

Consolidated Quarterly Report

at 30 September 2024



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Iren is the energy, environmental and infrastructure operator active in a multi-regional area with more than 11,000 employees, a portfolio of over 2.1 million customers in the energy sector, approximately 3 million residents served in the integrated water cycle and 3.8 million residents in the environmental cycle.

CORPORATE OFFICERS

Board of Directors ⁽¹⁾

Chairperson	Luca Dal Fabbro ⁽²⁾
Deputy Chairperson	Moris Ferretti ⁽³⁾
Chief Executive Officer and General Manager	Gianluca Bufo ⁽⁴⁾
Directors	Francesca Culasso ⁽⁵⁾ Enrica Maria Ghia ⁽⁶⁾ Pietro Paolo Giampellegrini ⁽⁷⁾ Francesca Grasselli ⁽⁸⁾ Paola Girdinio ⁽⁹⁾ Cristiano Lavaggi ⁽¹⁰⁾ Giacomo Malmesi ⁽¹¹⁾ Giuliana Mattiazzo ⁽¹²⁾ Gianluca Micconi ⁽¹³⁾ Patrizia Paglia ⁽¹⁴⁾ Cristina Repetto ⁽¹⁵⁾ Licia Soncini ⁽¹⁶⁾

Board of Statutory Auditors ⁽¹⁷⁾

Chairperson	Sonia Ferrero
Standing Auditors	Ugo Ballerini Donatella Busso Simone Caprari Fabrizio Riccardo Di Giusto
Alternate Auditors	Lucia Tacchino Carlo Bellavite Pellegrini

Independent Auditors

KPMG S.p.A. ⁽¹⁸⁾

Manager in charge of financial reporting Giovanni Gazza

⁽¹⁾ Appointed by the Shareholders' Meeting of 21 June 2022 for the 2022-2023-2024 three-year period.

⁽²⁾ Appointed Chairperson by the Shareholders' Meeting of 21 June 2022. By a resolution passed on 30 August 2023, the Board of Directors of Iren S.p.A. appointed Mr. Dal Fabbro as Strategic Director Finance, Strategies and Delegated Areas.

⁽³⁾ Deputy Chairperson in the three-year period 2019-2021. He was confirmed in office for the three-year period 2022-2024 at the meeting of the Board of Directors on 21 June 2022. With a resolution passed on 30 August 2023, the Board of Directors of IREN S.p.A. appointed Mr. Ferretti as Strategic Director Human Resources, CSR and Delegated Areas.

⁽⁴⁾ Appointed by co-option pursuant to Article 2386 of the Civil Code as Director of Iren S.p.A. by the Board of Directors of the Company on 10 September 2024 (replacing Tiziana Merlino, who resigned as Director of Iren S.p.A. as of 1 September 2024). On the same date, he was appointed by the Board of Directors of Iren S.p.A. as Chief Executive Officer and General Manager of the Company.

⁽⁵⁾ Chairperson of the Control, Risk and Sustainability Committee.

⁽⁶⁾ Member of the Control, Risk and Sustainability Committee.

⁽⁷⁾ Chairperson of the Remuneration and Appointments Committee.

⁽⁸⁾ Member of the Related Party Transactions Committee.

⁽⁹⁾ Appointed as Director by the Shareholders' Meeting of Iren S.p.A. held on 27 June 2024, replacing Director Paolo Signorini. Mr. Paolo Signorini held the position of Chief Executive Officer of Iren S.p.A. from 30 August 2023 until 7 May 2024, the date on which the Board of Directors of Iren S.p.A. convened on an urgent and extraordinary basis, following the dissemination of press news relating to an order of precautionary measures ordered by the Judicial Authority of Genoa against Mr. Signorini. On the same date, the Board, acknowledging the Chief Executive Officer's objective temporary inability to exercise his delegated powers and with the aim of ensuring stability and continuity in corporate management, activated the provisions of the Group's internal contingency plan and resolved to temporarily revoke the delegated powers of the CEO, assigning them to the other two Managing Bodies for the entire duration of the contingency period (which ended on 10 September 2024 with the appointment of a new Chief Executive Officer and General Manager of the Company). As mentioned above, in relation to the decisions taken by the Shareholders' Meeting of Iren S.p.A. of 27 June 2024, on the same date, Mr. Signorini also ceased to be a Director.

On 10 September 2024, the Board of Directors of Iren S.p.A. appointed Ms Girdinio as a new member of the Control, Risk and Sustainability Committee to replace Ms Merlino.

⁽¹⁰⁾ Member of the Remuneration and Appointments Committee.

⁽¹¹⁾ Member of the Control, Risk and Sustainability Committee.

⁽¹²⁾ Member of the Related Party Transactions Committee.

⁽¹³⁾ Member of the Remuneration and Appointments Committee.

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⁽¹⁵⁾ Member of the Related Party Transactions Committee.

⁽¹⁶⁾ Chairperson of the Related Party Transactions Committee.

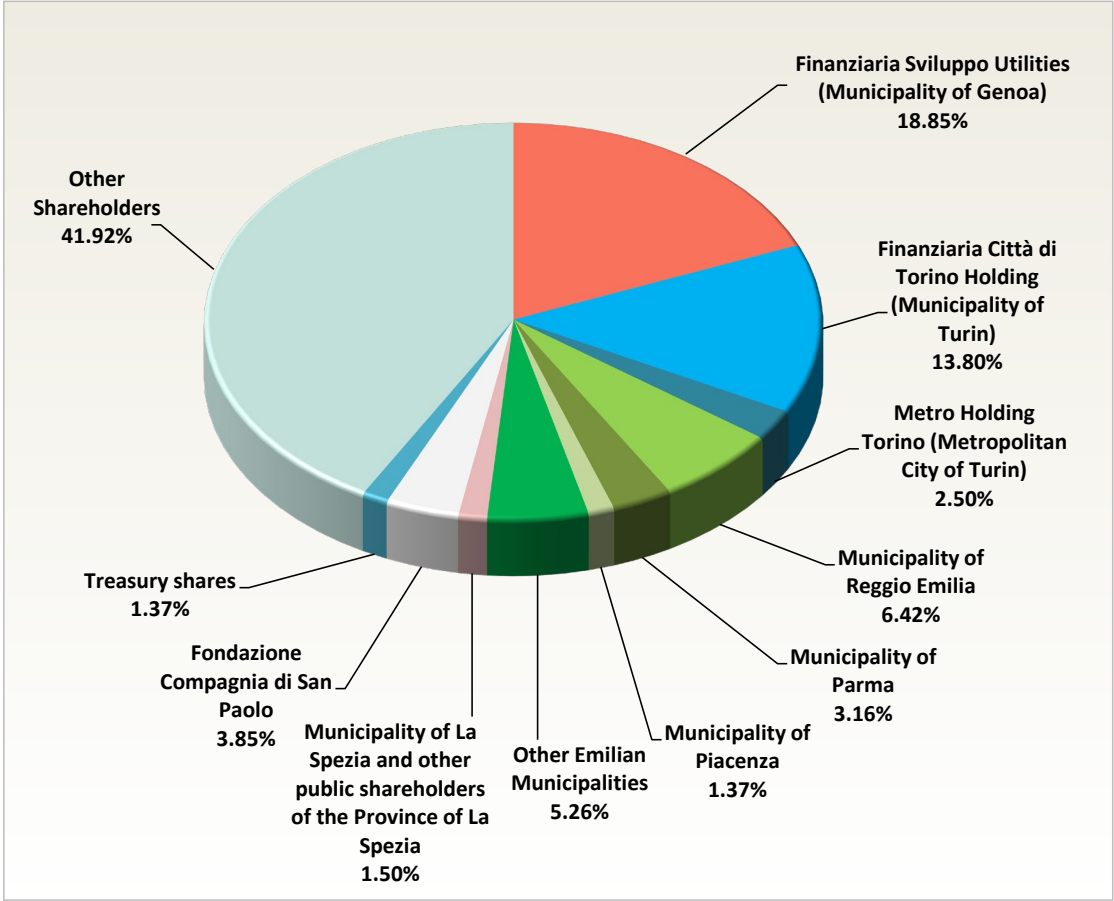
⁽¹⁷⁾ Appointed by the Shareholders' Meeting of 27 June 2024 for the 2024-2025-2026 three-year period. Up to this date, Michele Rutigliano (Chairperson), Ugo Ballerini (Standing Auditor), Ms Chiantia (Standing Auditor), Simone Caprari (Standing Auditor), Sonia Ferrero (Standing Auditor), Lucia Tacchino (Alternate Auditor) and Fabrizio Riccardo Di Giusto (Alternate Auditor) have been members of the Board of Statutory Auditors of Iren S.p.A..

⁽¹⁸⁾ Appointed by the Shareholders' Meeting of 22 May 2019 for the 2021-2029 nine-year period.

OWNERSHIP STRUCTURE

The Company's share capital amounts to 1,300,931,377 euro, fully paid up, and is made up of ordinary shares with a nominal value of 1 euro each.

At 30 September 2024, based on available information, the Iren shareholding structure was as follows:



A century of history

A company for over 110 years focused on the development of its territories and the needs of its customers.



1905

Parma's municipal electric lighting company is born



1907

The Turin municipal company AEM is born



1922

Genoa's municipal gas company is created



1936

AMGA is born from municipal gas company of Genoa



2000

AEM Turin listed on the Stock Exchange and ASM Piacenza become TESA



2005

AMPS, TESA and AGAC establish ENIA



2006

AEM Turin and AMGA Genoa form IRIDE



2007

ENIA listed on the Stock Exchange



2010

IRIDE and ENIA constitute IREN

Mission

To offer our customers and areas the best integrated management of energy, water and environmental resources, with innovative and sustainable solutions in order to create value over time.

For everyone, every day.



1962

The Reggio Emilia municipal company AMG is born



1965

The Parma municipal company becomes AMPS



1972

The Piacenza municipal company ASM is born



1994

AGAC was set up from the Reggio Emilia municipal company



1996

AMGA Genoa listed on the Stock Exchange



2015

AMIAT joins the Iren Group



2016

Ireti is born, TRM and ATENA Vercelli enter the Group



2018

ACAM La Spezia joins the Group



2020

The Group acquires Unieco Waste Management Division



2022

Iren Green Generation for renewables development is born

Vision

Improving people's quality of life, making businesses more competitive. To look at territorial growth with a focus on change. Merging development and sustainability into one unique value. We are the multi-utility company that wants to build this future through innovative choices.

For everyone, every day.

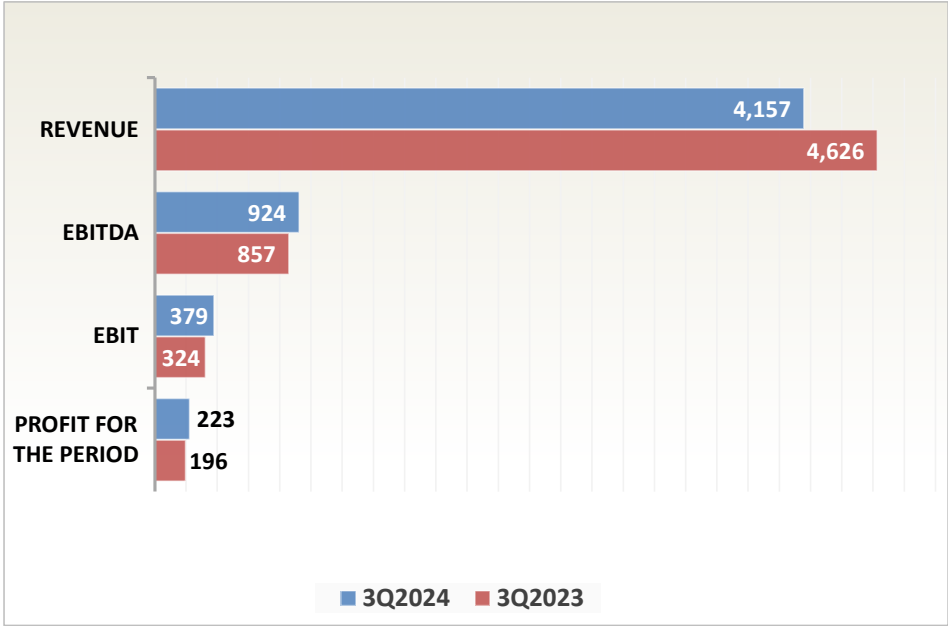
KEY FIGURES OF IREN GROUP: HIGHLIGHTS FIRST NINE MONTHS 2024

Results

	millions of euro		
	First 9 months 2024	First 9 months 2023 Restated	Changes %
Revenues	4,156.6	4,626.2	(10.2)
Gross operating profit (EBITDA)	923.5	857.3	7.7
Operating Profit (EBIT)	378.7	324.2	16.8
Profit for the period	222.9	195.6	14.0

The comparative figures for 9M 2023 have been restated to take into account, at the acquisition date, as required by IFRS 3, the effects deriving from the completion of the allocation of the acquisition price at the definitive fair value of the assets and liabilities acquired (Purchase Price Allocation) of Romeo 2, AMTER and Acquaenna. Please refer to the “Consolidation scope” section for more information.

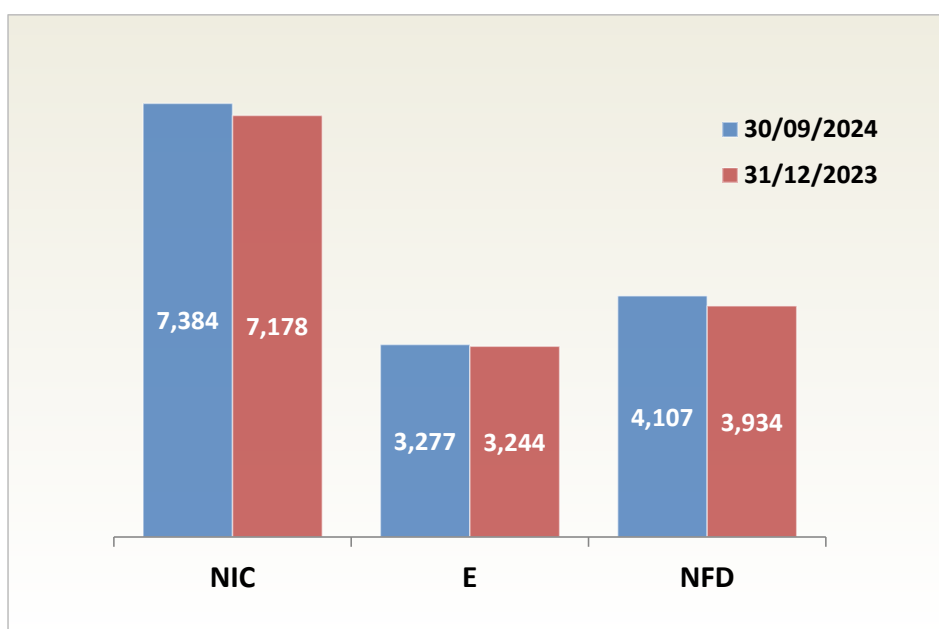
For definitions of Alternative Performance Measures, see the relevant chapter in this Report.



Financial position data

	millions of euro		
	30.09.2024	31.12.2023 Restated	Changes %
Net Invested Capital (NIC)	7,384.4	7,178.1	2.9
Shareholders' Equity (SE)	3,277.4	3,244.3	1.0
Net Financial Debt (NFD)	4,107.0	3,933.8	4.4
Debt/Equity (Net Financial Debt/Equity)	1.25	1.21	

The comparative figures at 31 December 2023 have been restated to take into account, at the acquisition date, as required by IFRS 3, the effects of completing the allocation of the acquisition price to the final fair value of the assets and liabilities acquired (Purchase Price Allocation) of Acquaenna and WFL. Please refer to the "Consolidation scope" section for more information.



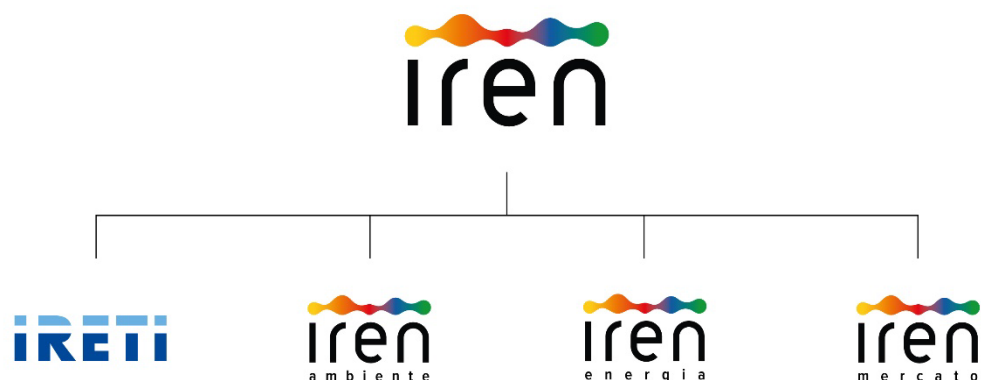
Technical and commercial figures

	First 9 months 2024	First 9 months 2023	Changes %
Electricity produced (GWh)	6,457.0	6,430.8	0.4
Thermal energy produced (GWht)	1,752.1	1,630.7	7.4
Electricity distributed (GWh)	2,703.7	2,621.9	3.1
Gas Distributed (Mcm)	695.4	703.0	(1.1)
Water sold (Mcm)	130.8	132.6	(1.4)
Electricity sold (GWh)	9,479.4	9,549.3	(0.7)
Gas sold (Mcm) (*)	1,651.4	1,715.0	(3.7)
District heating volume (Mcm)	101.3	100.2**	1.1
Waste treated (tonnes)	3,091,727	2,879,268	7.4

* of which for internal use 969.2 Mcm in 9M 2024 (1,029.7 Mcm in the same period of 2023, -5.9%)

**Data pro-forma due to cessation of industrial use (2.1 Mcm)

THE CORPORATE STRUCTURE OF IREN GROUP



The Group is structured according to a model that envisages an industrial holding company (Iren S.p.A., listed at Borsa Italiana, with registered office in Reggio Emilia), which brings together all the Group's corporate staff activities, and four Business Units, governed by four lead companies responsible for the individual business lines, located in the main operational offices of Genoa, Parma, Piacenza, Reggio Emilia, Turin, Vercelli and La Spezia. Iren S.p.A. is responsible for strategic, development, coordination and control activities, while the four Business Units (BUs) have been entrusted with the coordination and direction of the companies operating in their respective sectors:

- Networks, which works in the areas of Integrated Water Service, gas distribution and electricity distribution;
- Waste Management, dealing with waste collection and transport, urban hygiene and design and management of waste treatment and disposal plants;
- Energy, operating in the fields of electricity production from renewable sources, electrical and thermal cogeneration, thermoelectric production, district heating, energy efficiency services, public lighting and global service and heat management services;
- Market, active in the sale of electricity and gas and in the sale of heat, as well as in the sale of energy saving and home automation products and services for customers.

NETWORKS BU

Integrated Water Service

The Networks BU operates in water supply, sewerage and wastewater treatment in the provinces of Genoa, Savona, Piacenza, Parma, Reggio Emilia, Vercelli, La Spezia, Enna and some other municipalities in Piedmont.

In this context, it is noted that at the end of March 2023, IRETI acquired control of the associate AMTER through the acquisition of 51% of the share capital. The company manages the water cycle in the western area of the province of Genoa, and more specifically in the municipalities of Campo Ligure, Cogoleto, Masone, Mele Rossiglione, Arenzano and Tiglieto, with a 287 km drinking water network and a 140 km sewerage network, as well as 11 wastewater treatment plants, including the district one in Rossiglione.

On 31 May 2023, IRETI also increased its shareholding in the associate AcquaEnna, allowing its consolidation. AcquaEnna is the company entrusted with the management of the water service in all the 20 municipalities of the Province of Enna until 2034, for a total of 155 thousand inhabitants served.

Overall, in the Ambiti Territoriali Ottimali (ATO, Optimal Territorial Areas) managed, the service is provided in 225 municipalities through a distribution network of 16,991 kilometres, serving over 2.5 million residents. As regards wastewater, the Networks BU manages a sewerage network spanning a total of 8,630 kilometres.

From 1 January 2024, Azienda Reggiana per la Cura dell'Acqua - ARCA S.r.l. is the new Manager of the Integrated Water Service of the Province of Reggio Emilia, taking over from the previous manager IRETI.

ARCA is a mixed public-private shareholding company, formed by the public partner AGAC Infrastrutture S.p.A. and the private operating partner IRETI, selected through a tender procedure. The operational activities related to the provision of water services are carried out by Società Operativa Territoriale Iren Acqua Reggio, wholly owned by IRETI. The Reggio Emilia ATO consists of 41 municipalities with a catchment area of almost 500 thousand inhabitants, a water network of 4,986 km and a sewerage network of 3,487.

Gas distribution

The distribution service, managed in 119 municipalities, guarantees the withdrawal of natural gas from Snam Rete Gas pipelines and its transportation through local networks for delivery to end users. In particular, the Networks BU distributes methane gas in 73 municipalities in the provinces of Reggio Emilia, Parma and Piacenza (including the provincial capitals), in the municipality of Genoa and 20 other neighbouring municipalities, as well as in the city of Vercelli, in 19 municipalities in the same province and in 3 other municipalities located in Piedmont and Lombardy.

The distribution network, made up of 8,444 kilometres of high, medium and low-pressure pipes, serves a catchment area of approximately 757 thousand redelivery points.

Moreover, the Networks BU manages the distribution and sale of LPG, particularly in the province of Reggio Emilia and in the province of Genoa, via specific storage plants, located in towns that are still not reached by the natural gas network.

It should be noted that with the rationalisation operation of the gas distribution concessions between Ascopiave and Iren completed at the beginning of 2023, the Networks BU manages the gas distribution concessions in 15 municipalities: 9 in the Vercelli area, 2 in the Piacenza area, 1 in the province of Parma and finally, the municipalities of Albenga, Ceriale and Cisano sul Neva in the province of Savona.

Electricity distribution

The Networks BU provides the electricity distribution service in the cities of Turin, Parma and Vercelli with 7,883 kilometres of network in medium and low voltage, and a total of more than 732 thousand connected users.

WASTE MANAGEMENT BU

The Business Unit carries out all the activities of the municipal waste management cycle (collection, sorting, treatment, recovery and disposal), with particular attention to sustainable development and environmental protection confirmed by increasing levels of sorted waste collection; it also manages an important portfolio of customers to whom it provides all services and plant availability for the disposal of special waste.

The activities are carried out in various territorial contexts, starting from the historical basin of Emilia (provinces of Reggio Emilia, Parma and Piacenza) to Piedmont (in particular Turin, the province of Vercelli and Novara), where the Waste Management BU is entrusted with the collection sector and is present with treatment and disposal plants (also with the production of electricity and thermal energy through waste-to-energy), and Liguria, in the collection sector (in the La Spezia area) and with treatment and waste-to-energy plants.

In the Tuscan area, the Waste Management BU is present in all stages of the supply chain: from intermediation to treatment and disposal of both urban and special waste, with a significant presence in the provinces of Siena, Grosseto and Arezzo, where the Group also manages the collection service. The Business Unit also acts as a collection operator in specific areas in Sardinia and Lombardy and has disposal plants in the regions of Marche and Apulia. Finally, via I.Blu, it is active in the sorting of plastic waste for recovery and recycling and in the treatment of plastic waste for the production of Blupolymer (polymer for civil uses) and Bluair (reducing agent for steel plants).

In June and October 2023 respectively, the Waste Management BU expanded its scope with the acquisition of a majority stake in ReMat and Semia Green. The first is an innovative Turin-based start-up operating in the recovery of polyurethane foam (particularly from mattresses, seat padding and furniture), while the second is active in the province of Siena in the capture of biogas from landfills. Since the beginning of 2024, SienAmbiente has also been included in the group's consolidation scope. The company operates, in the province of Siena, a municipal waste sorting and valorisation plant, two composting plants, a waste-to-energy plant and a landfill for a total waste treated of about 200,000 tonnes per year.

The Waste Management BU serves a total of 436 municipalities with about 3.85 million residents in its operational areas. The integrated waste cycle is mainly made up of 3 waste-to-energy plants (TRM in Turin, Polo

Ambientale Integrato (PAI) (Integrated Environmental Hub), in Parma, and Tecnoborgo, in Piacenza), 4 active landfills, 420 equipped technological stations and 56 plants including sorting, storage, recovery, biodigestion and composting.

ENERGY BU

The Business Unit operates in the production of electricity and heat, the latter distributed through district heating networks, and in energy efficiency services to public and private entities.

Production of electricity and heat

The Energy BU has an installed electric power capacity of 3,286 MW in electric power mode and 3,114 MW in cogeneration mode, and a thermal power capacity of 2,350 MWt. Specifically, it has 41 electricity production plants directly available to it: 33 hydroelectric (of which 3 mini-hydro), mostly located in Piedmont and Campania, 7 cogeneration thermoelectric (Piedmont and Emilia-Romagna) and one conventional thermoelectric in Turbigo (Milan).

The Business Unit also has 111 photovoltaic plants with an installed capacity of 210 MW, the largest of which are located in Apulia and Basilicata, and a wind farm in Liguria with an installed power of approximately 6 MW.

Electricity produced by plants fuelled by renewable or high-efficiency cogeneration sources, which account for 64% of the Group's plant portfolio, generate 73% of all output. In particular, the hydroelectric system and production from solar sources play an important role in terms of environmental protection, thanks to the use of renewable and clean resources, without the emission of polluting substances, and allow to reduce the use of other forms of production with higher environmental impact.

On the thermal production side, it should be noted that, on average, at Group level only 13% of the heat for district heating is produced by conventional heat generators: in fact, 76% comes from high-efficiency cogeneration plants, while the residual portion (11%) is produced by plants not belonging to the Business Unit (waste-to-energy plants, as part of their disposal activities).

District heating

Iren Energia has the most extensive district heating network at national level (1,135 kilometres of double pipe network), with 769 kilometres in Turin and surrounding municipalities, 219 in the municipality of Reggio Emilia, 104 in the municipality of Parma, 35 in the municipality of Piacenza and 8 in the municipality of Genoa; the total heated volume amounts to 101.1 million cubic metres.

Energy efficiency services

The Energy BU, through its subsidiary Iren Smart Solutions, addresses companies, private condominiums, Public Administration and third sector entities, with an articulated portfolio of services:

- energy efficiency, carrying out design and implementation of energy requalification interventions: insulation, co-insulation, replacement of windows, innovative technological services, efficiency improvement of heating and air conditioning systems;
- installation of photovoltaic, solar thermal and self-generation energy systems;
- management of heating systems;
- realisation of Renewable Energy Communities (RECs);
- energy consultancy, energy management and monitoring for energy saving;
- global service for the integrated management of electrical and technological plants of complex property assets;
- relamping LEDs through energy efficiency projects in lighting, public and artistic lighting, efficient management of traffic light systems.

MARKET BU

The Market BU operates in the sale of electricity, gas and heat for district heating, and of extra-commodity services and products, for energy efficiency. It is present throughout Italy, with a greater concentration in the central-northern area.

Sale of electricity

The Market BU operates, in the context of the free market, all over the country, with a higher concentration of customers in Central and Northern Italy and handles the sale of the energy provided by the Group's various sources on the market of final customers and wholesalers.

The number of retail and small business electricity customers managed exceed 1.2 million, distributed mainly in the areas of historical presence (Turin, Parma, Reggio Emilia, Piacenza, Vercelli and Genoa) and in the other commercially covered areas (Alessandria and Salerno).

Iren Mercato and SEV were awarded the auctions for the assignment of the graduated protection service in several southern provinces, while at the same time, they transferred customers in their own areas, with a net positive balance of about 160 thousand customers in the domestic segment and about 26 thousand withdrawal points in the small and medium-sized business segment.

Sale of Natural Gas

The retail gas portfolio of the Market Business Unit mainly concerns the historical basins of Genoa, Turin and Emilia, the development areas bordering on them, Vercelli, Alessandria and La Spezia, as well as the Campania area, in almost all provinces, and some municipalities in the Basilicata, Calabria, Tuscany and Lazio regions, for a total of almost one million customers.

Sale of heat through the district heating network

Iren Mercato sells heat, supplied by Iren Energia, to district heating customers in the municipalities of Turin and surrounding municipalities, Reggio Emilia, Parma, Piacenza and Genoa, as well as the newly established district heating areas.

Among the commercial proposals complementary to the sale of commodities, we highlight the business lines intended for the sale to retail customers of innovative products in the area of home automation, energy saving and maintenance of domestic systems, as well as "IrenGO zero emissions" for e-mobility, aimed at private customers, companies and public bodies with the aim of reducing the environmental impact of travel, also through the installation of charging infrastructures at the Group's offices and the progressive introduction of electric vehicles. All IrenGO initiatives benefit from 100% green energy supply coming from the Group's renewable source plants.

INFORMATION ON THE IREN STOCK IN THE FIRST NINE MONTHS OF 2024

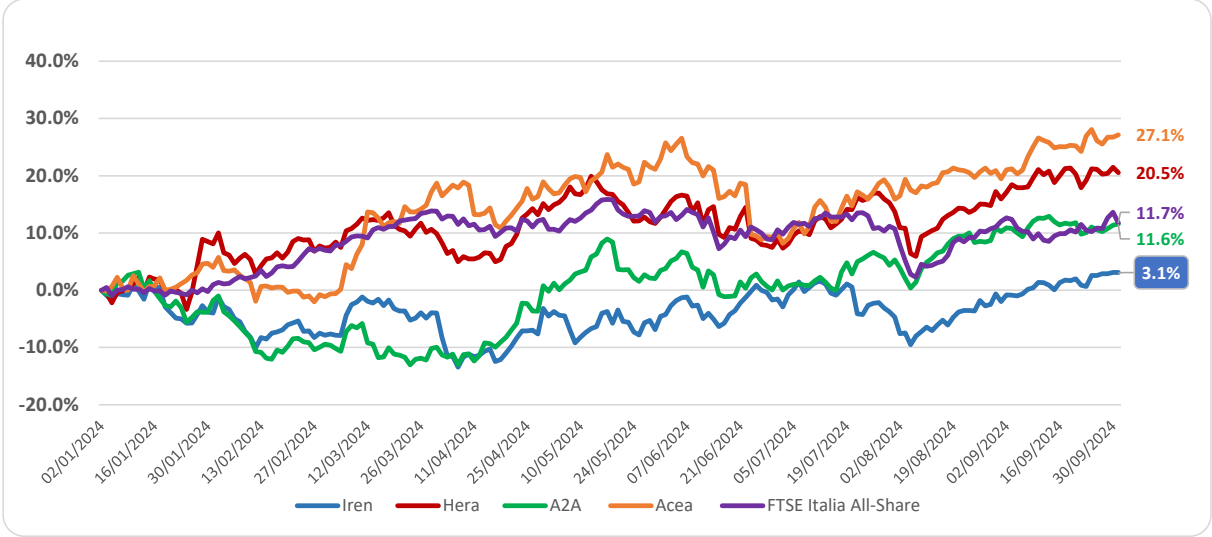
IREN stock performance on the stock exchange

During 9M 2024, the main European and American stock market indices, despite geopolitical tensions and conflicting macroeconomic data, reported a positive trend boosted by the realignment of inflation to the targets set by the Federal Reserve and the European Central Bank, which led to expectations of interest rate cuts by the central banks themselves.

In this context, in 9M 2024, the FTSE Italia All-Share (the main Italian Stock Exchange index) reported an increase of 11.7%, while the four Italian multi-utilities recorded dissimilar performances, linked to the various models of companies’ business and the related exposures to the energy scenario.

Iren Group reported a slightly positive share price trend, recovering from the lows of April and August. This recovery is linked to the presentation of the Business Plan update and the appointment of the new CEO, which reduced uncertainty on the governance side.

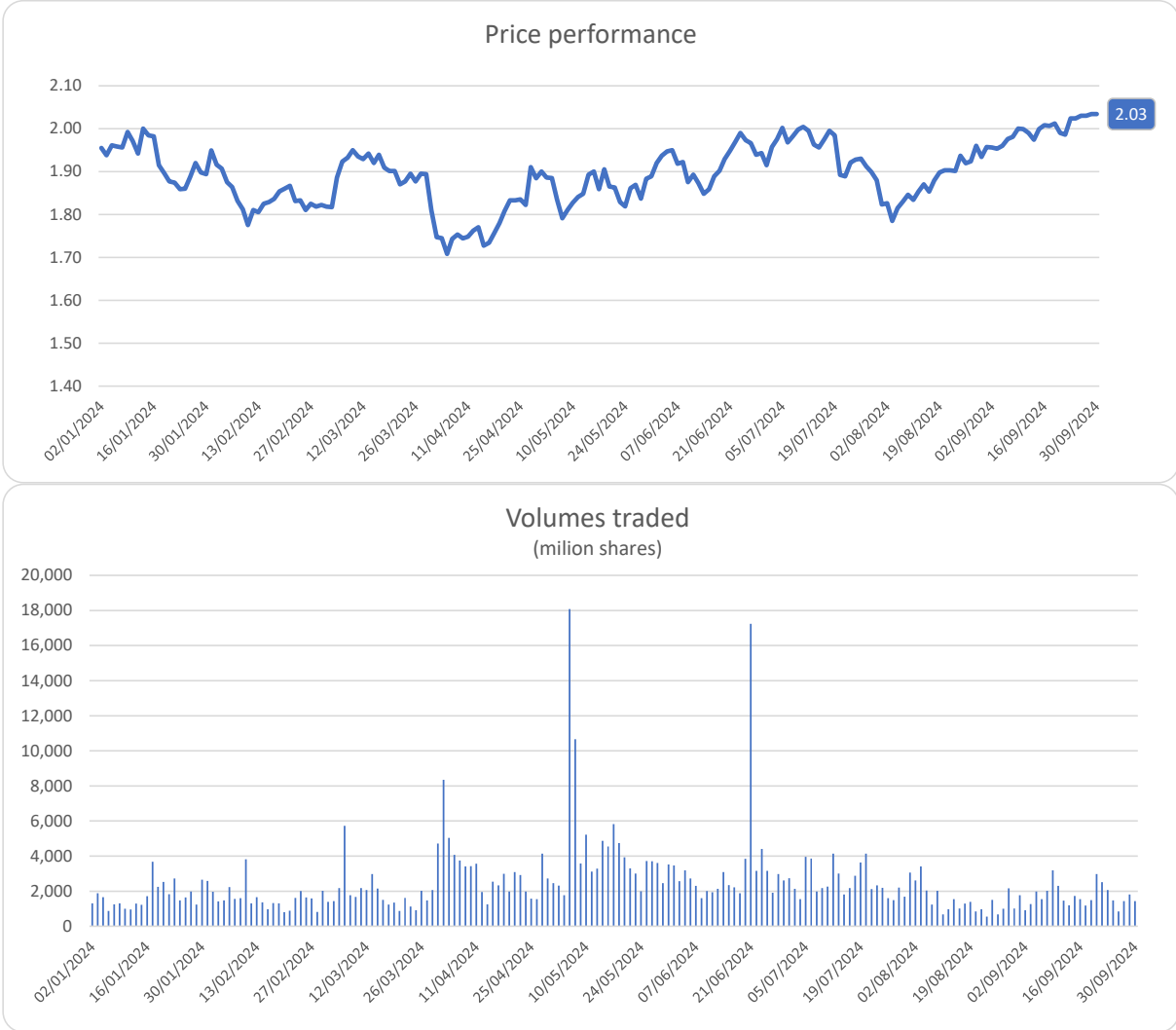
Performance of Iren stock compared to competitors



At 30 September 2024, the last trading day in the period, the price of IREN share stood at 2.034 euro/share, up by 3.1% compared to the price at the beginning of the year, with average trading volumes during the period amounting to 2.47 million units.

The average price for the period was 1.896 euro per share. The maximum price was recorded on 27 and 30 September (2.034 euro/share), while the low for the period, at 1.708 euro/share, was recorded on 5 April.

The two charts below show the price performance and volumes traded in Iren stock in the period.



Share coverage

During the period, Iren Group was followed by six brokers: Banca Akros, Equita, Intermonte, Intesa Sanpaolo, Kepler Cheuvreux and Mediobanca.

SIGNIFICANT EVENTS OF THE PERIOD

Consolidation of Sienambiente

Based on the coming into effect of the new shareholders' agreements between the shareholders Iren Ambiente Toscana, the Province of Siena and the Sienese municipalities, signed in October 2023, as of 1 January 2024, Sienambiente S.p.A. is included in Iren Group's line-by-line consolidation area.

The company can therefore count on the Group's synergies and resources to carry out its business plan, which envisages on the plant self-sufficiency front, the total renovation of the Cortine industrial centre with the construction of a waste sorting and treatment plant, as well as the construction of a biodigester for the production of biomethane from organic waste.

Sienambiente operates a municipal waste sorting and valorisation plant, two composting plants, a waste-to-energy plant and a landfill for a total waste treated of about 200,000 tonnes per year.

Integrated Water Service of the Province of Reggio Emilia

From 1 January 2024, Azienda Reggiana per la Cura dell'Acqua - ARCA S.r.l. is the new Manager of the Integrated Water Service of the Province of Reggio Emilia, taking over from the previous manager IRETI.

ARCA is a mixed public-private shareholding company, formed by the public partner AGAC Infrastrutture S.p.A. and the private operating partner IRETI, selected through a tender procedure awarded at the end of 2022.

Within the scope of the activities related to the provision of water services, ARCA delegates the performance of certain operational tasks, the entrusting of which is governed by a specific agreement, to the Territorial Operating Company Iren Acqua Reggio, a wholly owned subsidiary of IRETI. For the users, the start of the new management did not entail any fulfilment or formality: in fact, the existing supply contracts, and the related billing, passed in continuity to the management of ARCA maintaining the same conditions already applied by IRETI and defined based on the regulation in force.

Issue of the fifth and sixth Green Bonds

On the outstanding Euro Medium Term Notes (EMTN) programme (amounting to 4 billion euro), Iren S.p.A. concluded during the period, with considerable success in terms of orders received, geographical diversification and participation of the so-called "Socially Responsible Investors" (SRI), the issue and listing of two Bonds (the fifth and sixth in the Green Use of Proceeds format), amounting to 500 million euro each, reserved for institutional investors:

- 15 January 2024, maturing on 22 July 2032, gross annual coupon of 3.875%, issue price of 99.514% and effective gross rate of return to maturity therefore equal to 3.946%, corresponding to a yield of 135 basis points above the midswap rate;
- 16 September 2024, maturing 23 September 2033, gross annual coupon of 3.625%, issue price of 99.300% and effective gross rate of return to maturity of 3.718% (137 basis points above midswap rate).

The new Bonds are listed on the regulated market of the Irish Stock Exchange (Euronext Dublin) and admitted to trading respectively on the Euronext Access Milan systems, organised and managed by Borsa Italiana, and ExtraMOT PRO, organised and managed by Euronext Milan, in the segments dedicated to green instruments.

Both issues are intended for the financing and refinancing of projects that contribute to the achievement of the sustainability objectives defined in the Business Plan to 2030, with a view to further strengthening the financial structure and maintaining liquidity levels by refinancing maturing bonds.

Customer acquisition in auctions for the Gradual Protection Service

At the end of the competitive procedures for the assignment of the Gradual Protection Service, in 2024, Iren Mercato was awarded the following contracts:

- two lots in the non-vulnerable domestic segment of the greater protection sector, covering ten provinces, for a total of about 300 thousand customers. Specifically, Iren Mercato, together with its subsidiary Salerno Energia Vendite (SEV), was awarded Lot 22 - South 6 (Salerno, Taranto, Potenza, Brindisi and Matera) and Lot 23 - South 7 (Cosenza, Foggia, Barletta-Andria-Trani, Campobasso and Isernia). SEV therefore strengthens its presence in some regions where it already operates successfully;

- three lots in the Small and Medium Enterprises segment, effective from 1 July 2024, concerning the regions of Tuscany and Calabria (lot 1), Piedmont and Emilia Romagna (lot 4) and Apulia, Abruzzo, Basilicata, Molise, Umbria and Sicily (lot 7), for a total of 38,000 withdrawal points.

It is recalled that the Gradual Protection Service, set up by ARERA after the removal of price protection (protected market), is a transitional regime for consumers who have not yet chosen a supplier in the free market and in which, for a period not exceeding three years, energy is supplied by operators awarded the relevant auctions.

Appointment of the Lead Independent Director

Following in-depth studies started in 2023, the Board of Directors, in adherence to the Corporate Governance Code for Listed Companies and national and international best practices, formalised on 30 May 2024 the appointment of a Lead Independent Director (“LID”), identified in the director Enrica Maria Ghia, who meets the requirements of independence and professionalism for the role.

The LID carries out the functions set forth in the Corporate Governance Code, which were largely already the responsibility of the previous figure of the Coordinator of Independent Directors, in the person of director Licia Soncini, who took an active role in fostering the evolution of this role. The LID therefore represents a point of reference and coordination of the requests and contributions of the Independent Directors within the Board of Directors.

Underwriting green financing

On 10 and 19 June 2024, respectively, Iren S.p.A. subscribed:

- with the Council of Europe Development Bank (CEB) a Public Finance Facility (PFF) loan of 80 million euro, usable in several tranches with a term of up to 16 years, to finance part of the Group’s water infrastructure investment plan in the provinces of Genoa and La Spezia. The planned investments concern the expansion and improvement of the aqueduct and sewerage network and purification systems with a view to the sustainable use of water resources, also through the consequent reduction of network losses. The credit line follows two previous loans of the same amount aimed at improving the water infrastructure in Genoa and Parma and the development of district heating in the Turin metropolitan area;
- with the European Investment Bank (EIB) a 200 million euro, 18-year credit line, which will be used to support sustainable investments related to electricity grid resilience projects, aimed at the maintenance, upgrading and development of distribution networks, as well as the installation of new smart meters in the Group’s historical territories such as Emilia-Romagna and Piedmont, and in particular in the municipalities of Parma, Turin and Vercelli.

Acquisition of Agrovoltaica

On 18 June 2024, Iren Green Generation acquired control of Agrovoltaica S.r.l., which holds the authorisation to build the first large advanced agrivoltaic plant in Italy: an innovative solution that combines agriculture and photovoltaic production through the installation of structures and panels more than two metres above the ground, guaranteeing the possibility of cultivation on almost the entire surface of the field. The plant will have a total capacity of 49 MW, plus 50 MW of storage capacity, covering 65 hectares and an expected annual production of 80 GWh.

The consideration for the transaction is 4.8 million euro, including the repayment of loans by the selling shareholders: the total investment expected for the construction of the plant, which will be operational by 2027, is 54 million euro.

Dismissal of Mr. Paolo Signorini (CEO and General Manager until 7 May 2024 and Director until 27 June 2024)

The Board of Directors, in its meeting of 25 June 2024, taking into account the preliminary investigation conducted, for the profiles of respective competence, by both the Remuneration and Appointments Committee (also acting as the Related Party Transactions Committee) and the Control, Risk and Sustainability Committee, resolved to dismiss Mr. Paolo Signorini from his role as Senior Manager of Iren S.p.A. for objective just cause, as a result of the objective incompatibility of his work performance with the contingent situation generated.

The precautionary detention measures taken against Mr. Signorini on 7 May 2024, in connection with the investigation by the Public Prosecutor’s Office of Genoa and confirmed even after the requests made by his

defence, resulted in fact, in the irreversible and therefore no longer merely temporary impossibility of precisely exercising his functions of Senior Manager of Iren S.p.A.

Regarding economic elements, there is no provision for the payment of sums of money in connection with the termination of the fixed-term employment relationship before the end of the term. In this regard, all instruments to protect the rights and prerogatives of the Company remain in place. Mr. Signorini also does not appear to hold Iren shares.

The Board of Directors therefore confirmed the organisational configuration approved at the extraordinary meeting called on 7 May, which saw the temporary reallocation of the powers previously held by the former Chief Executive Officer to the other two Delegated Bodies, with the aim of ensuring stability and continuity in corporate management.

Furthermore, already on 30 May 2024, the Board of Directors resolved to declare itself as offended party in the criminal proceedings underway against Mr. Paolo Signorini, appointing a trustworthy criminal expert in this regard.

Without prejudice to the foregoing, the IREN Shareholders' Meeting, on 27 June 2024, proceeded to appoint, upon the proposal of the shareholder FSU S.r.l., Paola Girdinio as Director of the Company, to replace Director Mr. Paolo Signorini (co-opted on 30 August 2023 and in office until the first Shareholders' Meeting, i.e. of 27 June 2024 called to express itself in regard).

Iren has also started the performance of two specific audits, one by the internal function in charge as soon as the news of the precautionary detention order against Mr. Signorini was acquired, and one by an independent and qualified advisor, in order to thoroughly analyse the activities carried out by Mr. Signorini in Iren (from the date of his appointment on 30 August 2023 until 07 May 2024), and to assess the correctness of his work, taking into account the proxies and powers attributed to him.

On 29 July 2024, the Board of Directors reviewed the final reports of the specific audits and took note of their findings.

On the basis of the results of the aforementioned specific audits, there are currently no circumstances such as to have a material impact on the company's economic and financial situation or critical issues with regard to the maintenance of the internal control system. However, the Company reserves the right to carry out further investigations with a view to possible legal action for its own protection.

With regard to the latter, it should be noted that, at present, IREN - taking into account the plea bargaining request pursuant to Article 444 of the Italian Criminal Procedural Code presented in September of this year by Mr. Paolo Signorini in the context of the judicial case that concerns him and the further assessments carried out by the Company, also in terms of risks - has decided not to take any further action and initiatives against the former Chief Executive Officer and General Manager, reserving all subsequent decisions on any civil law aspects of the matter.

Business Plan 2024-2030

On 25 June 2024, the Board of Directors approved the update of the Business Plan to 2030, based on the principles of strong strategic focus and careful financial discipline.

The Iren growth strategy, which involves strengthening the workforce through 2,400 new hires, is confirmed in the three fundamental pillars:

- **ecological transition**, with a progressive decarbonisation of energy generation sources and the strengthening of leadership in the circular economy and in the sustainable use of resources, in particular water;
- **value creation from the territories**, thanks to their ability to work as a system, making their expertise available to the country to develop new infrastructure and facilities;
- **service quality**, by improving performance and maximising customer/citizen satisfaction levels, including through a broader portfolio of services and products.

The Group has set itself the following objectives:

- EBITDA of 1.8 billion euro to 2030, with a CAGR of +6% thanks to growth through internal lines, expansion of the consolidation perimeter and achievable synergies. The increase affects all business sectors;
- total investments of 8.2 billion euro (of which 60% development and 40% maintenance), mainly for network services (integrated water cycle, electricity and gas distribution), the development of new power generation

capacity from renewable sources and waste treatment plants, as well as the growth of the retail customer base.

The current investment plan differs from the previous one due to the greater focus on regulated businesses, the slowdown in the development of renewable capacity, the rescheduling of the development of plants in the environment sector, and growth by external lines: in this regard, 94% of the planned investments are related to organic growth (by internal lines) and only 6% are earmarked for consolidation, tenders and M&A, a large part of which (85%) has already been identified and is being finalised (EGEA).

Of the cumulative investments, 80% are in the regulated and semi-regulated sectors, in order to upgrade, modernise and digitalise grid services, develop renewable capacity through Power Purchase Agreements and incentives, extend district heating and improve the service quality of municipal waste collection. Investments see a higher concentration in the first four years and are characterised by a low execution risk, high predictability of results and a high degree of flexibility to modify the planned disbursements in time if necessary.

More than 70% of the investments, amounting to 5.8 billion euro, are directed towards projects that contribute to achieving sustainability targets;

- an improving Net Financial Position/EBITDA ratio, up to 2.7x in 2030. Despite the significant investment plan, the financial profile is expected to be balanced given the maximum threshold of 3.5x, set in line with current ratings and supported by the share of regulated and semi-regulated assets in the Group's asset portfolio (approximately 80%).

Planned sources of financing included the sale of the Turbigio thermoelectric asset, expected after 2027, and the provision of equity from financial partners to support the development of renewable energy sources.

The average cost of debt is expected at levels lower than 2.4% until 2025, while for the remaining years of the plan the expectations stand at 2.6%.

Finally, starting from 2027, 90% of the debt will be made up of sustainable finance instruments, aiming for 100% by 2030;

- a Group net profit in excess of 400 million euro by 2030, with a CAGR of +7%;
- an expected dividend equal to the maximum value between an annual increase of 8% and a pay-out of 60% of the ordinary Group net profit. In the second part of the plan horizon, the pay-out will be 60%.

Shareholders' Meeting

At their Ordinary Meeting on 27 June 2024, the Shareholders of Iren S.p.A. approved the Parent's separate financial statements at 31 December 2023 and the Directors' Report, and resolved to distribute a dividend of 0.1188 euro per ordinary share, confirming the proposal made by the Board of Directors. The Shareholders' Meeting also:

- appointed a new member of the Board of Directors, proposed by Finanziaria Sviluppo Utilities S.r.l. (FSU) and holding office until the approval of the Financial Statements as at 31 December 2024, in the person of Paola Girdinio, replacing Director Paolo Signorini;
- approved the first section ("2024 Remuneration Policy") of the Report on the 2024 Remuneration Policy and on fees paid for 2023;
- issued a favourable vote on the second section ("Fees paid for 2023") of the same Report;
- approved the reformulation, limited only to the vacancy period following the resignation of Mr. Armani and lasting from 12 June 2023 to 30 August 2023, of the maximum amount for the remuneration of the Directors holding special offices established by the Shareholders' Meeting, in order to allow the Board of Directors to grant the Executive Chairperson and the Executive Deputy Chairperson additional remuneration for the year, proportional to the additional powers and responsibilities during the aforementioned period;
- appointed the Board of Statutory Auditors and its Chairperson for the three years 2024-2025-2026 and determined the related remuneration.

Rating

On 23 and 26 July 2024, respectively, the rating agencies Standard & Poor's Global Ratings (S&P) and Fitch Ratings (Fitch) updated their ratings with reference to Iren Group. In particular:

- S&P confirmed the Group's long-term credit rating at "BBB" with "Stable" outlook. The same rating is also given to senior unsecured debt;
- Fitch also confirmed the long-term credit rating at "BBB": the same rating is also given to senior unsecured debt. At the same time, the agency revised the outlook to "Stable" from "Positive".

These ratings come after the update of the Business Plan to 2030, which maintains an integrated and diversified business mix, with a strong focus on regulated and semi-regulated activities (allowing for stable results even in the presence of volatile energy markets), with a reformulation of overall investments and disciplined organic growth. Stable outlooks reflect the continuity of the Group's financial policy and management's commitment to maintain current ratings, with a solid, wide margin, and careful financial discipline. Lastly, the confirmations of the rating express, from a financial point of view, the Group's adequate liquidity status, high credibility on the capital market and strong relations with banks, as well as sound and prudent risk management.

Capacity Market Auction for 2025

The outcome of the Capacity Market's parent auction for the delivery year 2025 confirmed, as was already the case for the delivery years 2022-23-24, the allocation of 100% of the capacity qualified and offered by the Group through its programmable thermoelectric, cogeneration and hydroelectric generation assets, contributing to the investment programme aimed at flexibilisation and efficiency enhancement of the production fleet.

In particular, bids were accepted for 1,943 MW of existing capacity in the Northern area, valued at a price of 45,000 euro/MW per year.

EGEA transaction: acquisition of 50% of EGEA Holding

Following the discussions that followed the presentation of the September 2023 offer for certain EGEA Group assets and the signing, on 30 March 2024, of a binding investment agreement subject to the fulfilment of certain conditions precedent, on 1 August 2024, Iren S.p.A. finalised the acquisition of 50% of the share capital of EGEA Holding S.p.A..

The company is a NewCo, into which the operating units of EGEA S.p.A., EGEA Commerciale S.r.l. and EGEA Produzioni e Teleriscaldamento S.r.l. ("EGEA PT") were previously transferred, as part of the negotiated crisis settlement procedure pursuant to Legislative Decree 14/2019 ("Crisis Code") of the same companies.

In the period since the signing of the investment agreement, the conditions precedent to the completion of the transaction in fact occurred: on 23 April, the transaction obtained the Golden Power authorisation and on 26 June, the Antitrust authorisation, while on 28 June, the Sixth Civil Section - Insolvency Proceedings of the Court of Turin published the homologation order, pursuant to the Crisis Code, concerning the debt restructuring agreements entered into by EGEA, EGEA PT and EGEA Commerciale with its financial creditors, its bondholders and its suppliers, as well as the tax settlement proposals submitted to the Revenue Agency and the Customs and Monopolies Agency. Finally, the consolidated results referring to the perimeter subject to the transaction showed compliance with the adjusted net financial debt (adjusted for working capital, severance indemnity fund and provisions for risks expected and adjusted after due diligence) contractually indicated as a condition precedent.

The acquisition took place through a contribution of 85 million euro, consisting of a capital increase of 25,000 euro and a share premium of 84,975,000 euro. The other 50% of the company is held by MidCo 2024 S.r.l., which is wholly owned by EGEA S.p.A..

As part of the transaction, using part of the resources contributed by Iren at closing, EGEA Holding also acquired from Lighthouse Terminals Limited (a company of the iCON Infrastructure fund) 100% of Lime Energia S.r.l., which holds 49% minority interests in certain EGEA group companies, thus going on to hold 100% of Ardea S.r.l. (public lighting), Reti Metano Territorio S.r.l. (gas distribution) and TLRNET S.r.l. (district heating).

According to the terms of the investment agreement, Iren also has:

- a four-year call option on the 2024 MidCo shareholding, exercisable as of 31 March 2025;
- the option, starting from 1 January 2025, to subscribe a reserved capital increase of 42.5 million euro, which would bring the Iren share to 60% of EGEA Holding, in order to pursue further development investments, mainly in the district heating and integrated water service sectors.

The main assets included in the scope of the transaction concern:

- a portfolio of about 200,000 gas and electricity customers;
- district heating networks in Piedmont municipalities such as Alba and Alessandria;
- the public lighting service in some municipalities in the province of Cuneo;
- the waste collection service in approximately 290 municipalities in the regions of Piedmont, Liguria, Tuscany, Lazio and Sardinia (a total of 1.2 million inhabitants served);
- the Integrated Water Service for 300,000 inhabitants in the ATO 4 of Cuneo in particular;
- gas distribution with more than 50 thousand Redelivery Points in Piedmont and Lombardy;
- electricity generation through renewable sources such as photovoltaic plants, biogas and biomethane.

The transaction aims to re-launch EGEA industrial activities, mainly regulated, integrating them into the business portfolio while guaranteeing employment levels, and to expand and develop the presence of Iren in the lower Piedmont region in a manner compatible with the Group's financial sustainability targets.

Appointment of the new Chief Executive Officer and General Manager, Gianluca Bufo - Definition of the structure of the powers conferred on executive directors - Appointment of a new member of the Control, Risk and Sustainability Committee

On 10 September 2024, the Board of Directors of Iren S.p.A. co-opted (pursuant to art. 2386, paragraph 1, Civil Code, in replacement of Ms. Tiziana Merlino, who resigned as Director as of 1 September 2024) Mr. Gianluca Bufo as new Board Member, and appointed him as Chief Executive Officer and General Manager of the Company, with the conferral of the relevant proxies and powers.

The appointment follows the formal indication that the Supervisory Committee of the Public Shareholders of Iren S.p.A. - composed of Marco Bucci, Mayor of Genoa, Stefano Lo Russo, Mayor of Turin, and Marco Massari, Mayor of Reggio Emilia - formulated, pursuant to Article 4.1 of the Shareholders' Agreement.

Gianluca Bufo, formerly an executive of the Company (within the Group he holds the position of Director of the Market Business Unit, CEO of Iren Mercato and Director of Energy Management), following the conferral of management powers, qualifies as a non-independent executive director and, based on the information available, does not hold shares in the company.

On the same date, the Board of Directors also defined the structure of proxies and powers among the executive directors, establishing it in line with the one prior to 7 May 2024:

- the newly appointed Chief Executive Officer was therefore assigned the powers for the Waste Management, Energy, Market and Networks Business Units as well as those for the following Departments: Administration, Ordinary Finance and Control, Legal Affairs, Procurement, Logistics and Services, Information Technology and Services, Energy Management and Risk Management;
- the Executive Chairperson was confirmed with the delegations for the following Departments: Communication and External Relations, Internationalisation, Public Affairs and Strategic Projects, Regulatory Affairs, Innovation, Finance and Investor Relations, Corporate Secretariat and M&A;
- the Executive Deputy Chairperson is confirmed with the delegations for the following Departments: Corporate Affairs, Corporate Social Responsibility and Local Committees, Internal Audit and Compliance, Personnel and Organisation.

Lastly, the same Board of Directors appointed Director Paola Girdinio as a new member of the Control, Risk and Sustainability Committee following the resignation of Tiziana Merlino from the position of Director and, consequently, member of the aforementioned Board committee.

ALTERNATIVE PERFORMANCE MEASURES

Iren Group uses alternative performance measures (APM) to convey more effectively the information on the profitability of its business lines, and on its financial position and financial performance. These measures are different from the financial measures explicitly required by the IAS/IFRS international accounting standards adopted by the Group.

Regarding these measures, CONSOB issued Communication no. 92543/15 which makes applicable the Guidelines issued by the European Securities and Markets Authority (ESMA) on their presentation in the regulated information distributed or in prospectuses published. These Guidelines are aimed at promoting the usefulness and transparency of the alternative performance measures included in regulated information or prospectuses that fall within the scope of application of Directive 2003/71/EC, to improve their comparability, reliability and comprehensibility.

In line with the aforementioned communications, the criteria used to construct these measures presented in the present financial report are provided below.

Net invested capital (NIC): determined by the algebraic sum of non-current assets, other non-current assets (liabilities), net working capital, deferred tax assets (liabilities), provisions for risks, and employee benefits and assets (liabilities) held for sale.

This APM is used by the Group in the context of documents both internal to the Group and external and is a useful measure for the purpose of measuring total net assets, both current and non-current, also through comparison between the period with which the report is concerned and previous periods or financial years. This indicator also makes it possible to carry out the analyses of operating trends and to measure performance in terms of operating efficiency over time.

Net financial debt: calculated as the sum of non-current financial liabilities at net of non-current financial assets and current financial liabilities at net of current financial assets and cash and cash equivalents.

This APM is used by the Group in the context of both internal and external documents and represents a useful tool to assess the Group's financial structure, including by comparing the reporting period with that of the previous periods or years.

Net Working Capital (NWC): determined as the algebraic sum of current and non-current assets and liabilities from contracts with customer, current and non-current trade receivables, inventories, current tax assets and liabilities, sundry receivables and other current assets, trade payables and sundry payables and other current liabilities.

This APM is used by the Group in the context of both internal and external documents and represents a useful tool to assess the Group's operational efficiency, including by comparing the reporting period with those related to the previous periods or years.

Gross operating profit or loss (EBITDA): calculated as the sum of income before tax, income from equity-accounted investments, adjustments to the value of investments, financial income and expense, and amortisation, depreciation, provisions and write-downs. EBITDA is explicitly shown as a subtotal in the financial statements.

This APM is used by the Group in the context of documents both internal to the Group and external and is a useful tool for assessing the Group's operating performance (both as a whole and at the individual Business Units level), including by comparing the operating results for the reporting period with those for previous periods or fiscal years. This indicator also makes it possible to carry out the analyses of operating trends and to measure performance in terms of operating efficiency over time.

Operating profit or loss (EBIT): calculated as the sum of income before tax, income from investments accounted for using the equity method, adjustments to the value of investments and finance income and costs. Operating Income is explicitly shown as a subtotal in the financial statements.

Free cash flow: determined as the sum of operating cash flow and cash flow from investing activities as indicated in the condensed statement of cash flows.

Investments: represents the sum of investments in property, plant and equipment, intangible assets and financial assets (equity investments), presented gross of capital grants.

This APM is used by the Group in the context of internal documents of the Group and external documents, and measures the financial resources absorbed in purchases of consumer durable goods in the period.

Gross operating profit or loss (EBITDA) margin: calculated by comparing the adjusted EBITDA to the revenue from sales and services.

This APM is used by the Group in both internal and external documents and is a useful tool to assess the Group's operating performance (both as a whole and for individual Business Units), also by comparison with previous periods or years.

Net financial indebtedness: determined as the ratio between net financial indebtedness and net equity including non-controlling interests.

This APM is used by the Group in the context of documents both internal to the Group and external and is a useful instrument for assessing the financial structure in terms of relative proportion of financing sources between third-party funds and own funds.

Investors should note that:

- these indicators are not recognised as performance criteria under IFRS;
- they shall not be adopted as alternatives to operating profit, profit for the year, operating and investing cash flow, net financial position or other measures consistent with IFRS, Italian GAAP or any other generally accepted accounting principle; and
- they are used by management to monitor the performance of the business and its management, but are not indicative of historical operating results, nor are they intended to be predictive of future results.

FINANCIAL POSITION, FINANCIAL PERFORMANCE AND CASH FLOWS OF IREN GROUP

Income statement

IREN GROUP INCOME STATEMENT

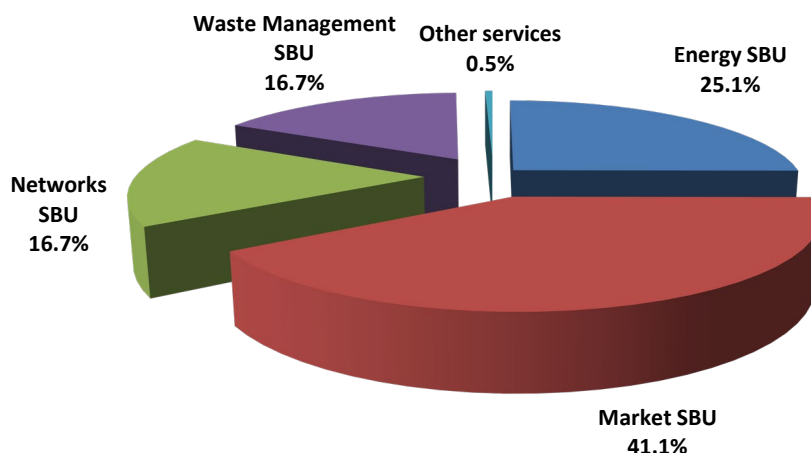
	thousands of euro		
	First 9 months 2024	First 9 months 2023 Restated	Change %
Revenues			
Revenues from goods and services	4,067,369	4,480,161	(9.2)
Other income	89,245	146,040	(38.9)
Total revenues	4,156,614	4,626,201	(10.2)
Operating expenses			
Raw materials, consumables, supplies and goods	(1,429,375)	(2,037,954)	(29.9)
Services and use of third-party assets	(1,307,732)	(1,258,051)	3.9
Other operating expenses	(69,858)	(79,085)	(11.7)
Capitalised costs for internal works	43,086	40,521	6.3
Personnel expense	(469,201)	(434,329)	8.0
Total operating expenses	(3,233,080)	(3,768,898)	(14.2)
GROSS OPERATING PROFIT (EBITDA)	923,534	857,303	7.7
Depreciation, amortisation, provisions and impairment losses			
Depreciation and amortisation	(481,113)	(435,673)	10.4
Impairment losses on loans and receivables	(56,073)	(51,010)	9.9
Other provisions and impairment losses	(7,600)	(46,385)	(83.6)
Total depreciation, amortisation, provisions and impairment losses	(544,786)	(533,068)	2.2
OPERATING RESULT (EBIT)	378,748	324,235	16.8
Financial management			
Financial income	34,148	22,827	49.6
Financial expenses	(100,747)	(91,087)	10.6
Net financial expense	(66,599)	(68,260)	(2.4)
Gains on equity investments	(1,243)	5,227	(*)
Share of profit of equity-accounted investees, net of tax effects	7,631	3,409	(*)
Pre-tax profit	318,537	264,611	20.4
Income taxes	(95,622)	(69,013)	38.6
Profit from continuing operations	222,915	195,598	14.0
Profit (loss) from discontinued operations	-	-	-
Profit for the period	222,915	195,598	14.0
attributable to:			
- the owners of the parent	192,555	176,787	8.9
- non-controlling interests	30,360	18,811	61.4

(*) Change of more than 100%

The comparative figures for 9M 2023 have been restated to take into account, at the acquisition date, as required by IFRS 3, the effects deriving from the completion of the allocation of the acquisition price at the definitive fair value of the assets and liabilities acquired (Purchase Price Allocation) of Romeo 2, AMTER and Acquaenna. Please refer to the "Consolidation scope" section for more information.

Revenue

At 30 September 2024, the Group reported revenue of 4,156.6 million euro, down -10.2% compared to 4,626.2 million euro in 9M 2023. The main factors in the reduction of turnover are attributable to energy revenues, influenced for about 270 million euro by the reduction in commodity prices and for approximately 40 million by lower unit consumption and climatic effects, factors that have reduced energy sales. Revenues related to energy efficiency activities such as energy upgrades of buildings also decreased, due to the gradual completion of works related to the 110% Superbonus (over 250 million). Finally, changes in the scope of consolidation affect revenues positively by approximately 46 million euro and refer to the consolidation of Siena Ambiente (from January 2024), Acquaenna and Remat (from June 2023) and Semia Green (from October 2023).



Gross Operating Profit (EBITDA)

The gross operating profit (EBITDA) amounted to 923.5 million euro, up +7.7% compared to 857.3 million euro in 9M 2023. The period was characterised by a less favourable energy scenario than in 2023, by major tariff revisions affecting the Networks BU (with the positive update of regulatory parameters) and the Waste Management BU for waste collection activities, by the full recovery of the commercial margins of the Market BU and by the start, albeit not yet fully operational, of the operational phase of some plants of the Waste Management sector.

As far as the energy scenario is concerned, the main factor characterising the period was the drop in the price of electricity (-21% on 2023) and, consequently, in electricity and heat generation margins; this had a major negative impact on EBITDA (-88 million euro), which was partially absorbed (+49 million euro) by the higher quantities produced, particularly by hydroelectric production (+28.8% on 2023), which benefited from an improvement in the hydraulicity of the period and photovoltaic due to the contribution of new plants (+44.2% on 2023).

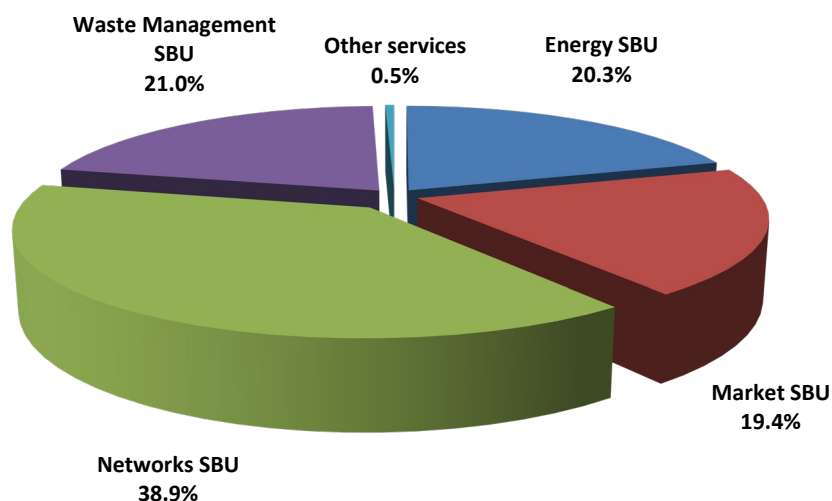
The marketing activity of energy commodities was particularly positive (+59 million euro), with particular reference to the sale of electricity, which benefited from a significant recovery in margins.

A positive contribution to the margin was generated by organic growth related to tariff increases as a result of investments made in the Networks BU in recent years (+10 million euro) and tariff revisions at the beginning of the year (+57 million euro).

Within the Waste Management BU (+7 million euro), the waste treatment and disposal business decreased due to lower plant operations (maintenance, breakdowns), while the waste collection business recovered margins, benefiting from the positive effects of tariff regulation. The Energy Efficiency sector declined (-37 million euro) because the work sites for the 110% superbonus upgrades are mostly finished in 2023.

Finally, perimeter changes related to the consolidation of Siena Ambiente (as of January 2024) and AcquaEnna (as of June 2023), amounting to approximately 14 million euro, contributed to the margin improvement.

The change in the margin with reference to the individual business units is broken down as follows: marked improvement in the Market business unit (+49.4%), Networks +28.5%, Waste Management +3.7%, Energy -29.9%.



Operating profit (EBIT)

Operating profit (EBIT) amounted to 378.7 million euro, up +16.8% compared to 324.2 million euro in the same period of 2023. The period saw higher amortisation/depreciation of approximately 45 million euro related to the entry into operation of new investments and the expansion of the consolidation scope, lower provisions for risks of about 43 million euro mainly due to the elimination of extraordinary provisions as a result of the provisions of the “Sostegni ter” Decree Law in 2023 and no longer repeatable, and higher provisions for bad debt of approximately 5 million euro. There were also higher write-downs of about 6 million euro related to the Cadelbosco sorting and treatment plant for plastic from separate waste collection, following the fire that occurred in the third quarter of 2024.

Financial income and expense

The result of financial management expresses an overall balance of net financial expenses of 66.6 million euro, slightly down (-2.4%) compared to 9M 2023, when it stood at 68.3 million.

Financial income recorded an increase of 11.3 million euro compared to the comparison period, mainly deriving from the combined effect of higher interest income, relating to the investment of liquidity, and lower proceeds from the discounting of funds.

On the financial charges side, there was an increase of 9.6 million euro (100.7 million in 9M 2024 against 91.1 million in the same period of 2023) mainly due to higher interest expense from debt, mitigated by lower charges for the transfer of tax credits from Superbonus.

Gains on equity investments

The amount for 9M 2024 (-1.2 million euro) refers to the price adjustment of the subsidiary Società dell’Acqua Potabile, acquired in previous years, and to the write-down of minority interests. In the comparative period, the amount of +5.2 million euro mainly referred to the redetermination at fair value, at the date of acquisition of control, of the previous interests in Acquaenna (+3.2 million) and AMTER (+1.8 million).

Share of profit of equity-accounted investees, net of tax effects

This item, which amounts to +7.6 million euro (+3.4 million in 9M 2023), includes the share of the pro-rata results of the Group’s associates, the most significant of which regard Aguas de San Pedro, ASA and Asti Servizi Pubblici.

Pre-tax profit

As a result of the above trends, consolidated profit before tax amounted to 318.5 million euro, up compared to 264.6 million euro in the comparative period.

Income taxes

Income taxes for 9M 2024 amounted to 95.6 million euro, up from 69.0 million in the comparison period, due to the improved pre-tax result. The effective tax rate is 30.0%.

It is noted that the tax rate of the comparative period (26.1%) benefited from the positive effects of the non-taxability of the tax credits recognised to counteract companies' energy costs, a measure no longer present for the 2024 financial year, and the redemption of positive differentials resulting from business combinations.

Profit for the period

As a result of the above, a net profit for the period of 222.9 million euro was recorded, up (+14.0%) compared to the figure for 9M 2023, when it stood at 195.6 million.

The result is attributable to the shareholders of the Parent for 192.5 million euro and to minorities for 30.4 million euro.

Statement of Financial Position

RECLASSIFIED STATEMENT OF FINANCIAL POSITION OF IREN GROUP

	thousands of euro		
	30.09.2024	31.12.2023 Restated	Change %
Non-current assets	8,305,878	8,071,924	2.9
Other non-current assets (liabilities)	(452,893)	(418,064)	8.3
Net Working Capital	(54,078)	68,430	(*)
Deferred tax assets (liabilities)	280,239	269,560	4.0
Provisions for risks and employee benefits	(695,855)	(814,902)	(14.6)
Assets (Liabilities) held for sale	1,144	1,144	-
Net invested capital	7,384,435	7,178,092	2.9
Equity	3,277,453	3,244,294	1.0
<i>Non-current financial assets</i>	(130,504)	(128,937)	1.2
<i>Non-current financial debt</i>	4,493,636	4,048,104	11.0
Non-current net financial debt	4,363,132	3,919,167	11.3
<i>Current financial assets</i>	(1,385,245)	(639,279)	(*)
<i>Current financial debt</i>	1,129,095	653,910	72.7
Current net financial debt	(256,150)	14,631	(*)
Net financial debt	4,106,982	3,933,798	4.4
Own funds and net financial debt	7,384,435	7,178,092	2.9

(*) Change of more than 100%

The comparative figures at 31 December 2023 have been restated to take into account, at the acquisition date, as required by IFRS 3, the effects of completing the allocation of the acquisition price to the final fair value of the assets and liabilities acquired (Purchase Price Allocation) of Acquaenna and WFL. Please refer to the "Consolidation scope" section for more information.

The main changes in the statement of financial position are commented on below.

Non-current assets at 30 September 2024 amounted to 8,305.9 million euro, up compared to 31 December 2023, when they were 8,071.9 million euro. The increase (+234.0 million euro) is mainly because of the following:

- investments in property, plant and equipment and intangible assets (+559.7 million euro) and depreciation and amortisation (-481.1 million euro) in the period;
- the new assets, including goodwill, arising from the consolidation of Siena Ambiente, previously associated (a municipal waste selection and valorisation plant, two composting plants, a waste-to-energy plant, a landfill and shares in investee companies totalling 81.8 million euro), net of the elimination of the related equity investment (-20.8 million euro) and the development of photovoltaic parks (Agrovoltaica) for 5.6 million;
- the acquisition of the 50% shareholding in EGEA Holding through a capital contribution (86.6 million, including ancillary charges);
- the change of rights of use in application of IFRS 16 - Leases for 8.8 million, largely relating to lease and rental contracts for buildings, plant and vehicles used for operating activities;

For more information on the segment details of investments in the period, reference should be made to the section "Segment Reporting" below.

Changes in "Other non-current assets (liabilities)" mainly refer to the recognition of deferred income components related to grants received for investments (including those related to PNRR funds for network efficiency and the circular economy) and the reduction of the long-term portion of tax credits relating to the Superbonus 110 incentives.

“Net working capital” stood at -54.1 million euro, against +68.4 million euro as at 31 December 2023. The decrease (-122.5 million) is mainly attributable to the assignment of tax credits for Superbonus and the seasonal trend in trade items.

“Provisions for risks and employee benefits” amounted to 695.9 million euro, a decrease compared to the figure at the end of 2023, when they stood at 814.9 million. The main changes relate to the purchase of CO₂ emission rights relating to the previous year’s obligation and the allocation for securities still to be purchased for the current period.

“Equity” amounted to 3,277.4 million euro, compared with 3,244.3 million at 31 December 2023 (+33.1 million). The change is due to the net result (+222.9 million), the dividends paid (-178.7 million), the trend of the cash flow hedge reserve linked to interest rate and commodity hedging derivatives (-21.5 million), the change in the scope of consolidation and the consequent effect of the change in interest in already controlled companies (+10.7 million) and other minor changes (-0.3 million).

“Net Financial Debt” stood at 4,107.0 million euro at 30 September 2024, (+4.4% compared to 31 December 2023, when it stood at 3,933.8 million). For more details, please see the analysis of the statement of cash flows presented below.

STATEMENT OF CASH FLOWS OF IREN GROUP - Change in net financial debt

The following table shows the changes in the Group's net financial debt during the period.

	thousands of euro		
	First 9 months 2024	First 9 months 2023 Restated	Change %
Opening net financial debt	(3,933,798)	(3,346,754)	17.5
Profit for the period	222,915	195,598	14.0
Non-monetary adjustments	837,022	850,427	(1.6)
Payment of employee benefits	(7,808)	(7,451)	4.8
Utilisations of provisions for risks and other charges	(267,552)	(170,979)	56.5
Change in other non-current assets and liabilities	30,279	6,383	(*)
Taxes paid	(104,283)	(49,081)	(*)
Cash flows for transactions on commodities derivatives markets	(41,499)	(21,698)	91.3
Other changes in equity	94	(371)	(*)
Cash flows from changes in NWC	87,359	(567,427)	(*)
Operating cash flow	756,527	235,401	(*)
Investments in property, plant and equipment and intangible assets	(559,724)	(547,784)	2.2
Investments in financial assets	(87,575)	(3,052)	(*)
Proceeds from the sale of investments and changes in assets held for sale	2,972	18,560	(84.0)
Acquisition of subsidiaries	(23,479)	(64,139)	(63.4)
Dividends received	927	3,213	(71.1)
Total cash flows from investing activities	(666,879)	(593,202)	12.4
Free cash flow	89,648	(357,801)	(*)
Cash flows from own capital	(178,684)	(183,398)	(2.6)
Other changes	(84,148)	(43,485)	93.5
Change in Net financial debt	(173,184)	(584,684)	(70.4)
Closing Net financial debt	(4,106,982)	(3,931,438)	4.5

(*) Change of more than 100%

The comparative figures for 9M 2023 have been restated to take into account, at the acquisition date, as required by IFRS 3, the effects deriving from the completion of the allocation of the acquisition price at the definitive fair value of the assets and liabilities acquired (Purchase Price Allocation) of Romeo 2, AMTER and Acquaenna. Please refer to the "Consolidation scope" section for more information.

The change in Net Financial Debt compared to 31 December 2023 of +173.2 million euro is due to the following factors:

- *operating cash flow* of +756.5 million (+235.4 million in the comparative period), which includes payments related to taxes and energy bonds for compliance;
- *cash flow from investing activities* of -666.9 million (-593.2 million in the corresponding period of 2023), which includes in particular the technical investments of the period (559.7 million) and, under the items "Investments in financial assets" and "Acquisition of subsidiaries" (for a total of 111.1 million), the purchase of the stake in EGEA Holding (86.6 million), the net financial debt deriving from the full consolidation of Sienambiente (18.7 million), the consideration for the acquisition of Agrovoltaica (Energy BU, for 4.8 million) and other minor stakes (1 million);
The figure for 9M 2023 (67.2 million) was largely related to the acquisitions of Acquaenna and Romeo 2 (Networks BU) and Limes 20 (Energy BU);
- *equity cash flow* equal to -178.7 million (-183.4 million in 9M 2023), referring to the payment of dividends for the period;
- the item *other changes*, equal to -84.1 million (-43.5 million in the comparison period), mainly referring to the combined effect of the interest for the period and the change in the fair value of hedging derivatives.

We note finally that the statement of cash flows prepared according to the format of a change in cash and cash equivalents is presented at the start of the section "Consolidated Financial Statements as at 30 September 2024".

SEGMENT REPORTING

Iren Group identifies the following business segments:

- Networks (Electricity distribution networks, Gas distribution networks, Integrated Water Service)
- Waste Management (Waste collection, treatment and disposal)
- Energy (Hydroelectric Production and production from other renewable sources, Combined Heat and Power, District Heating Networks, Thermoelectric Production, Public Street Lighting, Global services, Energy efficiency services)
- Market (Sale of electricity, gas and other customer services)
- Other services (Laboratories, Telecommunications and other minor services).

These operating segments are disclosed pursuant to IFRS 8, which requires the disclosure about operating segments to be based on the elements which management uses in making operational and strategic decisions. For a proper interpretation of the income statements relating to individual businesses presented and commented on below, revenue and expense referring to overhead activities were fully allocated to the businesses based on actual usage of the services provided or according to technical and economic drivers.

Given the fact that the Group mainly operates in one area, the following segment information does not include a breakdown by geographical area.

At 30 September 2024, non-regulated activities contributed 30% to EBITDA (33% at 30 September 2023), regulated activities accounted for 57% (up compared to 52% in the corresponding period of 2023), and semi-regulated activities contributed 13% (15% in 9M 2023).

Networks SBU

At 30 September 2024, the Networks business segment, which includes the Gas Distribution, Electricity and Integrated Water Service businesses, reported revenue of 939.4 million euro, up +13.6% compared to 826.9 million euro in 9M 2023. The increase is mainly attributable to positive changes in tariff revenue constraints, affected by important changes in tariff methods (MTI-4 for the Integrated Water Service, ROSS for the electricity network and the change in parameters for gas distribution in continuity of method), to the growth in RAB dictated by the important investments made in recent years, to the higher revenues related to the construction of assets under concession falling within the scope of IFRIC 12 and to the change in the scope of consolidation of Acquaenna (from June 2023).

The Gross operating profit (EBITDA) amounted to 359.1 million euro, up +28.5% compared to 279.5 million euro in the previous year and is mainly attributable to the increase in tariff restrictions.

The operating result was equal to 192.9 million euro, up +59.8% compared to 120.7 million euro in the corresponding period of 2023 and was characterised by higher depreciation and amortisation for approximately 10 million euro, lower provisions for risks for 5 million euro, and higher provisions for doubtful accounts and lower releases of funds for a total of 3 million euro.

		First 9 months 2024	First 9 months 2023 Restated	Changes %
Revenue	€/mln	939.4	826.9	13.6
Gross Operating Profit (EBITDA)	€/mln	359.1	279.5	28.5
% of revenues		38.2%	33.8%	
	<i>from Electricity Networks</i>	€/mln 66.8	58.7	13.8
	<i>from Gas Networks</i>	€/mln 74.1	60.2	23.2
	<i>from Integrated Water Service</i>	€/mln 218.2	160.7	35.8
Operating profit (EBIT)	€/mln	192.9	120.7	59.8
Investments	€/mln	254.3	225.2	12.9
	<i>in Electricity Networks</i>	€/mln 60.2	52.4	15.0
	<i>in Gas Networks</i>	€/mln 24.4	28.2	(13.6)
	<i>in Integrated Water Service</i>	€/mln 160.0	136.2	17.4
	<i>Other</i>	€/mln 9.7	8.3	16.6
Electricity distributed	GWh	2,703.7	2,621.9	3.1
Gas distributed	Mcm	695.4	703.0	(1.1)
Water sold	Mcm	130.8	132.6	(1.3)

Networks SBU - Electricity

The gross operating profit (EBITDA) amounted to 66.8 million euro, up +13.8% compared to 58.7 million euro in 9M 2023. The improvement in the margin is attributable to the organic growth of investments made, the updating of tariff parameters and the introduction of the new ROSS tariff method valid for the regulatory period 2024-2031.

Investments amounted to 60.2 million euro, up +15% from 52.4 million euro in 9M 2023, and relate mainly to connections, LV/MV distribution network resilience activities in order to improve the quality of the service, the construction of new primary and secondary stations in addition to the continuation of the replacement plan for electronic meters with 2G technology.

Networks SBU - Gas Distribution

The Gross operating profit (EBITDA) amounted to 74.1 million euro, an increase of +23.2% compared to 60.2 million euro in 9M 2023. The improvement in the margin is generated by the increase in the revenue constraint mainly due to the positive effect of higher investments and updated tariff parameters.

Investments for the period amounted to 24.4 million euro, down -13.6% compared with 28.2 million euro in 9M 2023, and mainly involved upgrading the network to cathodic protection and installing electronic meters.

Networks SBU - Integrated Water Service

The Gross operating profit (EBITDA) amounted to 218.2 million euro, an increase of +35.8% compared to 160.7 million euro in 9M 2023. The margin improvement is attributable to the organic growth of realised investments and the introduction of the new MTI-4 tariff method valid for the fourth regulatory period 2024-2029, as well as the updating of tariff parameters. In addition, the result benefits from the emergence of income related to the recognition in the tariff of the inflationary effects of the 2023 period.

Investments amounted to 160 million euro, up +17.4% compared to 136.2 million euro in 9M 2023. These activities relate to the construction, development and extraordinary maintenance of distribution networks and plants and of the sewerage network, as well as the installation of measuring units mainly with new technology involving remote reading, as well as the construction and modernisation of wastewater treatment plants.

There were also investments of 9.7 million euro, an increase compared to 8.3 million euro in 9M 2023, mainly related to information systems and to the development of electric mobility on operating vehicles.

Waste Management SBU

At 30 September 2024, the segment's revenue amounted to 937.4 million euro, up +6.7% from 878.8 million euro in the same period of 2023. The increase in revenues is attributable to collection activities, partially offset by lower energy revenues, and changes in the scope of consolidation with the entry of Siena Ambiente, a company operating in the disposal business in the province of Siena, and the contribution of ReMat, a company operating in treatment and recycling, and Semia Green, acquired in 2023.

		First 9 months 2024	First 9 months 2023	Changes %
Revenues	€/mln	937.4	878.8	6.7
Gross Operating Profit (EBITDA)	€/mln	193.7	186.8	3.7
<i>% of revenues</i>		20.7%	21.3%	
Operating profit (EBIT)	€/mln	41.0	67.2	(39.0)
Investments	€/mln	107.2	136.6	(21.6)
Electricity sold	GWh	376.9	379.2	(0.6)
Thermal energy produced	GWht	188.5	204.3	(7.7)
Waste managed	tonnes	3,091,727	2,879,268	7.4
Sorted waste collection	%	68.1	66.7	

The gross operating profit (EBITDA) of the sector amounted to 193.7 million euro, up +3.7% compared to 186.8 million euro in 9M 2023. The trend in the margin is characterised by the improvement in the result of collection activities, which is offset by the contraction in the margin of treatment and disposal activities. In particular, the Disposal business, in addition to being penalised by the drop in the prices of electricity and other energy (thermal energy recovery and biomethane) and by the lack of extraordinary contributions on energy consumption, was negatively affected by planned extraordinary maintenance activities and by some extraordinary events such as a breakdown at the WTE in Turin and the fire at the Cadelbosco plastics treatment plant. There was also a reduction in the volume of waste disposed of in landfills due to the partial saturation of sites and the non-full operation of other recently started plants (Gavassa, Borgaro Torinese and Vercelli).

Contributing positively to the increase in margin for the period was the contribution of Siena Ambiente.

The operating profit (EBIT) amounted to 41 million euro, down -39% compared to 67.2 million euro in 9M 2023. Depreciation and amortisation increased by about 17 million euro during the period, mainly due to the enlarged scope of consolidation and the commissioning of some plants for sorting and recovering materials deriving from separate waste collection, greater provisions for bad and doubtful debts for 5 million euro and higher write-downs for about 6 million euro following the fire at the Cadelbosco plant.

Investments amounted to 107.2 million euro, down -21.6% compared to 136.6 million euro in 9M 2023. Investments related to the purchase of collection vehicles and equipment and the construction of plants; in particular, the latter include the Irma paper and plastic processing plant in Borgaro Torinese (TO), the biomethane plant on the Santhià OFMSW biogestor and the WEEE treatment plant of Valdarno Ambiente.

Energy SBU

As at 30 September 2024, the revenues of the Energy SBU, which includes the production of electricity and heat, management of district heating, activities related to public lighting and energy efficiency, amounted to 1,412.6 million euro, a decrease of -37.6% compared to 2,263.1 million in 9M 2023.

The reduction in revenues is mainly attributable to the decline in electricity and heat sales prices, partially offset by the greater heat and electricity quantities produced.

Revenues from activities related to energy requalification and building renovation also decreased as a consequence of the entry in the completion phase of sites related to the 110% Superbonus (approximately -252 million euro).

		First 9 months 2024	First 9 months 2023	Changes %
Revenues	€/mln	1,412.6	2,263.1	(37.6)
Gross Operating Profit (EBITDA)	€/mln	187.6	267.7	(29.9)
% of revenues		13.3%	11.8%	
Operating profit (EBIT)	€/mln	58.8	102.2	(42.5)
Investments	€/mln	106.9	72.6	47.3
Electricity produced	GWh	6,091.3	6,021.3	1.2
<i>from hydroelectric sources</i>	GWh	1,168.3	907.3	28.8
<i>from photovoltaic</i>	GWh	250.7	173.9	44.2
<i>from cogeneration sources</i>	GWh	3,156.6	3,186.3	(0.9)
<i>from thermoelectric sources</i>	GWh	1,515.6	1,753.8	(13.6)
Heat produced	GWht	1,563.7	1,426.4	9.6
<i>from cogeneration sources</i>	GWht	1,288.1	1,234.0	4.4
<i>from non-cogeneration sources</i>	GWht	275.6	192.5	43.2
District heating volumes	Mcm	101.3	100.2*	1.1

*Pro-forma due to cessation of industrial use (-2.09 Mcm)

At 30 September 2024, electricity generated totalled 6,091.3 GWh, up +1.2% from 6,021.3 GWh in 9M 2023. Electricity production from cogeneration sources amounted to 3,156.6 GWh, down slightly (-0.9%) compared to 3,186.3 GWh in the corresponding period of 2023, while thermoelectric production was equal to 1,515.6 GWh, a decrease of -13.6% compared to 1,753.8 GWh in 9M 2023.

Production from renewable sources amounted to 1,419 GWh, up +31.2% from 1,081.2 GWh in FY 2023. The increase concerns both hydroelectric production, which amounted to 1,168.3 GWh compared to 907.3 GWh (+28.8%) in the corresponding period of 2023, thanks to the improved hydraulicity of the period, and photovoltaic production, of 250.7 GWh compared to 173.9 GWh in the corresponding period of 2023 (+44.2%). The heat produced amounts to 1,563.7 GWht, an increase of +9.6% compared to the 1,426.4 GWht of 9M 2023 due to a more favourable thermal season and the development of the network at 101.3 Mcm of district heating volumes compared to 100.2 Mcm of 9M 2023 (+1.1%).

The gross operating profit (EBITDA) amounted to 187.6 million euro, down -29.9% compared to 267.7 million euro in the same period of 2023.

The trend in the energy scenario was characterised by a downward trend in commodity prices back to pre-crisis energy levels of 2021-2022.

The drop in prices had a negative effect on production margins, affecting all production segments, with the greatest impact on Electricity and Heat Cogeneration, only partially offset by the increase in quantities produced, particularly for Hydroelectric production, thanks to favourable wind levels and snowfall on the ground in the period and photovoltaic production to increase installed power.

Energy Efficiency-related activities also decreased compared to 9M 2023, due to the reduction of energy upgrading of buildings (Superbonus 110%) and energy management activities.

The operating profit (EBIT) amounted to 58.8 million euro, down -42.5% compared to 102.2 million euro in 9M 2023. Depreciation and amortisation for the period increased by 5 million euro, while accruals to the provision for risks were lower by about 41 million euro, mainly due to the elimination of extraordinary accruals made as a result of the provisions of the “Sostegni ter” Decree Law in 2023 and no longer repeatable.

Investments amounted to 106.9 million euro, up +47.3% compared to 72.6 million euro in the first half of 2023. Major projects include the development of district heating networks and photovoltaic plants.

Market SBU

As at 30 September 2024, the segment’s revenue amounted to 2,311.4 million euro, down -20.4% from 2,904 million euro in 9M 2023. The contraction in turnover is attributable to the decline in electricity and gas prices and the decrease in gas and electricity volumes sold.

The gross operating profit(EBITDA) amounted to 179.3 million euro, up +49.4% compared to 120 million euro in 9M 2023. The improvement in margins is attributable to both commodities even if the sale of electricity shows a particularly positive result increasing by +84.3% compared to the 45.3 million euro of 9M 2023.

The operating profit (EBIT) amounted to 83.4 million euro, an improvement of +84.3% compared to 45.3 million euro in 9M 2023. During the period, higher depreciation and amortisation of 7 million euro and lower provisions for the impairment of receivables of about 1 million euro were recorded.

		First 9 months 2024	First 9 months 2023	Changes %	
Revenues	€/mln	2,311.4	2,904.0	(20.4)	
Gross Operating Profit (EBITDA)	€/mln	179.3	120.0	49.4	
% of revenues		7.8%	4.1%		
	<i>from Electricity</i>	€/mln	83.4	45.3	84.3
	<i>from Gas</i>	€/mln	88.1	71.0	24.1
	<i>from Heat and other services</i>	€/mln	7.8	3.8	(*)
Operating profit (EBIT)	€/mln	83.6	33.1	(*)	
Investments		53.6	60.2	(11.0)	
Electricity Sold	GWh	4,853.6	4,952.4	(2.0)	
Gas Purchased	Mcm	1,698.4	1,717.3	(1.1)	
	<i>Gas sold by the Group</i>	Mcm	682.2	685.2	(0.4)
	<i>Gas for internal use</i>	Mcm	969.2	1,029.7	(5.9)
	<i>Gas in storage</i>	Mcm	47.0	2.4	(*)

(*) Change of more than 100%

Sale of electricity

The volumes of electricity sold on the market amounted to 4,853.6 GWh, a decrease of -2% compared to 4,952.4 GWh in 9M 2023.

The drop in market sales affected the wholesaler segment alone, which recorded a decrease of -27.6 % from 1,599.1 GWh in 9M 2023 to the current 1,157.7 GWh. On the other hand, the other customer segments increased. In particular, the business segment recorded sales of 1,114.8 GWh, up +9.1% compared to 1,022 GWh in 9M 2023, while the Retail and Small Business segment recorded sales of 2,467.9 GWh, up +12.4% compared to 2,196.3 GWh in the corresponding period of 2023.

The market for greater protection amounted to 113.3 GWh, down by -16% compared to 134.8 GWh in 9M 2023 also due to the liberalisation of part of the market.

The gross operating margin from electricity sales is equal to 83.4 million euro, up +84.3% compared to 45.3 million euro in 9M 2023. The improvement achieved is mainly attributable to a market scenario with increasing margins that has made it possible to absorb the increase in operating costs.

The table below shows the quantities sold by class of customer sector:

Market SBU – Sale of electricity

	First 9 months 2024	First 9 months 2023	Changes %
<i>Business</i>	1,114.8	1,022.2	9.1
<i>Retail and small business</i>	2,467.9	2,196.3	12.4
<i>Wholesalers</i>	1,157.7	1,599.1	(27.6)
Free market	4,740.3	4,817.6	(1.6)
Protected market	113.3	134.8	(16.0)
Total Electricity sold	4,853.6	4,952.4	(2.0)

Sale of Natural Gas

Purchased volumes amounted to 1,698.4 Mcm, down -1.1% compared with 1,717.3 Mcm in 9M 2023.

Gas sold by the Group amounted to 682.2 Mcm, down by -0.4% compared to 685.2 Mcm sold in the corresponding period of 2023.

The gas used for internal consumption within the Group amounted to 969.2 Mcm, a decrease of -5.9% compared to 1,029.7 Mcm in 9M 2023.

The gross operating profit (EBITDA) of the gas sales amounted to 88.1 million euro, up +24.1% compared to 71 million euro in 9M 2023. The margin trend can be attributed to a more favourable market scenario that allowed margins to improve to pre-crisis levels and allowed the increase in operating costs to be absorbed.

Other sales services

Other sales services show a gross operating margin of 7.8 million euro, an improvement compared to the 3.8 million euro of 9M 2023. The improvement is mainly attributable to higher sales of certain Iren Plus branded products and services.

Investments of the Market SBU amounted to 53.6 million euro, down -11% compared to 60.2 million euro in 9M 2023.

Other services

As at 30 September 2024, revenue of the segment, which includes the activities of the analysis laboratories, telecommunications and other minor activities, was 23.6 million euro, up by +8.8% compared to the 21.7 million euro in 9M 2023.

		First 9 months 2024	First 9 months 2023	Changes %
Revenues	€/mIn	23.6	21.7	8.8
Gross Operating Profit (EBITDA)	€/mIn	3.9	3.3	16.7
<i>% of revenues</i>		16.4%	15.3%	
Operating profit (EBIT)	€/mIn	2.5	1.0	(*)
Investments	€/mIn	37.8	53.7	(29.5)

(*) Change of more than 100%

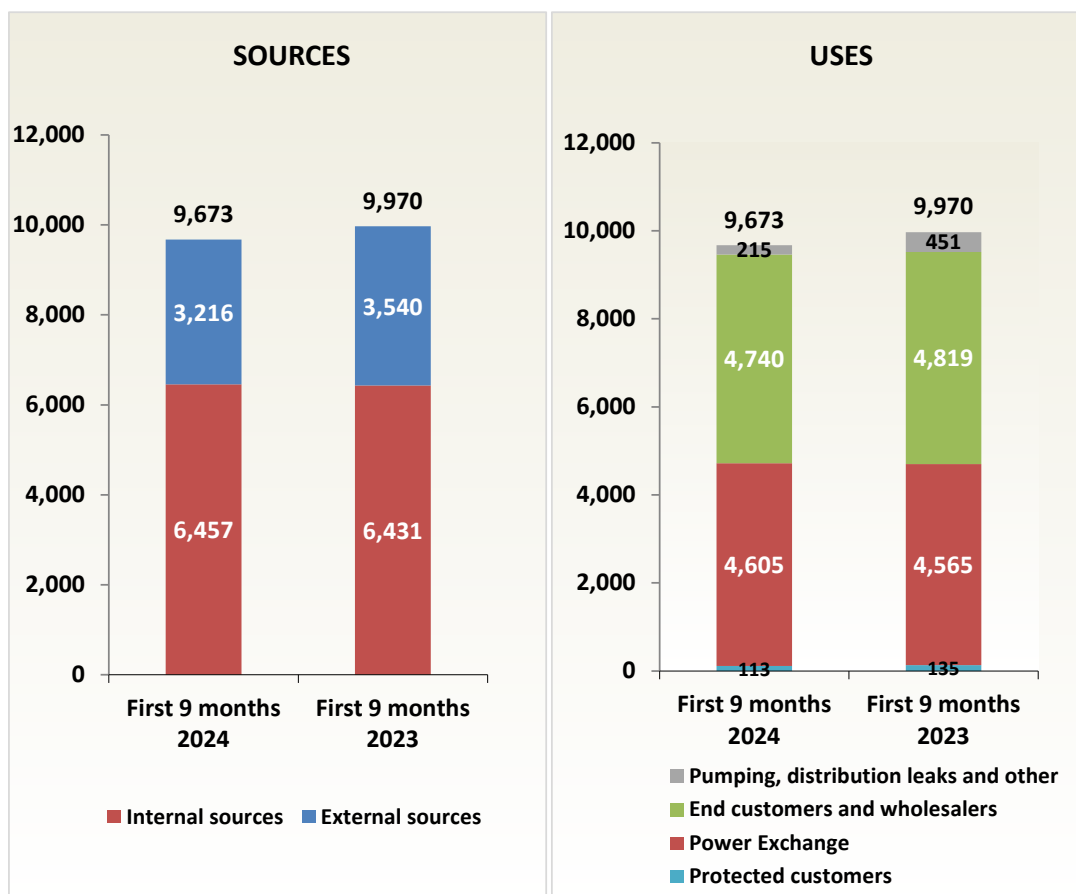
The gross operating profit (EBITDA) amounted to 3.9 million euro, an improvement of 16.7% compared to 3.3 million euro in 9M 2023.

Investments in the period amounted to 37.8 million euro, down compared to 53.7 million euro in 9M 2023 and mainly related to information systems, vehicles and buildings.

ENERGY BALANCES

Electricity balance sheet

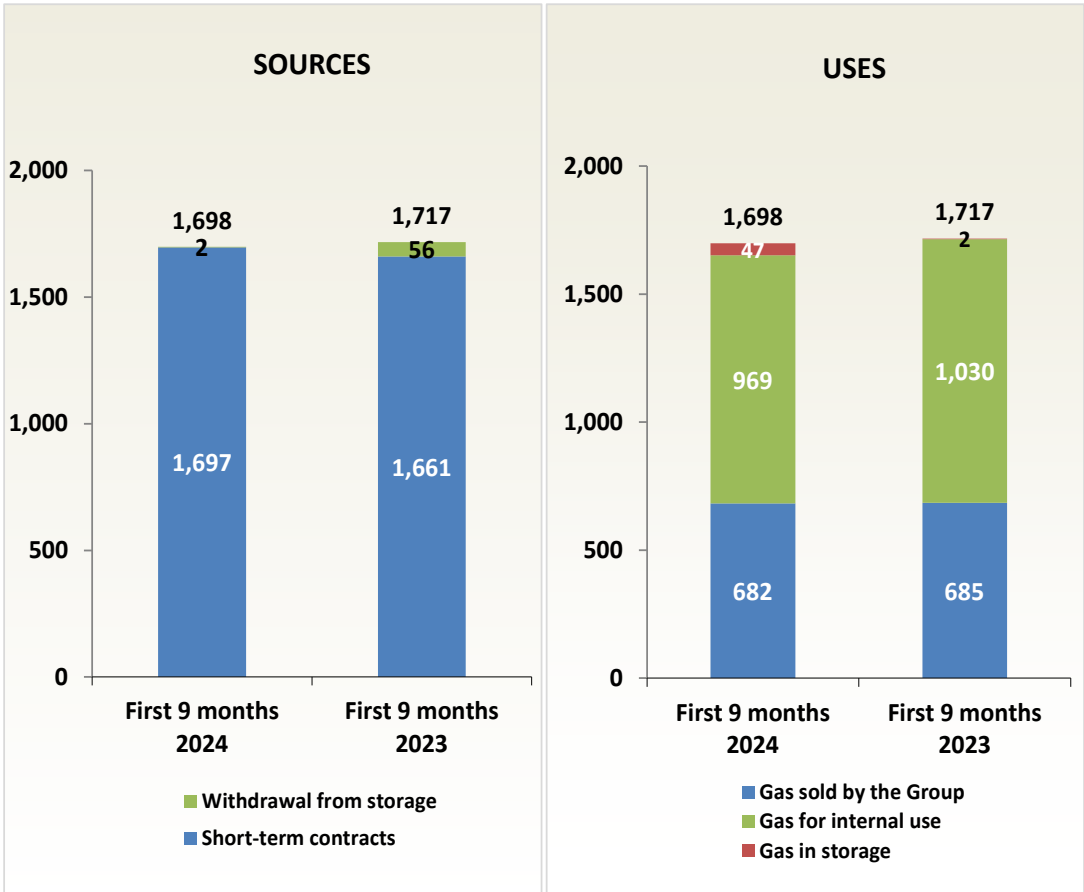
GWh	First 9 months 2024	First 9 months 2023 Restated	Changes %
SOURCES			
Group's gross production	6,457.0	6,430.8	0.4
<i>a) Hydroelectric</i>	1,168.3	907.3	28.8
<i>b) Photovoltaics, wind and other renewables</i>	250.7	173.9	44.2
<i>c) Cogeneration</i>	3,156.6	3,186.3	(0.9)
<i>d) Thermoelectric</i>	1,515.6	1,753.8	(13.6)
<i>e) Production from WTE and landfills</i>	365.8	409.6	(10.7)
Purchases from the Single Buyer (Acquirente Unico)	124.6	148.3	(16.0)
Energy purchased on the Power exchange	2,217.4	2,476.3	(10.5)
Energy purchased from wholesalers and imports	873.8	914.9	(4.5)
Total Sources	9,672.8	9,970.4	(3.0)
USES			
Sales to protected customers	113.3	134.8	(15.9)
Sales to end customers and wholesalers	4,740.3	4,818.8	(1.6)
Sales on the Power exchange	4,604.7	4,565.4	0.9
Pumping, distribution losses and other	214.5	451.4	(52.5)
Total Uses	9,672.8	9,970.4	(3.0)



Gas balance sheet

Millions of m ³	First 9 months 2024	First 9 months 2023	Changes %
SOURCES			
Short- and medium-term contracts	1,696.8	1,661.2	2.1
Withdrawals from storage	1.6	56.1	(97.1)
Total Sources	1,698.4	1,717.3	(1.1)
USES			
Gas sold by the Group	682.2	685.2	(0.4)
Gas for internal use (1)	969.2	1,029.7	(5.9)
Gas in storage	47.0	2.4	(*)
Total Uses	1,698.4	1,717.3	(1.1)

(1) Internal use concerns thermoelectric plants and use for heat services and internal consumption
 (*) Change of more than 100%



FINANCIAL MANAGEMENT

General framework

In 9M 2024, the inversion of the interest rate curve persists: for over a year, in fact, the short-term part of the curve has been recording higher levels than the medium/long-term ones, which incorporate bearish expectations.

The performance of rates discounts the effect of inflationary pressures and the resulting monetary policy manoeuvres implemented and expected. In the sessions of June, September and October, the European Central Bank approved three reductions of 25 basis points each, lowering the official discount rate (Deposit Rate) from 4.0% (unchanged since September 2023) to 3.25%; a further rate cut is expected by the end of the year.

Finally, examining the six-month Euribor rate, it is noted that the parameter is equal to approximately 3.0%, while the prices of fixed rates, reflected in the IRS values, are positioned at levels around 2.3%-2.4%.

Activities performed

In 9M 2024, work continued to consolidate Iren Group's financial structure. Changes in financial requirements are monitored through careful planning, which makes it possible to forecast the need for new resources, taking into account the repayments of outstanding loans, changes in debt, investments, the trend in working capital and the balance of short-term and long-term sources.

The organisational model adopted by Iren Group, with the goal of financial optimisation of the companies, entails centralising with the parent treasury management, non-current loans and financial risk monitoring and management. Iren has relationships with leading Italian and international banks, for the purpose of procuring the types of loans best suited to its needs and at the best market conditions.

With reference to the operations carried out in 9M 2024, it should be noted that, as described in the "Significant events of the period", in January and September, Iren S.p.A concluded the issue and listing of two Green Bonds (the fifth and sixth in Green Use of Proceeds format) for an amount of 500 million euro each, for a total of 1 billion euro and with a duration of 8 and a half years and 9 years, respectively, both under the existing Euro Medium Term Notes (EMTN) programme of 4 billion euro, reserved for institutional investors and intended for the financing and refinancing of projects that contribute to the achievement of the sustainability objectives defined in the Business Plan.

At the beginning of 2024, the deliberative bodies of Iren S.p.A and the Council of Europe Development Bank (CEB) approved the subscription of a green loan for an amount of 80 million euro. The PFF loan, Public Financing Facility, co-finances, together with a loan granted by the EIB (European Investment Bank), the amount of investments planned for the period 2022-2026 in some territories of the Ligurian area (the provinces of Genoa and La Spezia), concerning the strengthening and expansion of water extraction and treatment plants, water distribution networks, sewage systems and wastewater treatment plants. The loan agreement was stipulated on 10 June, bringing CEB financing to Iren (the only Italian corporate entrusted by CEB) to 240 million euro.

On 19 June, a 200 million euro green loan was also signed with the EIB, following the successful completion of the technical-credit appraisal carried out in previous months: the line is aimed at supporting investments in the resilience of electricity grids in the historical areas of Emilia Romagna and Piedmont, in the provinces of Parma, Turin and Vercelli.

In this regard, direct loans already entered into with EIB and CEB, with a duration of up to 18 years, not used and available, amount to a total of 495 million euro at 30 September 2024.

Within the Group, as of 1 January 2024, Sienambiente entered the scope of consolidation with amortising medium/long-term bank loan positions totalling 28.4 million euro (24.5 million at 30 September 2024).

Financial debt from financing, which does not include lease-related liabilities recognised in application of IFRS 16, at the end of the period consisted of 27% loans and 73% bonds; it should also be noted that 81% of total debt is financed by sustainable funds, consistent with the Iren Sustainable Finance Framework, such as Green Bonds and loans the interest rate of which is linked to ESG Key Performance Indicators.

As regards financial risks, Iren Group is exposed to various types of risk, including liquidity risk, interest rate risk, and currency risk. As part of its Risk Management activities, the Group uses non-speculative hedging contracts to limit risks of fluctuations in the interest rate.

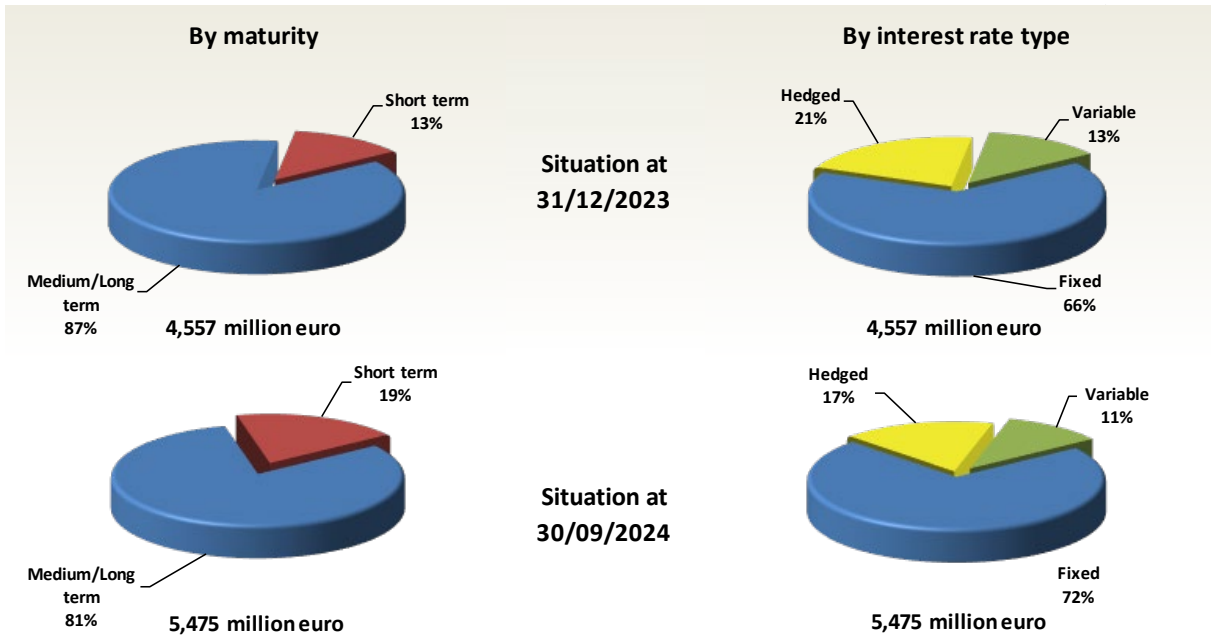
In this context, in the first nine months of 2024, seven new interest rate swap contracts were finalised to hedge a total of 350 million of debt, with effect from December 2024, June and December 2025 and maturities between June 2027 and December 2030; the pre-hedge hedges of the bonds were closed at the same time as the September issue.

Furthermore, with the consolidation of Sienambiente, two Interest Rate Swap contracts were added which, as of 30 September 2024, cover a total of 14.2 million in debt, with maturities in December 2027 and March 2034.

At the end of the period, the portion of floating rate debt not hedged by derivatives was equal to 11% of financial debt from loans, in line with Iren Group’s objective of maintaining adequate protection from significant increases in interest rates.

Overall, the activity carried out is aimed at refinancing debt with a view to improving the financial structure, with optimisation of the cost of capital and the average duration of financial debt.

The composition of financial debt from loans by maturity and rate type, compared with the situation at 31 December 2023, is shown in the chart below.



Rating

Iren Group holds the ratings:

- “BBB” with “Stable” Outlook for the long-term credit rating with Standard & Poor’s Global Ratings (S&P), confirmed on 23 July 2024 following the update of the Business Plan to 2030;
- “BBB” with “Stable” Outlook for the long-term credit rating with Fitch Ratings, with confirmation of the “BBB” rating and revision of the Outlook to “Stable” on 26 July 2024, following the update of the Business Plan to 2030.

The same ratings are also given to senior unsecured debt.

Both ratings are based on the strategies outlined in the Business Plan to 2030, with particular reference to investments intended for organic growth and the energy transition. The maintenance of a business portfolio consisting mainly of regulated and semi-regulated activities, the creation of value and the stability guaranteed by the integration of the various businesses are elements considered positive. From a financial point of view, the assigned ratings also express the adequate liquidity of the Group, the high credibility on the capital market and excellent relations with banking counterparties, thanks also to an ever greater use of sustainable finance instruments.

At ESG level, for both agencies, sustainability issues have a neutral or scarcely relevant impact from a lending point of view, both due to the nature of the business and the way in which the issue of sustainability is managed in Group dynamics.

In order to support the Group’s liquidity profile and rating level, in addition to current and assimilated cash and cash equivalents to service upcoming maturities within twelve months, Iren has a total of 695 million euro, including:

- the aforementioned medium/long-term financing lines entered into and available but not utilised (495 million euro);
- committed Sustainability-Linked revolving credit facilities (RCF), entered into in December 2023 with Unicredit and BPER (200 million euro).

SIGNIFICANT EVENTS AFTER THE REPORTING DATE AND OUTLOOK

Resolution to subscribe to a capital increase in EGEEA Holding

In the context of the EGEEA transaction, as stated in the “Significant events of the period”, Iren has the right, starting from 1 January 2025, to subscribe to a reserved capital increase of a total of 42.5 million euro (already approved by the EGEEA Holding shareholders’ meeting on 1 August 2024), specifically for a maximum amount of 12,500 euro of Share Capital in addition to a maximum of 42,487,500 euro as a Share Premium.

In this regard, on 12 November 2024 the Board of Directors of Iren S.p.A. resolved to exercise the right to subscribe and pay the aforementioned capital increase up to a maximum of 20 million euro (5,882 euro of Share Capital plus a Premium of 19,994,118 euro), exercisable in multiple tranches, such as to bring Iren’s shareholding in EGEEA Holding up to 55.26%, with the aim of financing the development of the PNRR project relating to the district heating of Alessandria, to be implemented through Telenergia S.r.l., controlled by EGEEA Holding itself.

The capital increase will allow Iren to exercise control of EGEEA Holding starting from January 1, 2025, with the appointment of four members of the Board of Directors out of a total of seven, anticipating the consolidation foreseen in the business plan in 2026.

The subscription and payment are subject to obtaining the Antitrust and Golden Power authorisations from the competent Authorities.

OUTLOOK

In a complex macroeconomic environment, there are three main risks with potential impact on the Group’s results: interest rate trends, commodity price volatility and climate trends. Iren continuous monitoring of the aforementioned trends allows it to adopt timely mitigation actions aimed at achieving the expected economic-financial results.

The last months of 2024 will be characterised by the continuation of the investments envisaged in the Business Plan updated in June 2024. Approximately 1 billion euro of investments are planned for the current year, primarily for the efficiency upgrading of distribution networks, the development of waste collection and treatment plants, the development of renewable capacity, and the acquisition of a minority stake in EGEEA.

The economic results are expected to grow compared to those of 2023 due to the improvement of the regulatory parameters for distribution and waste collection activities, the consolidation of Sienambiente in the waste sector and Acquaenna in the water service, and the maintenance of a solid profitability of the customer portfolio, together with an increase therein due to the liberalisation of the market. As far as the energy business is concerned, the financial year 2024 is characterised by a drop in energy prices, only partially offset by higher volumes from renewable sources and the lower contribution of energy efficiency activities, due to the non-applicability of the 110% Superbonus incentives.

On the strength of a robust investment plan and expected growth in economic results, the Group can confirm the development trend and financial sustainability as envisaged in the recent update of the Business Plan.

Consolidated Financial Statements

at 30 September 2024

BASIS OF PREPARATION

CONTENT AND STRUCTURE

These Consolidated Financial Statements have been prepared in accordance with the International Financial Reporting Standards (IFRSs) issued by the International Accounting Standards Board (IASB) and endorsed by the European Union, as well as with the provisions set forth in implementation of art. 9 of Italian Legislative Decree no. 38/2005. “IFRS” also includes the revised International Accounting Standards (“IAS”) and all interpretations issued by the International Financial Reporting Interpretations Committee (“IFRC”), previously known as the Standing Interpretations Committee (“SIC”).

The accounting standards applied in the preparation of the consolidated financial statements are the same as those adopted for the preparation of the previous year’s financial statements, to which reference should be made for a discussion of them, with the exception of the standards and interpretations adopted for the first time as from 1 January 2024 and illustrated in the following section “Accounting standards, amendments and interpretations applied as from 1 January 2024”.

The Consolidated Financial Statements are drawn up on the basis of the historical cost principle, with the exception of certain financial instruments measured at fair value and potential fees deriving from a business combination (i.e. put options to minority shareholders), which are also measured at fair value, as well as on the going concern assumption. The Group did not detect any particular risks connected with the Company’s business and/or any uncertainties that might cast doubt on its ability to continue as a going concern.

These Statements are stated in euro, the company’s functional currency. All amounts expressed in euro are rounded to the nearest thousand.

FINANCIAL STATEMENT FORMATS

The financial statement formats adopted by Iren Group in preparing these financial statements are the same as those applied in preparing the financial statements at 31 December 2023.

In line with what was previously published, in the statement of financial position, assets and liabilities are classified as “current/non-current”. Assets and liabilities classified as discontinued or held for sale are shown separately. Current assets, which include cash and cash equivalents, are those that will be realised, transferred or consumed during the Group’s ordinary operating cycle or during the twelve months following the end of the period. Current liabilities are those for which settlement is envisaged during the Group’s ordinary operating cycle or during the twelve months following the end of the period.

The Income Statement is classified on the basis of the nature of the costs. In addition to the Operating Profit (EBIT), the Income Statement also shows the total intermediate of Gross Operating Profit (EBITDA) obtained by deducting total operating expense from total revenue.

The indirect method is used in the Statement of Cash Flows. The cash configuration analysed in the Statement of Cash Flows includes cash on hand and cash in current accounts.

It should also be remembered that these statements are not subject to independent auditing.

USE OF ESTIMATES AND ASSUMPTIONS BY MANAGEMENT

Preparation of these Consolidated Financial Statements entails making estimates, opinions and assumptions that influence the amounts of revenues, costs, assets and liabilities, including contingent liabilities, and on the information provided. These estimates and assumptions are based on experience and other factors considered reasonable in the case in question, particularly when the value of assets and liabilities is not readily apparent from comparable sources.

Management’s significant judgements in the application of the Group’s accounting standards and the main sources of estimation uncertainty are unchanged from those already explained in the last annual report.

It should also be noted that certain complex valuation processes, such as the determination of any impairment losses on non-current assets, are generally carried out in full only at the time of preparing the annual financial statements, when all the information that may be needed is available, except in cases when there is evidence of impairment that requires an immediate measurement of any losses.

In accordance with IAS 36, during the period, the Group verified the non-existence of specific impairment triggers with reference to goodwill. Furthermore, no indicators of impairment emerged in respect of participations and assets.

In the same way, the actuarial valuations necessary to determine provisions for employee benefit are normally carried out on preparing the annual financial statements.

SEASONALITY

Iren Group does not operate in sectors characterised by seasonality with reference to the end markets of the goods and services provided. It should be noted, however, that the sectors of gas sales, hydroelectric production and heat production and sales are affected by the weather and the cyclicity of the thermal season.

The sale of electricity and the waste cycle show more consistent results for the year, albeit with a trend linked to the temporary situation. On the other hand, linear results are typical of regulated network businesses (gas distribution, electricity distribution and Integrated Water Service).

ACCOUNTING STANDARDS, AMENDMENTS AND INTERPRETATIONS APPLIED FROM 1 JANUARY 2024

As of 1 January 2024, the following accounting standards and amendments to accounting standards, issued by the IASB and endorsed by the European Union, are obligatorily applicable:

Amendments to IFRS 16 - Leases Lease Liability in a Sale and Leaseback

Issued on 22 September 2022, its purpose is to clarify the impact that a sale or leaseback transaction could have on a financial liability with variable payments that are not index- or rate-related.

Amendments to IAS 1 - Classification of liabilities as current or non-current and Non-current liabilities with clauses

Issued on 23 January 2020 and 31 October 2022, they provide clarifications on the classification of liabilities as current or non-current.

The application of the amendments to the aforementioned IFRS did not have any consequences or, in any case, significant effects on the Group's financial position and economic results.

BASIS OF CONSOLIDATION

The consolidation scope includes subsidiaries, joint ventures and associates.

Subsidiaries

Entities controlled by the Group are considered subsidiaries, as defined by IFRS 10 – *Consolidated Financial Statements*. Control exists when the Parent Company has all of the following:

- power over the investee, i.e. the current ability to direct the relevant activities of the investee that significantly affect the investee's returns;
- exposure, or rights, to variable returns from its involvement with the investee;
- the ability to use its power over the investee to affect the amount of the investor's returns.

The financial statements of subsidiaries are included in the consolidated financial statements beginning on the date when control is acquired until the time when control ceases.

Equity and the profit/loss attributable to non-controlling interests are identified separately in the consolidated statement of financial position and income statement.

Subsidiaries are consolidated on a line-by-line basis intra-group balances, transactions, unrealised income and expenses are eliminated in full.

Furthermore: a) all changes in the equity interest that do not constitute a loss of control are treated as equity transactions and, therefore, feature a corresponding asset item under net equity; b) when a parent company transfers control to one of its investees, but still continues to hold an interest in the company, it measures the equity investment retained in the financial statements at fair value and recognises any gains or losses deriving from loss of control in the income statement.

Joint ventures

These are companies over whose activity the Group has joint control, in virtue of contractual agreements. Joint control, as defined by IFRS 11 – *Joint Arrangements*, is the “contractually agreed sharing of control of an arrangement, which exists only when decisions about the relevant activities require the unanimous consent of the parties sharing control”.

With reference to entities jointly owned by mixed public and private companies, given the objective possibility for the public shareholder to influence the company not only by means of governance agreements, but also because of its nature as public entity, the existence of joint control is ascertained based on contractual agreements, assessing the actual possibility for the private partner to jointly control strategic decisions regarding the joint venture.

Joint arrangements are divided into 2 types:

- a Joint Venture (JV) is an arrangement whereby the parties have rights to the net assets of the arrangement. Joint Ventures are measured using the equity method;
- a Joint Operation (JO) is an arrangement whereby the parties are not limited exclusively to participating in the company's net profit or loss, but have rights to its assets and obligations for its liabilities. In this case the assets/revenue on which the joint operator exercises such rights and the liabilities/costs of which the joint operator assumes the obligations are fully consolidated.

Associates (accounted for using the equity method)

An associate is a company over which the Group has significant influence, but not control or joint control over its financial and operating policies. The consolidated financial statements include the Group's share of the associates' profit or loss recognised using the equity method from the date that significant influence commences until the date that significant influence ceases.

Equity investments valued at equity are accounted for an amount equal to the corresponding fraction of equity resulting from the latest available financial statements, adjusted to consider the differences between the price paid and equity at the date of purchase and for any intra-group transactions, if significant.

The investor's share of profit or loss arising from application of the equity method is recognised as a “Share of profit or loss of equity-accounted associates and joint ventures”, while the share of other comprehensive income is recognised in the statement of comprehensive income.

The difference between the purchase cost and the value, pertaining to owners of the Parent, of the identifiable current and potential assets and liabilities of the associate or joint venture at the acquisition date, is recognised as goodwill, included in the carrying amount of the investment, and tested for impairment using the same procedures described in the section above.

The risk deriving from losses which exceed the investor's share of equity is provided for in provisions for risks to the extent that the company has a legal or constructive obligation with the investee or is committed to covering its losses.

Dividends on equity investments are recognised when the right to receive payment is established. This usually coincides with the resolution passed by the Shareholders' Meeting.

Business combinations

The Group accounts for business combinations by applying the acquisition method when the set of assets and property acquired meets the definition of a business and the Group obtains control. In determining whether a particular set of activities and assets constitutes a business, the Group assesses whether that set includes, at a minimum, a substantial input and process and whether it has the capacity to create output.

The Group has the option to carry out a 'concentration test', which enables it to ascertain through a simplified procedure that the acquired set of activities and assets is not a business. The optional concentration test is positive if almost all of the fair value of the gross assets acquired is concentrated in a single identifiable asset or a group of identifiable assets with similar characteristics.

The consideration transferred and the identifiable net assets acquired are usually recognised at fair value. The carrying amount of any goodwill that arises is tested annually for impairment. Any gain from a bargain purchase is recognised immediately in the Income Statement under Value Adjustment of Investments, while costs related to the combination, other than those related to the issuance of debt or equity instruments, are recognised as an expense in profit/(loss) for the year when incurred.

The consideration transferred does not include amounts related to the settlement of pre-existing relationships. Normally, these amounts are recognised in profit/(loss) for the year.

The potential consideration is booked at fair value on the acquisition date. If an obligation to pay contingent consideration that meets the definition of a financial instrument is classified as equity, then it is not remeasured and settlement is accounted for within equity. Otherwise, other contingent consideration is remeasured at fair value at each reporting date and subsequent changes in the fair value of the contingent consideration are recognised in profit or loss.

If share-based payment awards (replacement awards) are required to be exchanged for awards held by the acquiree's employees (acquiree's awards), then all or a portion of the amount of the acquirer's replacement awards is included in measuring the consideration transferred in the business combination. This determination is based on the market-based measure of the replacement awards compared with the market-based measure of the acquiree's awards and the extent to which the replacement awards relate to pre-combination service.

Loss of control

When the Group loses control over a subsidiary, it derecognises the assets and liabilities of the subsidiary, and any related non-controlling interests and other components of equity related to the subsidiary. Any profit or loss deriving from the loss of control is recognised in profit/(loss) for the year. Any interest retained in the former subsidiary is measured at fair value when control has been lost.

Transactions eliminated on consolidation

Intra-group balances and significant transactions and any unrealised gains and losses arising from intra- group transactions are all eliminated in preparing the consolidated financial statements. Unrealised gains and losses arising from transactions with jointly controlled entities are eliminated to the extent of the Group's interest in the entity. The related tax effect is calculated for all consolidation adjustments.

CONSOLIDATION SCOPE

The consolidation scope includes companies directly or indirectly controlled by the Parent, in addition to joint ventures and associates.

Parent Company:

Iren S.p.A.

Companies consolidated on a line-by-line basis

The four companies responsible for the single business lines and their direct and indirect subsidiaries are consolidated on a line-by-line basis.

- 1) Iren Ambiente and its subsidiaries:
 - ACAM Ambiente
 - AMIAT V and the subsidiary:
 - o AMIAT
 - Bonifiche Servizi Ambientali
 - Bonifica Autocisterne
 - I.Blu
 - Iren Ambiente Parma
 - Iren Ambiente Piacenza
 - Iren Ambiente Toscana and its subsidiaries:
 - o Futura
 - o Scarlino Energia
 - o SEI Toscana and its subsidiary:
 - Ekovision
 - o Semia Green
 - o Siena Ambiente
 - o Valdarno Ambiente and its subsidiaries:
 - CRCM
 - TB
 - Manduriambiente
 - ReCos
 - ReMat
 - Rigenera Materiali
 - San Germano
 - Territorio e Risorse
 - TRM
 - Uniproject
- 2) Iren Energia and its subsidiaries:
 - Asti Energia e Calore
 - Dogliani Energia
 - Iren Smart Solutions and its subsidiary:
 - o Alfa Solutions
 - Maira and its subsidiary:
 - o Formaira
 - Iren Green Generation and its subsidiaries:
 - o Agrovoltaica
 - o Iren Green Generation Tech
 - o Limes 1
 - o Limes 2
 - o Limes 20
 - Valle Dora Energia

3) Iren Mercato and its subsidiaries:

- Alegas
- Atena Trading
- Salerno Energia Vendite

4) IRETI and its subsidiaries:

- ACAM Acque
- Acquaenna
- Amter
- ASM Vercelli
- Consorzio GPO
- Iren Laboratori
- Iren Acqua Piacenza
- Iren Acqua Reggio
- Iren Acqua and its subsidiary:
 - Iren Acqua Tigullio
- IRETI Gas
- Nord Ovest Servizi

In the period, some corporate transactions became effective, while not involving changes in the consolidation scope, resulted in a modification of the Group's ownership structure:

- The merger by incorporation of Romeo 2 into IRETI Gas, of Lab 231 into Alfa Solutions and of Mara Solar, Omnia Power, WFL into Iren Green Generation Tech took effect on 1 January 2024;
- On 20 June 2024 was the establishment of the company Iren Acqua Piacenza.

For details of the subsidiaries, joint ventures and associates, please see the lists included in the Annexes.

CHANGES IN CONSOLIDATION SCOPE

On 31 October 2023, Shareholders' Agreements were signed between Iren Ambiente Toscana S.p.A., the Province of Siena and the municipalities of Siena relating to the governance of the company Siena Ambiente S.p.A..

Said Agreements, by virtue of the statutory amendments approved by the extraordinary shareholders' meeting held on the same date, and effective 1 January 2024, allow Iren Group to exercise control of the company starting from the beginning of the current period. In this regard, the shareholding already held by Iren Ambiente Toscana in Siena Ambiente, equal to 40%, remains unchanged.

The company operates a municipal waste sorting and valorisation plant, two composting plants, a waste-to-energy plant and a landfill for a total waste treated of about 200,000 tonnes per year.

For this acquisition, pending the definition of the Purchase Price Allocation (PPA) to be completed in accordance with IFRS 3, the positive difference between the fair value of the interest held before the acquisition of control and the provisional fair value, at the date of obtaining control, of the identifiable assets acquired and the identifiable liabilities assumed was allocated to goodwill. Said provisional goodwill is not tax deductible. The following table shows the provisional fair value of the identifiable assets acquired and liabilities assumed, and provisional goodwill.

	thousands of euro
	Sienambiente
Consideration transferred	
Fair value of interest held before acquisition of control	20,766
Fair value of the consideration at the acquisition date	20,766
Provisional fair value of identifiable net assets	
Property, plant and equipment	33,164
Intangible fixed assets with a finite useful life	45,810
Investments accounted for using the equity method	1,052
Non-current financial assets	60
Other non-current assets	489
Pre-paid tax assets	655
Inventories	160
Trade receivables	11,713
Sundry assets and other current assets	2,014
Current financial assets	3,207
Cash and cash equivalents	12,880
Equity attributable to the owners of the parent (change in interests in subsidiaries)	(1,679)
Non-current financial liabilities	(9,477)
Employee benefits	(239)
Provisions for risks and charges	(16,019)
Deferred tax liabilities	(2,534)
Sundry liabilities and other non-current liabilities	(3,416)
Current financial liabilities	(29,228)
Trade payables	(19,602)
Sundry liabilities and other current liabilities	(3,832)
Current tax liabilities	(404)
Total fair value of net identifiable assets	24,774
Non-controlling interests in net identifiable assets	(9,692)
Interim Goodwill/(Badwill)	5,684

Trade receivables include gross contractual amounts of 11,883 thousand euro, of which 170 thousand euro considered non-collectable at the date of acquisition.

If new information obtained within one year of the acquisition date relating to facts and circumstances as of the acquisition date results in adjustments to the amounts shown or any additional provisions as of the acquisition date, the accounting for the acquisition will be revised.

Other changes in the scope of consolidation in 9M 2024

During the period, the Group acquired control of Agrovoltaica.

This acquisition does not have the characteristics to be defined as a business and is therefore excluded from the scope of IFRS 3 - Business Combinations.

At the date of acquisition, the company was in fact substantially the holder of the authorisation to build a photovoltaic plant in Rovigo. Consequently, this transaction represents an acquisition of individual assets/liabilities.

The consideration transferred amounted to 4,793 thousand euro, the book value of the individual assets/liabilities acquired amounted to 2,432 thousand euro, and the value of the assets to which the price differential was attributed amounted to 2,361 thousand euro.

The surplus of the consideration transferred represents the value of the authorisation held by the vehicle company acquired (3,288 thousand euro), net of the tax effect (927 thousand euro).

RESTATEMENT OF VALUES AT 30 SEPTEMBER 2023

During 9M 2023, the Group acquired control of Romeo 2, AMTER, Acquaenna and ReMat: in the consolidated financial statements as at 30 September 2023, these acquisitions had been recognised on a provisional basis, as permitted by IFRS 3.

In this regard, where updated, the final fair value of the identifiable assets acquired and the identifiable liabilities assumed was determined, respectively, during the fourth quarter of the 2023 financial year (for Romeo 2 and AMTER) and the first half of 2024 (for Acquaenna), reflecting the best knowledge gained in the meantime. It should also be noted that the final determination of the fair value of the identifiable assets acquired and liabilities assumed related to the ReMat acquisition saw the confirmation of the values provisionally recognised.

In accordance with the provisions of the standard, the updates of the fair value occurred with effect from the date of acquisition and, therefore, all changes were made to the net worth of the company acquired at that date. The balances in the consolidated financial statements for the nine months ended 30 September 2023 have therefore been restated to take into account the new values: below are the changes occurring with reference to the income statement balances and the representation of cash flows for 9M 2023.

Income Statement

		IFRS 3 accounting effect			thousands of euro
	First 9 months 2023 Published	Romeo 2	Amter	Acquaenna	First 9 months 2023 Restated
Revenues					
Revenues from goods and services	4,480,161				4,480,161
Other income	146,040				146,040
Total revenues	4,626,201	-		-	4,626,201
Operating expenses					
Raw materials, consumables, supplies and goods	(2,037,954)				(2,037,954)
Services and use of third-party assets	(1,258,051)				(1,258,051)
Other operating expenses	(79,085)				(79,085)
Capitalised costs for internal work	40,521				40,521
Personnel expense	(434,329)				(434,329)
Total operating expenses	(3,768,898)	-		-	(3,768,898)
GROSS OPERATING PROFIT	857,303	-		-	857,303
Depreciations, amortisations, provisions and impairment losses					
Depreciation and amortisation	(435,251)	(248)	(30)	(144)	(435,673)
Impairment losses on loans and receivables	(51,010)				(51,010)
Other provisions and impairment losses	(46,385)				(46,385)
Total depreciation, amortisation, provisions and impairment losses	(532,646)	(248)	(30)	(144)	(533,068)
OPERATING PROFIT	324,657	(248)	(30)	(144)	324,235
Financial income and expense					
Financial income	22,827				22,827
Financial expenses	(91,087)				(91,087)
Net financial expense	(68,260)	-	-	-	(68,260)
Gains on equity investments	4,258		184	785	5,227
Share of profit of equity-accounted investees, net of tax effects	4,078		116	(785)	3,409
Pre-tax profit	264,733	(248)	270	(144)	264,611
Income taxes	(69,131)	72	6	40	(69,013)
Profit from continuing operations	195,602	(176)	276	(104)	195,598
Profit (loss) from discontinued operations	-				-
Profit for the period	195,602	(176)	276	(104)	195,598
attributable to:					
- the owners of the parent	176,855	(176)	161	(53)	176,787
- non-controlling interests	18,747	-	115	(51)	18,811

Cash Flow Statement

thousands of
euro

	First 9 months 2023 Published	IFRS 3 accounting effect			First 9 months 2023 Restated
		Romeo 2	Amter	Acquaenna	
A. Opening cash and cash equivalents	788,402				788,402
Cash flows from operating activities					
Result for the period	195,602	(176)	276	(104)	195,598
Adjustments:					
Income taxes for the period	69,131	(72)	(6)	(40)	69,013
Share of profit (loss) of associates and joint ventures	(4,078)	-	(116)	785	(3,409)
Net financial expense (income)	68,260				68,260
Depreciation and amortisation	435,251	248	30	144	435,673
Net impairment losses (reversals of impairment losses) on assets	(4,258)	-	(184)	(785)	(5,227)
Impairment losses on loans and receivables	51,010				51,010
Net provisions for risks and other charges	234,636				234,636
Capital (gains) losses	471				471
Payment of employee benefits	(7,451)				(7,451)
Utilisations of provisions for risks and other charges	(170,979)				(170,979)
Change in other non-current assets	(7,672)				(7,672)
Change in other payables and other non-current liabilities	14,055				14,055
Taxes paid	(49,081)				(49,081)
ETS Purchase	-				-
Cash flows for transactions on commodities derivatives markets	(21,698)				(21,698)
Other changes in equity	(371)				(371)
Change in inventories	62,192				62,192
Change in contract assets	(20,123)				(20,123)
Change in trade receivables	360,063				360,063
Change in current tax assets and other current assets	(52,303)				(52,303)
Change in trade payables	(961,250)				(961,250)
Change in contract liabilities	(23,098)				(23,098)
Change in current tax liabilities and other current liabilities	67,092				67,092
B. Net cash and cash equivalents generated by operating activities	235,401	-	-	-	235,401
Cash flows from/(used in) investing activities					
Investments in property, plant and equipment and intangible assets	(547,784)				(547,784)
Investments in financial assets	(3,052)				(3,052)
Investment realisation	18,560				18,560
Acquisition of subsidiaries net of cash acquired	(25,951)				(25,951)
Dividends received	3,213				3,213
C. Net cash and cash equivalents generated by investing activities	(555,014)	-	-	-	(555,014)
Cash flows from/(used in) financing activities					
Capital increase	-				-
Repurchase of treasury shares	-				-
Dividends paid	(176,531)				(176,531)
Purchase of shareholdings in consolidated companies	(635)				(635)
New non-current loans	100,000				100,000
Repayment of non-current loans	(58,119)				(58,119)
Repayment of financial payables for leasing	(12,523)				(12,523)
Change in other financial payables	19,142				19,142
Change in loan assets	(21,353)				(21,353)
Interest paid	(54,540)				(54,540)
Interest received	2,210				2,210
D. Net cash and cash equivalents generated by financing activities	(202,349)	-	-	-	(202,349)
E. Cash flow for the period (B+C+D)	(521,962)	-	-	-	(521,962)
F. Closing cash and cash equivalents (A+E)	266,440	-	-	-	266,440

Similar to the comparative income statement for 9M 2023, also the comparative balance sheet balances at 31 December 2023 were restated to reflect the final fair value of the identifiable assets acquired and liabilities assumed related to the acquisition of Acquaenna.

The restatement of balance sheet balances, shown below, also includes the determination of the variable portion of the consideration for the acquisition of WFL, which took place in October 2023.

Balance Sheet - Assets

		IFRS 3 accounting effect		thousands of euro
	31.12.2023 Published	Acquaenna	WFL	31.12.2023 Restated
ASSETS				
Property, plant and equipment	4,459,512	1,340		4,460,852
Investment property	2,031			2,031
Intangible fixed assets with a finite useful life	3,132,043	8,316		3,140,359
Goodwill	247,420	(3,129)	679	244,970
Equity-accounted investments	212,798			212,798
Other equity investments	10,914			10,914
Non-current contract assets	232,384			232,384
Non-current trade receivables	29,416			29,416
Non-current financial assets	128,937			128,937
Other non-current assets	163,992			163,992
Deferred tax assets	400,092			400,092
Total non-current assets	9,019,539	6,527	679	9,026,745
Inventories	73,877			73,877
Current contract assets	29,830			29,830
Trade receivables	1,288,107			1,288,107
Current tax assets	18,894			18,894
Sundry assets and other current assets	576,516			576,516
Current financial assets	242,184			242,184
Cash and cash equivalents	436,134			436,134
Assets held for sale	1,144			1,144
Total current assets	2,666,686	-	-	2,666,686
TOTAL ASSETS	11,686,225	6,527	679	11,693,431

Balance Sheet - Liabilities

		IFRS 3 accounting effect		thousands of euro
	31.12.2023 Published	Acquaenna	WFL	31.12.2023 Restated
EQUITY				
Equity attributable to the owners of the parent				
Share capital	1,300,931			1,300,931
Reserves and Retained Earnings	1,250,525			1,250,525
Profit for the period	254,845	(92)		254,753
Total equity attributable to the owners of the parent	2,806,301	(92)	-	2,806,209
Equity attributable to non-controlling interests	435,152	2,933		438,085
TOTAL EQUITY	3,241,453	2,841	-	3,244,294
LIABILITIES				
Non-current financial liabilities				
Employee benefits	87,329			87,329
Provisions for risks and charges	404,882			404,882
Deferred tax liabilities	128,186	2,346		130,532
Sundry liabilities and other non-current liabilities	581,844			581,844
Total non-current liabilities	5,249,217	3,686	-	5,252,903
Current financial liabilities				
Trade payables	1,634,720		679	1,634,720
Current contract liabilities	79,642			79,642
Sundry liabilities and other current liabilities	333,182			333,182
Current tax liabilities	80,437			80,437
Provisions for risks and charges - current portion	331,881			331,881
Liabilities associated with assets held for sale	-			-
Total current liabilities	3,195,555	-	679	3,196,234
TOTAL LIABILITIES	8,444,772	3,686	679	8,449,137
TOTAL EQUITY AND LIABILITIES	11,686,225	6,527	679	11,693,431

STATEMENT OF CONSOLIDATED FINANCIAL POSITION

	thousands of euro	
	30.09.2024	31.12.2023 Restated
ASSETS		
Property, plant and equipment	4,493,104	4,460,852
Investment property	1,989	2,031
Intangible fixed assets with a finite useful life	3,266,433	3,140,359
Goodwill	250,654	244,970
Equity-accounted investments	283,445	212,798
Other equity investments	10,253	10,914
Non-current contract assets	301,446	232,384
Non-current trade receivables	29,449	29,416
Non-current financial assets	131,065	128,937
Other non-current assets	148,260	163,992
Pre-paid tax assets	440,822	400,092
Total non-current assets	9,356,920	9,026,745
Inventories	96,185	73,877
Non-current contract assets	54,244	29,830
Trade receivables	1,113,713	1,288,107
Current tax assets	7,232	18,894
Sundry assets and other current assets	330,963	576,516
Current financial assets	885,155	242,184
Cash and cash equivalents	527,181	436,134
Assets held for sale	1,144	1,144
Total current assets	3,015,817	2,666,686
TOTAL ASSETS	12,372,737	11,693,431

The comparative figures at 31 December 2023 have been restated to take into account, at the acquisition date, as required by IFRS 3, the effects of completing the allocation of the acquisition price to the final fair value of the assets and liabilities acquired (Purchase Price Allocation) of Acquaenna and WFL. Please refer to the "Consolidation scope" section for more information.

	thousands of euro	
	30.09.2024	31.12.2023 Restated
EQUITY		
Equity attributable to the owners of the parent		
Share capital	1,300,931	1,300,931
Reserves and Retained Earnings	1,331,322	1,250,525
Profit for the period	192,555	254,753
Total equity attributable to the owners of the parent	2,824,808	2,806,209
Equity attributable to non-controlling interests	452,645	438,085
TOTAL EQUITY	3,277,453	3,244,294
LIABILITIES		
Non-current financial liabilities	4,496,032	4,048,316
Employee benefits	82,493	87,329
Provisions for risks and charges	416,092	404,882
Deferred tax liabilities	160,583	130,532
Sundry liabilities and other non-current liabilities	599,318	581,844
Total non-current liabilities	5,754,518	5,252,903
Current financial liabilities	1,164,225	736,372
Trade payables	1,393,131	1,634,720
Current contract liabilities	105,263	79,642
Sundry liabilities and other current liabilities	419,169	333,182
Current tax liabilities	52,632	80,437
Provisions for risks and charges - current portion	206,346	331,881
Liabilities associated with assets held for sale	-	-
Total current liabilities	3,340,766	3,196,234
TOTAL LIABILITIES	9,095,284	8,449,137
TOTAL EQUITY AND LIABILITIES	12,372,737	11,693,431

CONSOLIDATED INCOME STATEMENT

	thousands of euro	
	First 9 months 2024	First 9 months 2023 Restated
Revenue		
Revenues from goods and services	4,067,369	4,480,161
Other income	89,245	146,040
Total revenue	4,156,614	4,626,201
Operating expenses		
Raw materials, consumables, supplies and goods	(1,429,375)	(2,037,954)
Services and use of third-party assets	(1,307,732)	(1,258,051)
Other operating expenses	(69,858)	(79,085)
Capitalised costs for internal work	43,086	40,521
Personnel expense	(469,201)	(434,329)
Total operating expenses	(3,233,080)	(3,768,898)
GROSS OPERATING PROFIT	923,534	857,303
Depreciations, amortisations, provisions and impairment losses		
Depreciation and amortisation	(481,113)	(435,673)
Impairment losses on loans and receivables	(56,073)	(51,010)
Other provisions and impairment losses	(7,600)	(46,385)
Total depreciation, amortisation, provisions and impairment losses	(544,786)	(533,068)
OPERATING PROFIT	378,748	324,235
Financial income and expense		
Financial income	34,148	22,827
Financial expenses	(100,747)	(91,087)
Net financial expense	(66,599)	(68,260)
Gains on equity investments	(1,243)	5,227
Share of profit of equity-accounted investees, net of tax effects	7,631	3,409
Pre-tax profit	318,537	264,611
Income taxes	(95,622)	(69,013)
Profit from continuing operations	222,915	195,598
Profit (loss) from discontinued operations	-	-
Profit for the period	222,915	195,598
attributable to:		
- the owners of the parent	192,555	176,787
- non-controlling interests	30,360	18,811

The comparative figures for 9M 2023 have been restated to take into account, at the acquisition date, as required by IFRS 3, the effects deriving from the completion of the allocation of the acquisition price at the definitive fair value of the assets and liabilities acquired (Purchase Price Allocation) of Romeo 2, AMTER and Acquaenna. Please refer to the "Consolidation scope" section for more information.

STATEMENT OF OTHER COMPREHENSIVE INCOME

	First 9 months 2024	thousands of euro First 9 months 2023 Restated
Profit/(loss) for the period - owners of the parent and non-controlling interests (A)	222,915	195,598
Other comprehensive income that will be subsequently reclassified to profit or loss		
- effective portion of changes in fair value of cash flow hedges	(28,204)	30,983
- changes in fair value of financial assets	-	-
- share of other profits/(losses) of equity-accounted investees	(873)	2,682
- change in translation reserve	(327)	185
Tax effect	7,554	(8,420)
Total other comprehensive income to be subsequently reclassified to profit or loss net of tax effect (B1)	(21,850)	25,430
Other comprehensive income that will not be subsequently reclassified to profit or loss		
- actuarial gains/(losses) on defined benefit plans (IAS19)	-	-
- share of other gains/(losses) of equity-accounted investees related to defined benefit plans (IAS 19)	-	-
Tax effect	-	-
Total other comprehensive income not to be subsequently reclassified to profit or loss net of tax effect (B2)	-	-
Comprehensive income (A)+(B1)+(B2)	201,065	221,028
attributable to:		
- the owners of the parent	171,011	202,260
- non-controlling interests	30,054	18,768

The comparative figures for 9M 2023 have been restated to take into account, at the acquisition date, as required by IFRS 3, the effects deriving from the completion of the allocation of the acquisition price at the definitive fair value of the assets and liabilities acquired (Purchase Price Allocation) of Romeo 2, AMTER and Acquaenna. Please refer to the "Consolidation scope" section for more information.

STATEMENT OF CHANGES IN CONSOLIDATED EQUITY

	Share capital	Share premium reserve	Legal reserve	Hedging reserve	Other reserves and retained earnings (losses)
31/12/2022	1,300,931	133,019	98,159	62,642	924,317
Owner transactions					
Dividends					
Retained earnings			12,934		71,945
Repurchase of treasury shares					-
Changes in consolidation scope					-
Change in equity interests					(1,263)
Other changes					(764)
Total owner transactions	-	-	12,934	-	69,918
Comprehensive income for the period					
Profit for the period					
Other comprehensive income				25,288	185
Total comprehensive income for the period	-	-	-	25,288	185
30/09/2023 Restated	1,300,931	133,019	111,093	87,930	994,420

	Share capital	Share premium reserve	Legal reserve	Hedging reserve	Other reserves and retained earnings (losses)
31/12/2023 Restated	1,300,931	133,019	111,093	12,758	993,655
Owner transactions					
Dividends					
Retained earnings			8,614		93,710
Repurchase of treasury shares					-
Changes in consolidation scope					
Change in equity interests					1,154
Other changes					(1,137)
Total owner transactions	-	-	8,614	-	93,727
Comprehensive income for the period					
Profit for the period					
Other comprehensive income				(21,217)	(327)
Total comprehensive income for the period	-	-	-	(21,217)	(327)
30/09/2024	1,300,931	133,019	119,707	(8,459)	1,087,055

The comparative figures at 31 December 2023 and 30 September 2023 have been restated to take into account, at the acquisition date, as required by IFRS 3, the effects deriving from the completion of the allocation of the acquisition price at the definitive fair value of the assets and liabilities acquired (Purchase Price Allocation) of Romeo 2, AMTER and Acquaenna. Please refer to the "Consolidation scope" section for more information.

thousands of euro

	Total reserves and Retained earnings (losses)	Result for the period	Total equity attributable to the owners of the parent	Equity attributable to non-controlling interests	Total equity
31/12/2022	1,218,137	226,017	2,745,085	446,069	3,191,154
Owner transactions					
Dividends	-	(141,138)	(141,138)	(42,260)	(183,398)
Retained earnings	84,879	(84,879)	-	-	-
Repurchase of treasury shares	-	-	-	-	-
Changes in consolidation scope	-	-	-	7,081	7,081
Change in equity interests	(1,263)	-	(1,263)	628	(635)
Other changes	(764)	-	(764)	(24)	(788)
Total owner transactions	82,852	(226,017)	(143,165)	(34,575)	(177,740)
Comprehensive income for the period					
Profit for the period	-	176,787	176,787	18,811	195,598
Other comprehensive income	25,473	-	25,473	(43)	25,430
Total comprehensive income for the period	25,473	176,787	202,260	18,768	221,028
30/09/2023 Restated	1,326,462	176,787	2,804,180	430,262	3,234,442

thousands of euro

	Total reserves and Retained earnings (losses)	Result for the period	Total equity attributable to the owners of the parent	Equity attributable to non-controlling interests	Total equity
31/12/2023 Restated	1,250,525	254,753	2,806,209	438,085	3,244,294
Owner transactions					
Dividends	-	(152,429)	(152,429)	(26,255)	(178,684)
Retained earnings	102,324	(102,324)	-	-	-
Repurchase of treasury shares	-	-	-	-	-
Changes in consolidation scope	-	-	-	22,626	22,626
Change in equity interests	1,154	-	1,154	(13,126)	(11,972)
Other changes	(1,137)	-	(1,137)	1,261	124
Total owner transactions	102,341	(254,753)	(152,412)	(15,494)	(167,906)
Comprehensive income for the period					
Profit for the period	-	192,555	192,555	30,360	222,915
Other comprehensive income	(21,544)	-	(21,544)	(306)	(21,850)
Total comprehensive income for the period	(21,544)	192,555	171,011	30,054	201,065
30/09/2024	1,331,322	192,555	2,824,808	452,645	3,277,453

STATEMENT OF CASH FLOWS

	thousands of euro	
	First 9 months 2024	First 9 months 2023 Restated
A. Opening cash and cash equivalents	436,134	788,402
Cash flows from operating activities		
Result for the period	222,915	195,598
Adjustments:		
Income taxes for the period	95,622	69,013
Share of profit (loss) of associates and joint ventures	(7,631)	(3,409)
Net financial expense (income)	66,599	68,260
Depreciation and amortisation	481,113	435,673
Net impairment losses (reversals of impairment losses) on assets	7,490	(5,227)
Provisions for doubtful accounts	56,073	51,010
Net provisions for risks and other charges	136,499	234,636
Capital (gains) losses	1,257	471
Payment of employee benefits	(7,808)	(7,451)
Utilisations of provisions for risks and other charges	(267,552)	(170,979)
Change in other non-current assets	16,221	(7,672)
Change in other payables and other non-current liabilities	14,058	14,055
Taxes paid	(104,283)	(49,081)
Cash flows for transactions on commodities derivatives markets	(41,499)	(21,698)
Other changes in equity	94	(371)
Change in inventories	(24,460)	62,192
Change in contract assets	(93,476)	(20,123)
Change in trade receivables	124,812	360,063
Change in current tax assets and other current assets	223,772	(52,303)
Change in trade payables	(251,065)	(961,250)
Change in contract liabilities	25,621	(23,098)
Change in current tax liabilities and other current liabilities	82,155	67,092
B. Net cash and cash equivalents generated by operating activities	756,527	235,401
Cash flows from/(used in) investing activities		
Investments in property, plant and equipment and intangible assets	(559,724)	(547,784)
Investments in financial assets	(87,575)	(3,052)
Investment realisation	2,972	18,560
Acquisition of subsidiaries net of cash acquired	8,004	(25,951)
Dividends collected	927	3,213
C. Net cash and cash equivalents generated by investing activities	(635,396)	(555,014)
Cash flows from/(used in) financing activities		
Dividends paid	(189,562)	(176,531)
Purchase of shareholdings in consolidated companies	-	(635)
New non-current loans	1,000,000	100,000
Repayment of non-current loans	(87,494)	(58,119)
Repayment of financial payables for leasing	(12,174)	(12,523)
Change in other financial payables	(28,563)	19,142
Change in loan assets	(642,563)	(21,353)
Interest paid	(81,722)	(54,540)
Interest received	11,994	2,210
D. Net cash and cash equivalents generated by financing activities	(30,084)	(202,349)
E. Cash flow for the period (B+C+D)	91,047	(521,962)
F. Closing cash and cash equivalents (A+E)	527,181	266,440

The comparative figures for 9M 2023 have been restated to take into account, at the acquisition date, as required by IFRS 3, the effects deriving from the completion of the allocation of the acquisition price at the definitive fair value of the assets and liabilities acquired (Purchase Price Allocation) of Romeo 2, AMTER and Acquaenna. Please refer to the "Consolidation scope" section for more information.

LIST OF FULLY CONSOLIDATED COMPANIES

Company	Registered office	Currency	Share capital	% interest	Investor
Iren Ambiente S.p.A.	Piacenza	Euro	63,622,002	100	Iren
Iren Energia S.p.A.	Turin	Euro	918,767,148	100	Iren
Iren Mercato S.p.A.	Genoa	Euro	61,356,220	100	Iren
Ireti S.p.A.	Genoa	Euro	196,832,103	100	Iren
Ireti Gas S.p.A.	Parma	Euro	120,000	100	Ireti
Acam Acque S.p.A.	La Spezia	Euro	24,260,050	100	Ireti
Acam Ambiente S.p.A.	La Spezia	Euro	1,000,000	100	Iren Ambiente
Acquaenna S.c.p.a.	Enna	Euro	3,000,000	50.87	Ireti
Agrovoltaica	Badia Polesine (RO)	Euro	1,000	100	Iren Green Generation
Alfa Solutions S.p.A.	Reggio Emilia	Euro	100,000	86	Iren Smart Solutions
Alegas S.r.l.	Alessandria	Euro	100,000	98	Iren Mercato
AMIAT S.p.A.	Turin	Euro	46,326,462	80	AMIAT V
AMIAT V. S.p.A.	Turin	Euro	1,000,000	93.06	Iren Ambiente
Amter S.p.A.	Cogoleto (GE)	Euro	404,263	100	Ireti
ASM Vercelli S.p.A.	Vercelli	Euro	120,812,720	59.97	Ireti
Asti Energia e Calore S.p.A.	Asti	Euro	120,000	62	Iren Energia
Atena Trading S.r.l.	Vercelli	Euro	556,000	59.97	Iren Mercato
Bonifica Autocisterne S.r.l.	Piacenza	Euro	595,000	51	Iren Ambiente
Bonifiche Servizi Ambientali S.r.l.	Reggio Emilia	Euro	3,000,000	100	Iren Ambiente
Consorzio GPO	Reggio Emilia	Euro	20,197,260	62.35	Ireti
C.R.C.M. S.r.l.	Terranuova Bracciolini (AR)	Euro	3,062,000	85.65 7.15	Valdarno Ambiente Siena Ambiente
Dogliani Energia S.r.l.	Cuneo	Euro	10,000	100	Iren Energia
Ekovision S.r.l.	Prato	Euro	1,485,000	100	SEI Toscana
Formaira S.r.l.	San Damiano Macra (CN)	Euro	40,000	100	Maira
Futura S.p.A.	Grosseto	Euro	3,660,955	40 40 20	Iren Ambiente Toscana Iren Ambiente Sei Toscana
I. Blu S.r.l.	Pasian di Prato (UD)	Euro	9,001,000	80	Iren Ambiente
Iren Acqua S.p.A.	Genoa	Euro	19,203,420	60	Ireti
Iren Acqua Tigullio S.p.A.	Chiavari (GE)	Euro	979,000	66.55	Iren Acqua
Iren Acqua Reggio S.r.l.	Reggio Emilia	Euro	5,000,000	100	Ireti
Iren Acqua Piacenza S.r.l.	Piacenza	Euro	10,000	100	Ireti
Iren Ambiente Parma S.r.l.	Parma	Euro	4,000,000	100	Iren Ambiente
Iren Ambiente Piacenza S.r.l.	Piacenza	Euro	4,000,000	100	Iren Ambiente
Iren Ambiente Toscana S.p.A.	Florence	Euro	5,000,000	100	Iren Ambiente
Iren Laboratori S.p.A.	Genoa	Euro	2,000,000	90.89	Ireti
Iren Smart Solutions S.p.A.	Reggio Emilia	Euro	2,596,721	60 20 20	Iren Energia Iren Ambiente Iren Mercato
Limes 1 S.r.l.	Turin	Euro	20,408	51	Iren Green Generation

Company	Registered office	Currency	Share capital	% interest	Investor
Limes 2 S.r.l.	Turin	Euro	20,408	51	Iren Green Generation
Limes 20 S.r.l.	Turin	Euro	10,000	100	Iren Green Generation
Maira S.p.A.	San Damiano Macra (CN)	Euro	596,442	82	Iren Energia
Manduriambiente S.p.A.	Manduria (TA)	Euro	4,111,820	95.289	Iren Ambiente
Nord Ovest Servizi S.p.A.	Turin	Euro	7,800,000	45	Ireti
				30	Amiat
Iren Green Generation S.r.l.	Turin	Euro	10,000	100	Iren Energia
Iren Green Generation Tech S.r.l.	Turin	Euro	80,200	100	Iren Green Generation
ReCos S.p.A.	La Spezia	Euro	1,000,000	99.51	Iren Ambiente
Re Mat Srl	Turin	Euro	200,000	94.77	Iren Ambiente
Rigenera Materiali S.r.l.	Genoa	Euro	3,000,000	100	Iren Ambiente
Salerno Energia Vendite S.p.A.	Salerno	Euro	3,312,060	50	Iren Mercato
San Germano S.p.A.	Turin	Euro	1,425,000	100	Iren Ambiente
Scarlino Energia S.p.A.	Scarlino (GR)	Euro	1,000,000	100	Iren Ambiente Toscana
SEI Toscana S.r.l.	Siena	Euro	45,388,913	41.78	Iren Ambiente Toscana
				16.37	Valdarno Ambiente
				20.62	Siena Ambiente
				0.2	C.R.C.M.
Semia Green S.r.l.	Siena	Euro	3,300,000	50.909	Iren Ambiente Toscana
				49.091	Siena Ambiente
Siena Ambiente S.p.A.	Siena	Euro	2,866,575	40	Iren Ambiente Toscana
TB S.p.A.	Florence	Euro	2,220,000	100	Valdarno Ambiente
Territorio e Risorse S.r.l.	Turin	Euro	2,510,000	65	Iren Ambiente
				35	ASM Vercelli
TRM S.p.A.	Turin	Euro	86,794,220	80	Iren Ambiente
Uniproject S.r.l.	Maltignano (AP)	Euro	91,800	100	Iren Ambiente
Valdarno Ambiente S.r.l.	Terranuova Bracciolini (AR)	Euro	22,953,770	56.016	Iren Ambiente Toscana
Valle Dora Energia S.r.l.	Turin	Euro	537,582	74.5	Iren Energia

LIST OF JOINT VENTURES

Company	Registered office	Currency	Share capital	% interest	Investor
Acque Potabili S.p.A. in liquidazione (in liquidation)	Turin	Euro	7,633,096	47.546	Ireti
EGEA Holding S.p.A.	Alba (CN)	Euro	50,000	50	Iren
Nuova Sirio S.r.l.	Siena	Euro	92,077	50	Senambiente
Vaserie S.r.l.	Siena	Euro	10,000	69	Senambiente

LIST OF ASSOCIATES

Company	Registered office	Currency	Share capital	% interest	Investor
A2A Alfa S.r.l. (1)	Milan	Euro	100,000	30	Iren Mercato
Acos S.p.A.	Novi Ligure	Euro	17,075,864	25	Ireti
Acos Energia S.p.A.	Novi Ligure	Euro	150,000	25	Iren Mercato
Aguas de San Pedro S.A. de C.V.	S.Pedro Sula (Honduras)	Lempiras	159,900	39.34	Ireti
Aiga S.p.A. (1)	Ventimiglia	Euro	104,000	49	Ireti
Amat S.p.A. (1)	Imperia	Euro	5,435,372	48	Ireti
Arca S.r.l.	Reggio Emilia	Euro	100,000	40	Ireti
Arienes S.c.a.r.l.	Reggio Emilia	Euro	50,000	42	Iren Smart Solutions
ASA S.p.A.	Livorno	Euro	28,613,406	40	Ireti
Asa S.c.p.a.	Castel Maggiore (BO)	Euro	1,820,000	49	Iren Ambiente
Astea S.p.A.	Recanati (MC)	Euro	76,115,676	21.32	Consorzio GPO
Asti Servizi Pubblici S.p.A.	Asti	Euro	7,540,270	45	Nord Ovest Servizi
Barricalla S.p.A.	Turin	Euro	2,066,000	35	Iren Ambiente
BI Energia S.r.l.	Reggio Emilia	Euro	100,000	47.5	Iren Energia
Centro Corsi S.r.l.	Reggio Emilia	Euro	12,000	33	Alfa Solutions S.p.A.
CSA S.p.A. (1)	Terranuova Bracciolini (AR)	Euro	1,369,502	47.97	Iren Ambiente Toscana
CSAI S.p.A.	Terranuova Bracciolini (AR)	Euro	1,610,511	40.32	Iren Ambiente Toscana
EGUA S.r.l.	Cogorno (GE)	Euro	119,000	49	Ireti
Fata Morgana S.p.A. (2)	Reggio Calabria	Euro	2,225,694	25	Ireti
Fin Gas S.r.l.	Milan	Euro	10,000	50	Iren Mercato
Fratello Sole Energie Solidali Impresa Sociale S.r.l.	Genoa	Euro	350,000	40	Iren Energia
G.A.I.A. S.p.A.	Asti	Euro	5,539,700	45	Iren Ambiente
Global Service Parma S.c.a.r.l. (1)	Parma	Euro	20,000	30	Ireti
Iniziative Ambientali S.r.l.	Novellara (RE)	Euro	100,000	40	Iren Ambiente
OMI Rinnovabili S.c.a.r.l.	Reggio Emilia	Euro	10,000	40.15	Alfa Solutions S.p.A.
Piana Ambiente S.p.A. (2)	Gioia Tauro	Euro	1,719,322	25	Ireti
Rimateria S.p.A. (3)	Piombino (LI)	Euro	4,589,273	30	Iren Ambiente
Seta S.p.A.	Turin	Euro	12,378,237	48.85	Iren Ambiente
Sistema Ambiente S.p.A.	Lucca	Euro	2,487,657	36.56	Iren Ambiente
STU Reggiane S.p.A.	Reggio Emilia	Euro	16,770,080	30	Iren Smart Solutions
Tirana Acque S.c. a r.l. (1)	Genoa	Euro	95,000	50	Ireti

(1) Company in liquidation

(2) Company in liquidation classified under assets held for sale

(3) Company in bankruptcy

CERTIFICATION BY THE MANAGER IN CHARGE OF FINANCIAL REPORTING PURSUANT TO ARTICLE 154-BIS, PARAGRAPH 2 OF ITALIAN LEGISLATIVE DECREE NO. 58/1998 (“TESTO UNICO DELLA FINANZA” [CONSOLIDATED FINANCE ACT])

The undersigned Giovanni Gazza, Financial Reporting Manager of IREN S.p.A declares, pursuant to paragraph 2 of Article 154-bis of the “Testo Unico della Finanza” [Consolidated Finance Act] that the accounting information contained in this Consolidated Quarterly Report as at 30 September 2024 corresponds to the documentary records, books and accounting entries.

12 November 2024

The Financial Reporting Manager under Law 262/05

Giovanni Gazza

(signed on the original)



Iren S.p.A
via Nubi di Magellano, 30
42123 Reggio Emilia - Italy
www.gruppoiren.it