					<b>199</b>	<b>199</b>

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

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

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

## 15. Provisions

	<b>30 June 2024</b>	<b>31 December 2023</b>
	<b>TEUR</b>	<b>TEUR</b>
Provisions for litigations and claims	1,586	1,018
Untaken holiday	2,570	1,572
Decommissioning provision	1,963	1,358
Tax risks	--	3,940
Other	16,737	1,037
<b>Provisions total</b>	<b>22,856</b>	<b>8,925</b>
Non-current provisions	16,155	6,227
Current provisions	6,701	2,698
<b>Provisions total</b>	<b>22,856</b>	<b>8,925</b>

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

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

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

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

In addition, the Group recognizes provision from legal claims made against the operating companies by their customers in the normal course of business. Litigation provisions are recognized when management estimates that the Group is exposed to a cash outflow as a result of an unfavourable court ruling. During the six months ended 30 June 2024, management recognized a provision of TEUR 1,586 in respect to these claims, after considering legal advice and it believes that the outcome of these legal claims will not give rise to any significant loss beyond the amounts provided as at 30 June 2024.

During the six months ended 30 June 2024, the Group recognized a provision of TEUR 2,570 in respect to untaken holiday from its employees. The provision is made based on the employment contracts. The Group expects to settle the majority of this liability over the next year.

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

## 16. Loans and borrowings

### Liabilities due to non-banks

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

	30 June 2024	31 December 2023
	TEUR	TEUR
Loans from related parties	--	547
Loans from third parties	138	771
	<b>138</b>	<b>1,318</b>

Non-bank loans are payable as follows:

TEUR	Amount as at 30 June 2024	Payable in 1 year	Payable in more than 1 year
Loans from related parties	--	--	--
Loans from third parties	138	138	--
	<b>138</b>	<b>138</b>	--

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

	Currency	Maturity	Interest rate	Outstanding principal and interest TEUR 31 December 2023	Outstanding principal and interest TEUR 30 June 2024
A. Loan from related party	EUR	2024	6.65%	547	--
				<b>547</b>	--
A. Loan from third party	EUR	2024	0.00%	652	15
B. Loan from third party	RON	2024	11.44%	119	123
				<b>771</b>	<b>138</b>

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

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

## 16. Loans and borrowings (continued)

### Liabilities due to banks and other financial institutions

The Group's liabilities due to banks and other financial institutions as of 30 June 2024 amount to TEUR 140,528 (2023: TEUR 153,475). The details are described below.

	30 June 2024 TEUR	31 December 2023 TEUR
Non-current bank loans	102,558	100,379
Current bank loans	37,970	53,096
	<b>140,528</b>	<b>153,475</b>

30 June 2024	Currency	Maturity	Outstanding principal and interest TEUR
A Secured bank loan	EUR	31.12.2024	22,881
B Secured bank loan	MDL	30.12.2033	4,433
C Secured bank loan	USD	03.03.2031	14,134
D Secured bank loan	USD	02.03.2031	13,823
E Secured bank loan	MDL	31.01.2028	529
F Secured bank loan	EUR	29.06.2029	60,006
G Secured bank loan	EUR	05.12.2030	221
H Secured bank loan	EUR	28.02.2030	7,181
I Secured bank loan	EUR	15.04.2034	13,598
J Secured bank loan	EUR	10.01.2034	2,123
K Secured bank loan	EUR	31.12.2024	1,599
			<b>140,528</b>

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

The interest rates on the above bank loans are variable and all rates are market-based. For the six months ended 30 June 2024, the effective interest rate was 7.30% (31 December 2023: 8.06%). The interest rates of these loans ranged from 5.70% to 9.28% for the six months ended 30 June 2024 (31 December 2023: ranged from 5.96% to 10.46%).

## 16. Loans and borrowings (continued)

### Liabilities due to banks and other financial institutions (continued)

During the six months ended 30 June 2024, the Group received a total principal amount of bank loans of TEUR 60,784, from which an amount of TEUR 22,139 represents new bank loans both in Romania and Moldova. At the same time the Group made principal repayments at the total amount of TEUR 71,235.

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

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

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

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

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

### Financial Covenants

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

## 17. Trade payables

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

	<b>30 June 2024</b>	<b>31 December 2023</b>
	<b>TEUR</b>	<b>TEUR</b>
Current	41,847	46,740
Non-current	38	38
<b>Total</b>	<b>41,885</b>	<b>46,778</b>

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

Despite the increase in trade payables from the acquisition of PREMIER ENERGY FURNIZARE (former CEZ Vanzare S.A.) (Refer to Note 1), there was a decrease in the Group's trade payables which is mainly attributable to the Moldova supply business which had a significant amount of electricity purchased within accrued expenses (see Note 18).

## 18. Other liabilities

	30 June 2024	31 December 2023
	TEUR	TEUR
<b>Financial liabilities</b>		
Accrued expenses	61,667	11,064
Other liabilities	28,439	7,921
<b>Subtotal financial liabilities</b>	<b>90,106</b>	<b>18,985</b>
<b>Non-financial liabilities</b>		
Deferred income	37,738	37,184
Other tax payable	5,119	8,034
Wages and salaries	2,065	1,430
Social security and health insurance	1,000	411
<b>Subtotal non-financial liabilities</b>	<b>45,922</b>	<b>47,059</b>
<b>Total</b>	<b>136,028</b>	<b>66,044</b>
Current	80,703	28,004
Non-current	55,325	38,040
<b>Total</b>	<b>136,028</b>	<b>66,044</b>

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

Accrued expenses are represented notably by liabilities related to the electricity purchases by the Moldovan subsidiaries and to natural gas purchases by the Romanian subsidiaries. More specifically, Moldova supply business contributed to the increase of the accrued expenses at an amount of TEUR 16,000 due to the fact that the invoices for the purchased electricity were not available at the end of the reporting period. In addition to that, the new acquisition of the Romanian subsidiary PREMIER ENERGY FURNIZARE (former CEZ Vanzare S.A.) contributed to this increase at the amount of TEUR 21,340.

The increase in other liabilities is mainly attributable to the new acquisition PREMIER ENERGY FURNIZARE (former CEZ Vanzare S.A.), which mainly include prepayments received by the company during normal activity as higher payments than invoices. The amounts will be compensated by next month invoices.

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

## 19. Deferred tax liability and asset

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

	30 June 2024	31 December 2023
	TEUR	TEUR
Deferred tax assets	5,760	438
Deferred tax liabilities	(23,184)	(22,579)
<b>Net deferred tax liabilities</b>	<b>(17,424)</b>	<b>(22,141)</b>

## 19. Deferred tax liability and asset (continued)

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

	<b>30 June 2024</b>	<b>31 December 2023</b>
	<b>TEUR</b>	<b>TEUR</b>
Property, plant and equipment	(19,922)	(20,130)
Intangible assets	(2,413)	(2,498)
Tax losses carried-forward	1,924	439
Provisions	3,266	--
Other items	(279)	48
<b>Net deferred tax liabilities</b>	<b>(17,424)</b>	<b>(22,141)</b>
	<b>30 June 2024</b>	<b>31 December 2023</b>
	<b>TEUR</b>	<b>TEUR</b>
<b>Deferred tax assets</b>		
Expected to reverse within 12 months	--	--
Expected to reverse after 12 months	5,760	438
<b>Subtotal deferred tax assets</b>	<b>5,760</b>	<b>438</b>
<b>Deferred tax liabilities</b>		
Expected to reverse within 12 months	--	--
Expected to reverse after 12 months	(23,184)	(22,579)
<b>Subtotal deferred tax liabilities</b>	<b>(23,184)</b>	<b>(22,579)</b>
<b>Net deferred tax liabilities</b>		
Expected to reverse within 12 months	--	--
Expected to reverse after 12 months	(17,424)	(22,141)
<b>Net deferred tax liabilities</b>	<b>(17,424)</b>	<b>(22,141)</b>

As at 30 June 2024, unrecognised deferred tax assets of TEUR 1,698 (2023: TEUR 1,348) resulting from tax losses carried-forward in total amount of TEUR 13,313 (2023: TEUR 10,726) are attributable mainly to Cypriot entities (refer also to Note 29).

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

## 19. Deferred tax liability and asset (continued)

Movements in temporary differences during the six months ended 30 June 2024 were as follows:

TEUR	Balance at 1 January 2024	Recognized in profit or loss  (Note 32)	Additions resulting from business combinatio ns  (Note 1)	Recognized in OCI	Recognized directly in equity	Effect of movements in foreign exchange rate	Balance at 30 June 2024
Property, plant and equipment	(20,130)	295	--	--	--	(87)	(19,922)
Intangible assets	(2,498)	(2,926)	3,011	--	--	--	(2,413)
Tax losses carried-forward	439	1,481	--	--	--	4	1,924
Provisions	--	3,267	--	--	--	(1)	3,266
Other items	48	(326)	--	--	--	(1)	(279)
<b>Total</b>	<b>(22,141)</b>	<b>1,791</b>	<b>3,011</b>	<b>--</b>	<b>--</b>	<b>(85)</b>	<b>(17,424)</b>

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

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

## 20. Equity

	<b>30 June 2024 Number of shares</b>	<b>30 June 2024 EUR</b>	<b>31 December 2023 Number of shares</b>	<b>31 December 2023 EUR</b>
<b>Authorised</b>				
Balance at 1 January	100,001	100,001	100,001	100,001
Issue of shares (Ordinary shares of EUR 1 each)	40,000	--	--	--
Balance at 9 April 2024 (before share split)	140,001	140,001	--	--
Share split (Ordinary shares from EUR 1 to EUR 0.001)	140,001,000	140,001	--	--
Balance as at 30 June	140,001,000	140,001	100,001	100,001
<b>Issued and fully paid</b>				
Balance at 1 January	100,001	100,001	100,001	100,001
Share split (Ordinary shares from EUR 1 to EUR 0.001)	100,001,000	100,001	--	--
Issue of shares (Ordinary shares of EUR 0.001 each)	25,000,250	25,000	--	--
Balance as at 30 June	125,001,250	125,001	100,001	100,001

### Share capital

#### Authorised capital

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

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

#### Issued capital

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

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

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

## 20. Equity (continued)

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

- a) The right to receive notice, attend and vote at any proposed General Meeting and/or proposed resolution of the General Meeting and/or any proposed unanimous written resolution of the General Meeting.
- b) The right to receive dividends in accordance with Regulations 112-114A.
- c) On a return of assets on liquidation of the Company, reduction of capital or otherwise, the right to receive assets corresponding to (i) the nominal value of the ordinary shares and (ii) to the amount remaining payable as provided for in Regulation 114A (c).

### Share premium

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

### Common control transaction reserve

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

### Revaluation reserve

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

### Translation reserve

The translation reserve balance as at 30 June 2024 of TEUR 964 (31 December 2023: (TEUR 18)) represents notably foreign exchange differences arising from the translation of the financial statements of the subsidiaries with a functional currency other than EUR.

### Legal reserve

The legal reserve balance as at 30 June 2024 of TEUR 3,435 (31 December 2023: TEUR 3,434) represents the amount required by the Romanian and Moldovan states to protect the Group against future financial losses. The Group is in compliance with the specific requirements.

### Dividends paid

During the six months ended 30 June 2024, the Group did not distribute any dividends to the Group's shareholders (30.06.2023: TEUR 18,000). Interim dividends in the total amount of TEUR 1,111 (30.06.2023: TEUR 10,337) were distributed to minority shareholders of subsidiaries.

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

### Dividends per share

Dividends paid to the Group's shareholders

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

## 20. Equity (continued)

### Earnings per share

#### Basic and diluted earnings per share 2024 and 2023

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

Profit attributable to ordinary shareholders

	<b>30 June 2024 TEUR</b>	<b>30 June 2023 TEUR</b>	<b>31 December 2023 TEUR</b>
Profit for the year attributable to ordinary shareholders	17,129	40,662	65,871
<b>Profit attributable to ordinary shareholders</b>	<b>17,129</b>	<b>40,662</b>	<b>65,871</b>
Weighted average number of ordinary shares issued (in thousands)	125,001	100,001	100,001
<b>Earnings per ordinary share attributable to the owners of the Company, basic and diluted (in EUR per share)</b>	<b>0.164</b>	<b>0.407</b>	<b>0.659</b>

#### *Weighted average number of ordinary shares 30 June 2024*

<i>In pieces of shares</i>	<b>Ordinary shares</b>	<b>Weight</b>	<b>Weighted average</b>
Issued ordinary shares at 1 January 2024	100,001,000	180	100,001,000
Effect of ordinary shares issued on IPO	25,000,250	30	4,166,708
Weighted average number of ordinary shares as at 30 June 2024			<u>104,167,708</u>

#### *Weighted average number of ordinary shares as at 30 June 2023*

<i>In pieces of shares</i>	<b>Ordinary shares</b>	<b>Weight</b>	<b>Weighted average</b>
Issued ordinary shares at 1 January 2023	100,001,000	180	100,001,000
Restated Weighted average number of ordinary shares as at 30 June 2023			<u>100,001,000</u>

#### *Weighted average number of ordinary shares as at 31 December 2023*

<i>In pieces of shares</i>	<b>Ordinary shares</b>	<b>Weight</b>	<b>Weighted average</b>
Issued ordinary shares at 1 January 2023	100,001,000	360	100,001,000
Restated Weighted average number of ordinary shares as at 31 December 2023			<u>100,001,000</u>

## 21. Non-controlling interest

The following table summarises the information relating to each of the Group's subsidiaries that has material NCI in the six months ended 30.06.2024.

TEUR	TRUE ENERGY MANAGEMENT S.R.L.	ECOENERGIA S.R.L.	<i>Subtotal</i>	<i>TOTAL</i>
<b>NCI percentage</b>	<b>40.00%</b>	<b>20.00%</b>		
Non-current assets	11,472	31,288		
Current assets	1,087	4,383		
Non-current liabilities	--	(758)		
Current liabilities	(8,215)	(10,598)		
<b>Net assets</b>	<b>4,344</b>	<b>24,315</b>		
<b>Net assets attributable to NCI</b>	<b>1,738</b>	<b>4,863</b>	<b>6,601</b>	<b>42,148</b>
Revenue	838	7,451		
Profit / (loss)	(910)	720		
OCI	(65)	(15)		
<b>Total comprehensive income</b>	<b>(975)</b>	<b>705</b>		
<b>Profit / (loss) allocated to NCI</b>	<b>(364)</b>	<b>144</b>	<b>(220)</b>	<b>2,757</b>
<b>OCI allocated to NCI</b>	<b>(26)</b>	<b>(3)</b>	<b>(29)</b>	<b>13</b>
<b>TEUR</b>	<b>ALIVE CAPITAL S.A.</b>	<b>ENERGIA MILENIULUI III S.A.</b>	<b>JOSECO HOLDINGS Group</b>	<i>Subtotal</i>
<b>NCI percentage</b>	<b>49.00%</b>	<b>33.36%</b>	<b>7.26%</b>	
Non-current assets	25,227	10,444	228,873	
Current assets	42,274	316	39,820	
Non-current liabilities	(5,383)	(1,823)	(56,939)	
Current liabilities	(26,340)	(4,269)	(25,561)	
<b>Net assets</b>	<b>35,778</b>	<b>4,668</b>	<b>186,193</b>	
<b>Net assets attributable to NCI</b>	<b>17,531</b>	<b>1,557</b>	<b>13,518</b>	<b>32,606</b>
Revenue	90,171	--	223,905	
Profit / (loss)	7,443	(103)	(7,041)	
OCI	(176)	3	1,722	
<b>Total comprehensive income</b>	<b>7,267</b>	<b>(100)</b>	<b>(5,319)</b>	
<b>Profit / (loss) allocated to NCI</b>	<b>3,647</b>	<b>(34)</b>	<b>(511)</b>	<b>3,102</b>
<b>OCI allocated to NCI</b>	<b>(86)</b>	<b>1</b>	<b>125</b>	<b>40</b>
<b>TEUR</b>	<b>LIGATNE GAS S.R.L.</b>	<b>ENEX NALBANT RENEWABLE S.R.L.</b>	<b>ALIVE CAPITAL D.O.O. Beograd</b>	<i>Subtotal</i>
<b>NCI percentage</b>	<b>0.04%</b>	<b>20.00%</b>	<b>49.01%</b>	
Non-current assets	3,036	18,179	7	
Current assets	3,500	979	1,313	
Non-current liabilities	(628)	(7,811)	0	
Current liabilities	(2,868)	(1,950)	(36)	
<b>Net assets</b>	<b>3,040</b>	<b>9,397</b>	<b>(1,284)</b>	
<b>Net assets attributable to NCI</b>	<b>--</b>	<b>1,879</b>	<b>629</b>	<b>2,508</b>
Revenue	3,737	1391	--	
Profit / (loss)	(227)	264	(14)	
OCI	--	5	4	
<b>Total comprehensive income</b>	<b>(227)</b>	<b>269</b>	<b>(10)</b>	
<b>Profit / (loss) allocated to NCI</b>	<b>--</b>	<b>53</b>	<b>(7)</b>	<b>46</b>
<b>OCI allocated to NCI</b>	<b>--</b>	<b>1</b>	<b>2</b>	<b>3</b>

## 21. Non-controlling interest (continued)

TEUR	ALIVE CAPITAL Kft.	ALIVE RENEWABLE HOLDING LIMITED	ALIVE WIND POWER ONE S.R.L.	<i>Subtotal</i>
<b>NCI percentage</b>	<b>49.01%</b>	<b>49.00%</b>	<b>35.00%</b>	
Non-current assets	0	0	19,988	
Current assets	366	849	861	
Non-current liabilities	0	0	(12,293)	
Current liabilities	(8)	(3)	(9,004)	
<b>Net assets</b>	<b>358</b>	<b>846</b>	<b>(448)</b>	
<b>Net assets attributable to NCI</b>	<b>175</b>	<b>415</b>	<b>(157)</b>	<b>433</b>
Revenue	0	0	321	
Profit / (loss)	(22)	(7)	(450)	
OCI	(2)	0	--	
<b>Total comprehensive income</b>	<b>(24)</b>	<b>(7)</b>	<b>(450)</b>	
<b>Profit / (loss) allocated to NCI</b>	<b>(11)</b>	<b>(3)</b>	<b>(157)</b>	<b>(171)</b>
<b>OCI allocated to NCI</b>	<b>(1)</b>	<b>0</b>	<b>--</b>	<b>(1)</b>

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

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

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

## 21. Non-controlling interest (continued)

TEUR	LIGATNE GAS S.R.L.	ENEX NALBANT RENEWABLE S.R.L.	ALIVE CAPITAL D.O.O. Beograd	<i>Subtotal</i>
<b>NCI percentage</b>	<b>0,04%</b>	<b>20,00%</b>	<b>49,01%</b>	
Non-current assets	2,623	18,500	2	
Current assets	4,269	913	1,326	
Non-current liabilities	(544)	(6,964)		
Current liabilities	(4,003)	(3,312)	(1,331)	
<b>Net assets</b>	<b>2,345</b>	<b>9,137</b>	<b>(3)</b>	
<b>Net assets attributable to NCI</b>	<b>--</b>	<b>1,827</b>	<b>(1)</b>	<b>1,826</b>
Revenue	7,221	232	--	
Profit / (loss)	151	1,008	(13)	
OCI	--	(85)	--	
<b>Total comprehensive income</b>	<b>151</b>	<b>923</b>	<b>(13)</b>	
<b>Profit / (loss) allocated to NCI</b>	<b>--</b>	<b>202</b>	<b>(6)</b>	<b>196</b>
<b>OCI allocated to NCI</b>	<b>--</b>	<b>(17)</b>	<b>--</b>	<b>(17)</b>

## 22. Revenues and expenses related to core operations

### Revenue streams and related expenses including

	<b>For the six months ended</b>	
	<b>30 June 2024</b>	<b>30 June 2023</b>
	<b>TEUR</b>	<b>TEUR</b>
Revenues from renewable energy	78,484	96,889
Revenues from sale of green certificates	14,479	2,169
Revenues from gas distribution and supply	162,805	141,645
Revenues from electricity distribution and supply	256,664	224,610
<b>Revenues</b>	<b>512,432</b>	<b>465,313</b>
Cost of renewable energy sold	(67,412)	(64,362)
Green certificates sold	(14,547)	(2,886)
Cost of gas sold	(128,663)	(148,390)
Cost of electricity sold	(199,728)	(149,220)
Transportation of electricity	(62,916)	(13,052)
<b>Costs of electricity, gas and transportation</b>	<b>(473,266)</b>	<b>(377,910)</b>

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

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

Revenues include other income related to core business.

For six month ended June 2024 and 2023, the revenue from the distribution and supply of electricity comprises also revenues of TEUR 8,817 (2023: TEUR 1,375) from sales of electricity in Romania included in the reportable segment Natural Gas.

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

## Revenues and expenses related to core operations (continued)

### Contract balances

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

	30 June 2024 TEUR	31 December 2023 TEUR
Trade receivables	219,956	88,386
Contract assets	486	779
Contract liabilities	(15,658)	(17,574)

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

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

## 22. Services and material expenses

	For the six months ended	
	30 June 2024 TEUR	30 June 2023 TEUR
Professional services	(2,348)	(1,404)
Independent auditor's remuneration	(1,094)	(636)
Advertising and marketing	(502)	(324)
Taxes, other than income tax	(3,720)	(1,909)
Rental, maintenance and repair expenses	(5,336)	(4,862)
Telecommunication and postage	(1,807)	(624)
Travel expenses	(216)	(170)
Information technologies	(1,773)	(715)
Distribution, transport and storage of goods	(2,737)	(2,698)
Energy consumption	(185)	(204)
Other	(6,270)	(5,704)
<b>Services and material expenses</b>	<b>(25,988)</b>	<b>(19,250)</b>

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

Amount recognised for audit services totals TEUR 1,094 (30 June 2023: TEUR 603) and other services provided by auditors TEUR 0 (30 June 2023: TEUR 33).

## 23. Personnel expenses

	For the six months ended	
	30 June 2024 TEUR	30 June 2023 TEUR
Employee compensation	(16,606)	(13,394)
Payroll related taxes (including social and pension contribution)	(1,979)	(1,622)
<b>Personnel expenses</b>	<b>(18,585)</b>	<b>(15,016)</b>

The increase is mainly attributable to the new acquisition of the Romanian subsidiary PREMIER ENERGY FURNIZARE (former CEZ Vanzare S.A.). The average number of employees in the Group for the six months ending 30 June 2024 was 1,592 employees (30 June 2023: 1,296 employees).

## 24. Impairment losses on loans and receivables and other assets

	For the six months ended	
	2024	2023
	TEUR	TEUR
Net impairment losses on loans	2	-
Net impairment losses on trade receivables	(1,046)	(1,098)
Net impairment losses on other financial assets	--	-
	<u>(1,044)</u>	<u>(1,098)</u>

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

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

## 25. Other operating income

	For the six months ended	
	30 June 2024	30 June 2023
	TEUR	TEUR
Rental income	520	379
Gain on sale of property, plant, equipment, and intangible assets	--	1
Other income	39,053	24,281
	<u>39,573</u>	<u>24,661</u>

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

## 26. Other operating expenses

	For the six months ended	
	30 June 2024	30 June 2023
	TEUR	TEUR
Loss on sale of property, plant and equipment	(1)	(1)
(Net impairment losses)/reversals on property, plant and equipment recognized (Note 6)	(79)	490
Net impairment losses on other assets	(33)	--
Net foreign currency losses	(2,032)	(626)
	<u>(2,145)</u>	<u>(137)</u>

## 27. Net finance income/expenses

	For the six months ended	
	30 June 2024	30 June 2023
	TEUR	TEUR
Interest income	1,249	1,270
<b>Total finance income</b>	<u>1,249</u>	<u>1,270</u>
Interest expense	(7,689)	(4,665)
Fee and commission expense	(1,241)	(1,059)
Other finance expenses	(162)	--
<b>Total finance expense</b>	<u>(9,092)</u>	<u>(5,724)</u>
<b>Net finance expenses</b>	<u>(7,843)</u>	<u>(4,454)</u>

## 28. Net finance income/expenses (continued)

	For the six months ended	
	30 June 2024	30 June 2023
	TEUR	TEUR
<b>Interest income</b>		
Due from banks and other financial institutions	1,167	1,173
Loans to corporations and other loans	82	97
<b>Total finance income</b>	<u>1,249</u>	<u>1,270</u>

	For the six months ended	
	30 June 2024	30 June 2023
	TEUR	TEUR
<b>Interest expense</b>		
Due to non-banks	(1)	(76)
Due to banks and other financial institutions	(7,265)	(4,282)
Debt securities		(32)
Interest on lease liabilities	(70)	(80)
Other	(353)	(195)
	<u>(7,689)</u>	<u>(4,665)</u>

## 29. Income tax expense

	For the six months ended	
	30 June 2024	30 June 2023
	TEUR	TEUR
<b>Current tax expense</b>		
Current year	<u>(5,104)</u>	<u>(16,259)</u>
<b>Deferred tax expense (Note 19)</b>		
Origination and reversal of temporary differences	2,117	857
Other items	(326)	640
	<u>1,791</u>	<u>1,497</u>
<b>Total income tax expense recognised in profit or loss</b>	<u>(3,313)</u>	<u>(14,762)</u>

	30 June 2024	31 December 2023
	TEUR	TEUR
Current income tax assets	26	26
Current income tax liabilities	(2,279)	(3,946)
<b>Net current income tax position</b>	<u>(2,253)</u>	<u>(3,920)</u>

## 29. Income tax expense (continued)

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

	<b>2024</b>	<b>2023</b>
Cyprus	12.5%	12.5%
Romania	16%	16%
Moldova	12%	12%
Hungary	9%	9%
Serbia	15%	15%

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

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

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

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

## 30. Related party transactions

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

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

In the first six month ended 30 June 2024 and as at 31 December 2023, no loans were provided to the Group's parent company.

### 30. Related party transactions (continued)

#### (b) Transactions and balances with other related parties

	30 June 2024 TEUR	31 December 2023 TEUR
Bank balances (including demand deposits)	82,840	7,844
Trade receivables	--	10
Provided loans	296	303
Loans received - due to non-banks	--	(547)
<b>Total balances</b>	<b>83,136</b>	<b>7,610</b>

	For the six months ended	
	30 June 2024 TEUR	30 June 2023 TEUR
Interest income	--	--
Interest expense	--	(6)
<b>Total transactions</b>	<b>--</b>	<b>(6)</b>

As at 30 June 2024, provided loans comprise interest-free loans provided to personnel with maturity date as at 31 March 2026, 31 December 2029 and 31 October 2032. During the six months ended 30 June 2024, the Group provided a new loan in the amount of TEUR 10 to employees and received repayments at the total amount of TEUR 104.

During the six months ended 30 June 2024, the Group repaid the amount payable to related party of TEUR 547. No interest charged in respect to this loan (30 June 2023: TEUR 6).

#### (b) Transactions and balances with key management personnel

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

	30 June 2024 TEUR	30 June 2023 TEUR	31 December 2023 TEUR
Remuneration payable to members of Board of Directors	41	17	66
Remuneration payable to key management personnel	377	555	1,004
<b>Total balances</b>	<b>418</b>	<b>572</b>	<b>1,070</b>
Remuneration of members of Board of Directors	68	138	418
Remuneration of key management personnel	163	1,966	3,556
<b>Total transactions</b>	<b>231</b>	<b>2,104</b>	<b>3,974</b>

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

	30 June 2024 TEUR	31 December 2023 TEUR
Loans provided to management	26	31
<b>Total balances</b>	<b>26</b>	<b>31</b>

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

During the six months ended 30 June 2024, repayment at the amount of TEUR 5 (31 December 2023: TEUR 13) was received by the Group.

## **31. Contingencies**

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

## **32. Commitments**

### **a) Capital commitments**

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

According to certain service concession contracts, the Group has investment commitments for gas network construction in Romania of approximately 186 km with an estimated value of EUR 14 million to be developed over the next few years. The Group has analysed the fulfilment of the obligations assumed by the concession contracts as at the date of these financial statements and considers that it has fulfilled its assumed obligations to date and there is no risk of penalties or termination of contracts.

### **b) Letters of guarantee**

As at 30 June 2024 and 31 December 2023, the Group has issued letters of guarantee for payment, good execution and tender participation in total amount of TEUR 17,820 and TEUR 14,285, respectively.

## **33. Events after the reporting period**

On 11 July 2024, the bank loan F was secured by pledge on the shares held by the Company over the Cypriot subsidiaries LIGATNE LIMITED and JOSECO HOLDINGS CO. LIMITED.

On 30 July 2024, the Group's PREMIER RENEWABLE INVEST CO S.R.L. subsidiary acquired 100% of the shares of Eolica Dobrogea One S.R.L., a company which owns an 80 MW wind power plant with over 500,000 of green certificates near the town of Mihai Viteazu, Romania, paying a total consideration of EUR88.3 million with a locked-box arrangement dating to 1 January 2024. As part of this acquisition, the Group signed and drew on a EUR61 million financing facility which was structured by Vista Bank and Optima Bank.

On 7 August 2024, the Group fully repaid a EUR7.2 million bank loan (described as loan H in Note 16 as of 30 June 2024) with cash on hand balances.

On 22 August 2024, the Group increased its participation in its subsidiary True Energy Management S.R.L. to 75% from 60% after concluding a share purchase agreement with 3<sup>rd</sup> party minority shareholders. True Energy Management S.R.L. owns and operates the Group's cogeneration plant, located in Fagaras, Romania, having an installed capacity of 13.2 MW electricity and 12.5 MW thermal energy. The plant, which was acquired in October 2022, completed its revamping process in March 2024 and commenced operations in June 2024. C.N.T.E.E. TRANSELECTRICA issued the system services balancing certification in May 2024 and the plant commenced commercial electricity generation balancing operations in early July 2024.

On 27 August 2024, the Board of Directors of PREMIER ENERGY PLC authorized these interim condensed consolidated financial statements for issue.