Altea
Green Power

Annual Report
2024

The accompanying financial statements of Altea Green Power S.p.A. and consolidated financial statements of Altea Green Power Group constitute a non-official version which is not compliant with the provisions of the Commission Delegated Regulation (EU) 2019/815.

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Report on Operations

at 31 December 2024

Giovanni Di Pascale

Chairman di Altea Green Power S.p.A.

We are highly confident in **our potential**. This confidence is bolstered by ongoing discussions around future partnerships. With this mindset, **we will continue to steer the AGP Group toward increasingly ambitious goals.**

Chairman’s letter to shareholders

Shareholders,
the path that the AGP Group charted in 2024 was marked by huge satisfaction, with continued growth across the main income metrics. The actions we have taken, combined with our team's unwavering commitment, have helped maintain strong competitiveness, driving our Group's turnover to grow by more than 110%, exceeding € 35 million in 2024. In detail, this strong growth is the result of our intense Co-Development activity, driven by the significant progress in the authorization process, as well as new contracted projects in the Battery Energy Storage System segment, which are crucial for stabilizing the grid as the penetration of non-programmable renewables increases. Progress that, thanks to our daily efforts in dealing with government agencies, has led to two of our projects - currently among the largest in Italy – to obtaining authorization from the Ministry of Environment and Energy Security in under 24 months. The Group's total order backlog further supports a confident outlook for the future; at 31 December 2024, the backlog exceeds € 150 million. EBITDA came to € 21.9 million versus € 7.1 million in 2023, with an EBITDA margin of 62% versus 45% in 2023. The period ended with a profit of € 16.1 million. This is despite the fact that the economic and geopolitical landscape continues to pose several sources of instability. Indeed, the prolonged conflict between Russia and Ukraine, along with escalating tensions in the Middle East, has contributed to a climate of uncertainty in international markets. With particular regard to the AGP Group’s industry, the outcome of the U.S. election cannot be overlooked, as it is, in actions if not in words, a clear element of instability for the entire energy sector, and particularly for policies related to green infrastructure. The combination of these and other factors has created an extremely multifaceted and evolving landscape. It is clear that the ability to adapt and respond to these challenges will remain a crucial factor in shaping the future of our economies and businesses. Looking at the AGP Group, I can confirm that our business model has proven to be robust and is experiencing strong growth.
This positive trend, which has accompanied us for some time now, has been a key factor in our decision to consider transitioning to the main regulated market and to embark on the translisting on the Euronext STAR Milan segment. This step, which saw us lead the way on 18 November with the ringing of the bell, will allow

us to continue in our accreditation efforts with both domestic and international investors who have believed in Altea Green Power's project from its inception and have supported us so far. What has been extraordinarily achieved has also led the AGP Group to take initiatives aimed at consolidating the existing positive trend and enhancing the efforts of the AGP team. Specifically, a long-term bonus policy (retention bonus and phantom stock options) was introduced for employees who hold key positions and/or have demonstrated outstanding performance. Additionally, the development of an IT project involving the adoption of state-of-the-art cloud-based management systems was initiated.

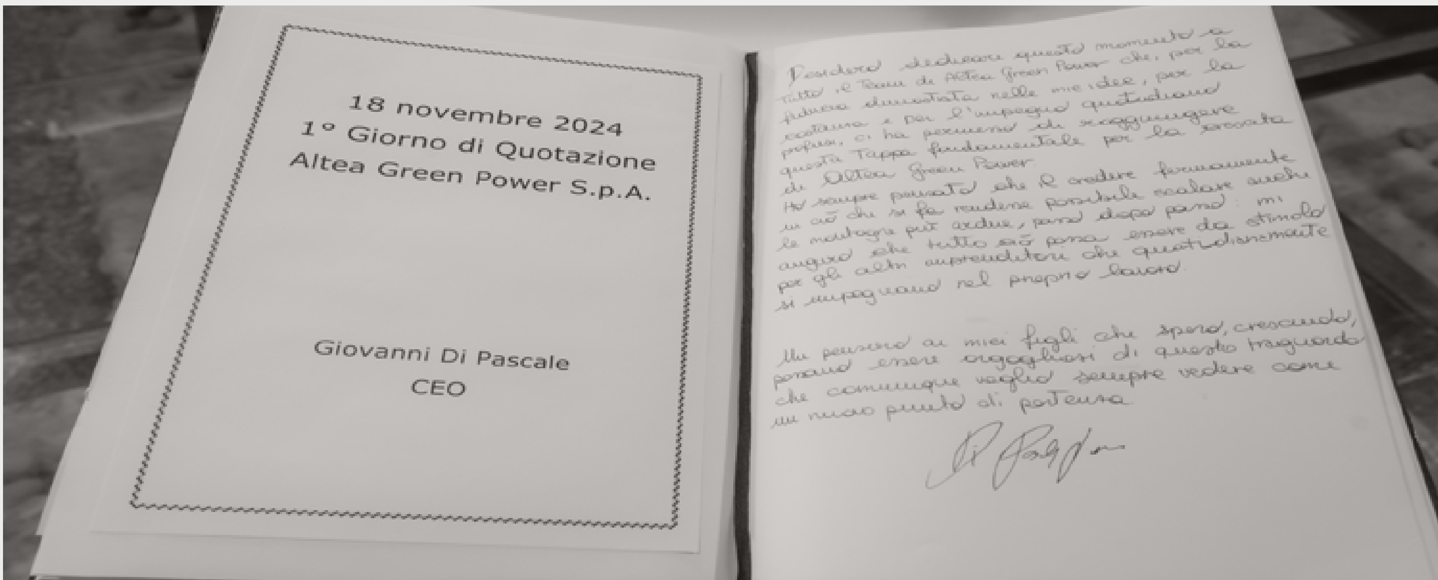
In terms of future prospects, given the current foundations, we are highly confident in our potential. This confidence is bolstered by ongoing discussions around future partnerships, where we are confident to see significant opportunities to capitalize on.

With this mindset, we will continue to steer the AGP Group toward increasingly ambitious goals.

Thank you,

Giovanni Di Pascale

Chairman of Altea Green Power S.p.A.



Corporate bodies and information

ALTEA GREEN POWER S.p.A.

Registered office
Corso Re Umberto, 8 - 10121 Turin - Italy

Operational headquarters
Via Chivasso, 15/A - 10098 Rivoli (TO) - Italy

Share capital: € 911,778 fully paid up
VAT and Tax Code: 08013190015

info@alteagreenpower.com
www.alteagreenpower.com

Board of Directors

Chairman of the Board of Directors
Giovanni Di Pascale

Directors
Donatella De Lieto Vollaro
Luca De Zen
Fabio Lenzini
Francesco Bavagnoli (indipendenti)
Laura Guazzoni (indipendenti)
Anna Chiara Invernizzi (indipendenti)

The Board of Directors will end its term of office with the approval of the financial statements for the year ending 31 December 2026.

Board of Statutory Auditors

Chairman of the Board of Statutory Auditors
Fabrizio Morra

Standing Auditors
Fabrizio Bava
Chiara Grandi

Alternate Auditors
Franco Cattaneo
Rosa Chirico

The Board of Statutory Auditors will end its term of office with the approval of the financial statements for the year ending 31 December 2026.

Independent Auditors

BDO Italia S.p.A.

The Independent Auditors will end their term of office with the approval of the financial statements for the year ending 31 December 2032.

Supervisory Board

Eleonora Pradal

Foreword

This Consolidated Report on Operations is part of the Consolidated Financial Statements at 31 December 2024, prepared in accordance with IFRS, meaning all International Financial Reporting Standards, all International Accounting Standards (IAS), all interpretations of the International Reporting Interpretations Committee (IFRIC), formerly known as the Standing Interpretations Committee (SIC), which, at the closing date of the Consolidated Financial Statements, were endorsed by the European Union in accordance with the procedure set forth in Regulation (EC) no. 1606/2002 by the European Parliament and the European Council of 19 July 2002.

Overview

The parent company, Altea Green Power S.p.A., is listed on the Euronext STAR Milan market of Borsa Italiana, with its operational headquarters in Rivoli (TO). Established in 2008, its mission is to supply and manage renewable energy plants with maximum efficiency and guaranteed operation, all while fully respecting the environment.

Leveraging its expertise for companies, funds, and investors, it develops projects and manages the authorization processes for photovoltaic, wind, and storage plants, also positioning itself as an Independent Power Producer (IPP) exclusively from renewable sources. It also develops and builds industrial-scale rooftop and ground-mounted photovoltaic plants.

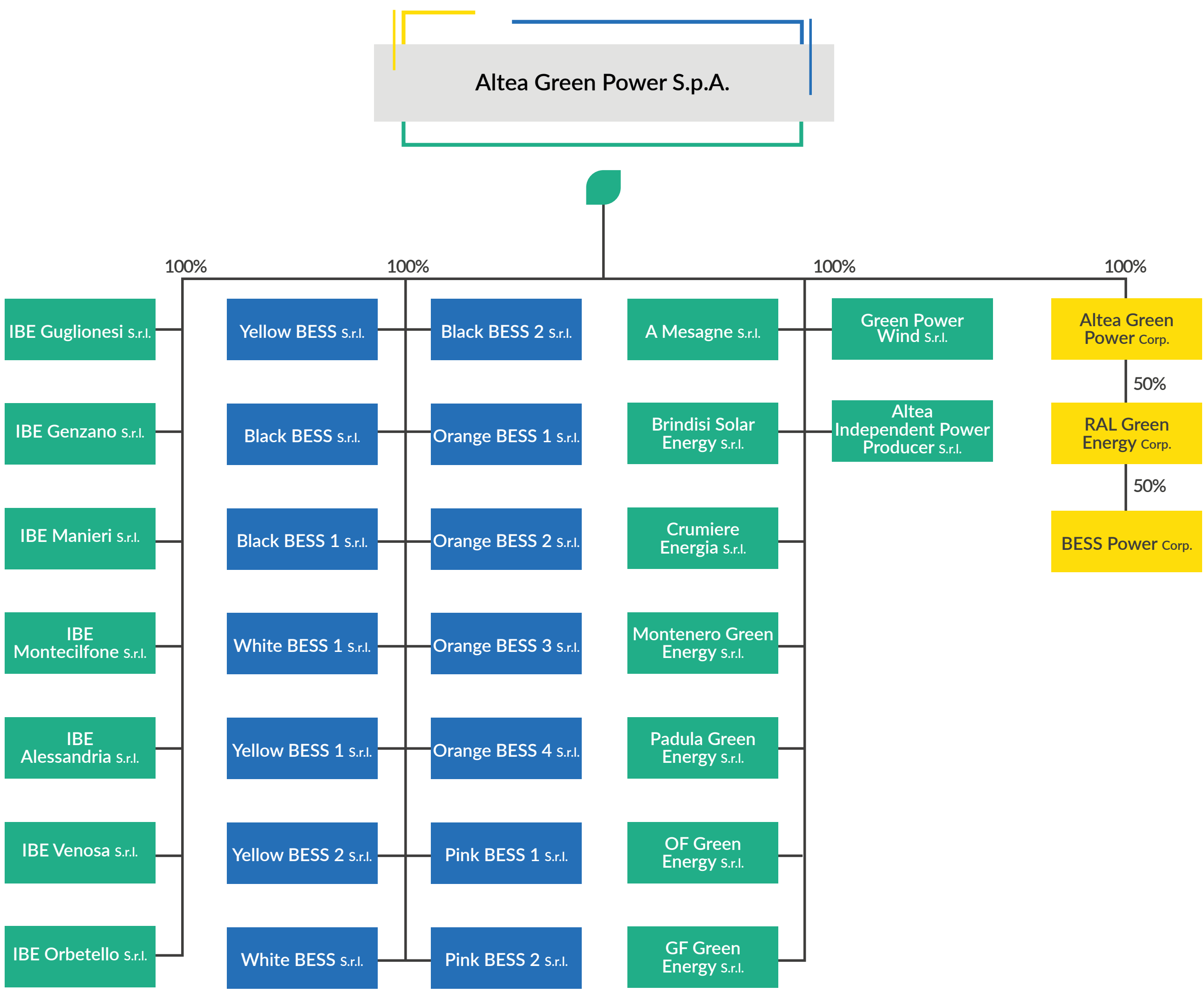
The Group’s business areas are:

- **Co-Development**: the Co-Development division represents the Group's core business, primarily focusing on the process from originating suitable sites for plant construction to obtaining the necessary permits for the plant's development. This process focuses on the construction of large-scale renewable energy and storage plants. Specifically, under Co-Development, the Group is involved in:
  - the identification of suitable sites for the construction of photovoltaic plants, wind farms and Battery Energy Storage Systems (BESS),
  - or the application for grid connection permits and the completion of administrative procedures necessary to obtain the functional permits for the implementation of plants; and

  - or the preliminary and final planning and engineering work for the construction of the plants.
- **EPC and Energy Efficiency**: the EPC (Engineering, Procurement, Construction) division specializes in the planning and construction of industrial-scale rooftop and ground-mounted photovoltaic plants, medium-sized wind farms, and energy storage systems. It manages all stages of the process, providing "turnkey solutions". Through this division, the Group primarily offers small and medium-sized enterprises consulting services aimed at improving the efficiency of existing renewable energy plants, specifically by conducting energy diagnostics of sites and plants.
- **IPP**: the Independent Power Production division is active in the planning and construction in Italy of proprietary photovoltaic plants with a capacity of at least 90 MW by 2028 in the photovoltaic sector, with plans to expand to 150 MW in subsequent years. This division is currently marginal and is expected to start delivering its first results in the coming years.

AGP Group Structure

The Group's corporate organizational chart at 31 December 2024 is shown below:



Consolidation scope

At 31 December 2024, the consolidation scope includes the following companies directly or indirectly controlled by Altea Green Power S.p.A.:

SUBSIDIARIES	Registered office	Tax code	Currency	Share capital in Euro	Investment	Consolidation method	% Share held
Brindisi Solar Energy S.r.l.	P.zza A. Diaz 7 - MI	10812770963	Euro	10,000	Direct	Full	100%
IBE Guglionesi Wind S.r.l.	C.so Re Umberto 8 - TO	12291540016	Euro	10,000	Direct	Full	100%
Yellow BESS S.r.l.	C.so Re Umberto 8 - TO	12291490014	Euro	10,000	Direct	Full	100%
IBE Genzano S.r.l.	C.so Re Umberto 8 - TO	12291460017	Euro	10,000	Direct	Full	100%
IBE Manieri S.r.l.	C.so Re Umberto 8 - TO	12291520018	Euro	10,000	Direct	Full	100%
IBE Montecilfone S.r.l.	C.so Re Umberto 8 - TO	12291530017	Euro	10,000	Direct	Full	100%
IBE Alessandria S.r.l.	C.so Re Umberto 8 - TO	12291500010	Euro	10,000	Direct	Full	100%
IBE Venosa S.r.l.	C.so Re Umberto 8 - TO	12291480015	Euro	10,000	Direct	Full	100%
Montenero Green Energy S.r.l.	C.so Re Umberto 8 - TO	12692000016	Euro	10,000	Direct	Full	100%
Padula Green Energy S.r.l.	C.so Re Umberto 8 - TO	12710550018	Euro	10,000	Direct	Full	100%
Black BESS S.r.l.	C.so Re Umberto 8 - TO	12752950019	Euro	10,000	Direct	Full	100%
A Mesagne S.r.l.	C.so Re Umberto 8 - TO	12677100963	Euro	10,000	Direct	Full	100%
Crumiere Energia S.r.l.	C.so Re Umberto 8 - TO	3505520043	Euro	110,000	Direct	Full	100%
IBE Orbetello S.r.l.	C.so Re Umberto 8 - TO	12888870016	Euro	10,000	Direct	Full	100%
Altea Independent Power Producer S.r.l.	C.so Re Umberto 8 - TO	12268350969	Euro	10,000	Direct	Full	100%
Altea Green Power US Corp.	Delaware - USA	n/a	U.S. $	n/a	Direct	Full	100%
RAL Green Energy Corp.	Delaware - USA	n/a	U.S. $	n/a	Indirect	Equity	50%
BESS Power Corp.	Delaware - USA	n/a	U.S. $	n/a	Indirect	Equity	25%
Companies established in 2024							
Black BESS 1 S.r.l.	C.so Re Umberto 8 - TO	13053140011	Euro	10,000	Direct	Full	100%
White BESS S.r.l.	C.so Re Umberto 8 - TO	13053120013	Euro	10,000	Direct	Full	100%
White BESS 1 S.r.l.	C.so Re Umberto 8 - TO	13053110014	Euro	10,000	Direct	Full	100%
Yellow BESS 1 S.r.l.	C.so Re Umberto 8 - TO	13053100015	Euro	10,000	Direct	Full	100%
Yellow BESS 2 S.r.l.	C.so Re Umberto 8 - TO	13053130012	Euro	10,000	Direct	Full	100%
Black BESS 2 S.r.l.	C.so Re Umberto 8 - TO	13121820016	Euro	10,000	Direct	Full	100%
Orange BESS 1 S.r.l.	C.so Re Umberto 8 - TO	13123910013	Euro	10,000	Direct	Full	100%
Orange BESS 2 S.r.l.	C.so Re Umberto 8 - TO	13123980016	Euro	10,000	Direct	Full	100%
Orange BESS 3 S.r.l.	C.so Re Umberto 8 - TO	13124080014	Euro	10,000	Direct	Full	100%
Orange BESS 4 S.r.l.	C.so Re Umberto 8 - TO	13124070015	Euro	10,000	Direct	Full	100%
Pink BESS 1 S.r.l.	C.so Re Umberto 8 - TO	13100490013	Euro	10,000	Direct	Full	100%
Pink BESS 2 S.r.l.	C.so Re Umberto 8 - TO	13123500012	Euro	10,000	Direct	Full	100%
Green Power Wind 1 S.r.l.	C.so Re Umberto 8 - TO	13106140018	Euro	10,000	Direct	Full	100%

SUBSIDIARIES	Registered office	Tax code	Currency	Share capital in Euro	Investment	Consolidation method	% Share held
Companies acquired from third parties in 2024							
OF Green Energy UNO S.r.l.	Via Vinadio 20 - TO	12291470016	Euro	10,000	Direct	Full	100%
GF Green Energy UNO S.r.l.	Via San Vittore 45 - TO	12268360968	Euro	10,000	Direct	Full	100%
Companies sold to third parties in 2024							
Green BESS S.r.l.	C.so Re Umberto 8 - TO	12731150012	Euro	10,000	Direct	Full	100%
Blue BESS S.r.l.	C.so Re Umberto 8 - TO	12786310016	Euro	10,000	Direct	Full	100%
Companies liquidated in 2024							
Cuyler Green Energy LLC	Delaware - USA	n/a	U.S. $	n/a	Indirect	Full	100%
Quitman Green Energy LLC	Delaware - USA	n/a	U.S. $	n/a	Indirect	Full	100%

The investees shown are almost all Special Purpose Vehicles (SPVs) used to support Co-Development projects: each company represents an ongoing project to which all contractual costs are reversed.

In 2024, the Group acquired 100% of the shares of OF Green Energy UNO S.r.l. and GF Green Energy UNO S.r.l., with the goal of expanding its portfolio and developing new Co-Development projects.

On 21 March 2024, the Group finalized the closing of the Co-Development contract for 9 BESS Storage plants in Italy with a North American investment fund, concurrently selling the shares of the subsidiaries Green BESS S.r.l. and Blue BESS S.r.l. for a consideration of € 5.7 million.

Subsidiaries include Altea Green Power US Corp., a U.S.-registered company, as a vehicle for developing the Group's business in U.S. markets, and BESS Power Corp., a company operating in the acquisition of stand-alone Battery Energy Storage System projects. Except for these companies, the other U.S. companies, still in the start-up phase and of minor value, were liquidated in 2024 to focus resources on the operating company BESS Power Corp.

The Italian renewable energy target market in which the Group operates

In October 2024, Terna and Snam updated their energy system development scenarios. This is a crucial step in which the two Transmission System Operators (TSOs) define how much and what type of energy the grids will be able to accommodate in the future.

Compared to previous forecasts, the projected share of renewables in 2030 is up by 6 GW, with a shift of solar capacity from the South and Sicily to the North by approximately 10 GW. At the same time, the process of drafting regional laws to define areas where the installation of renewables is prohibited began. The fear of a "Sardinia contagion" appears to be contradicted by a much more balanced approach from the other regions. All indications suggest that the Italian solar market, except in Sardinia where a highly obstructive law has been implemented and where the Group has no significant projects, will not face any setbacks.

Regarding the FER-X, to expedite the approval process, the decree was divided into two phases, with the first part (Transitional FER-X), approved by the European Commission on 17 December 2024, designed to govern the 2025 auctions and the second (final FER-X) those from 2026 onward.

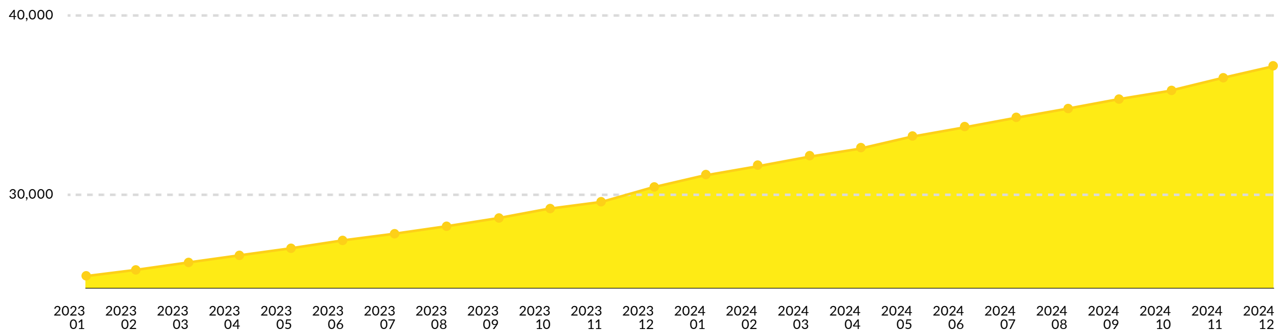
The primary goal of the Transitional FER-X is to incentivize the construction of new renewable

energy production plants, such as wind, solar photovoltaic, and hydroelectric plants, by providing a state aid scheme of more than nine billion euro to support electricity production from renewable sources.
On 30 June 2024, the Ministries of Environment and Energy Security (MASE) and Infrastructure and Transport (MIT) submitted the final text of the 2024 National Integrated Energy and Climate Plan (PNIEC) to the EU Commission, outlining at the national level the goals of the European Fit-for-55 and RepowerEU legislative packages. Italy's PNIEC sets national targets for 2030 on energy efficiency, renewable energy, and CO2 emissions reduction, as well as goals for energy security, interconnections, the single energy market, competitiveness, development, and sustainable mobility, outlining measures for each that will be implemented to ensure achievement.

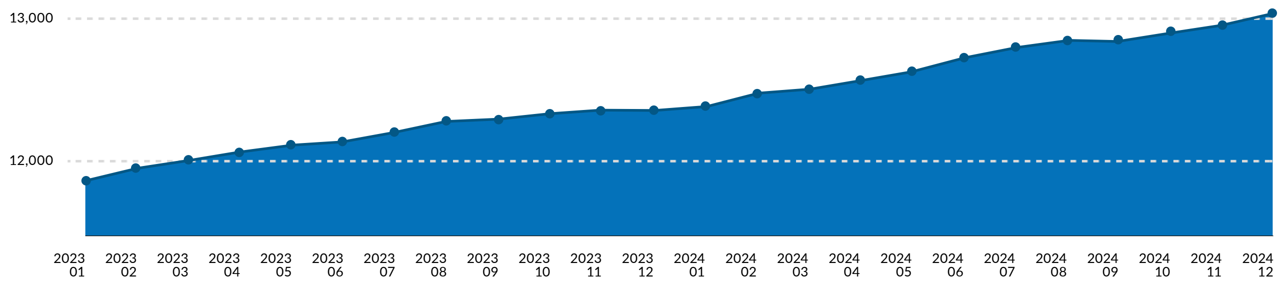
Solar and wind power plants

Under the PNIEC, a target of 131 GW of generating capacity from renewable plants by 2030 is outlined, including approximately 80 GW from solar and approximately 28 GW from wind power.
According to Terna's findings, at 31 December 2024, the total installed capacity from renewable sources exceeds 76 GW, with 37.1 GW from solar and 13 GW from wind (+29% increase in installed capacity in 2024 versus 2023). This increase resulted in a significant milestone, as for the first time, renewable energies exceeded 40% of demand coverage, matching the contribution of fossil fuels, demonstrating the commitment to meeting the set targets.
The following graphs show the evolution of the installed capacity of solar and wind power plants (TERNA).

INSTALLED CAPACITY PHOTOVOLTAICS



INSTALLED CAPACITY WIND POWER



Storage plants

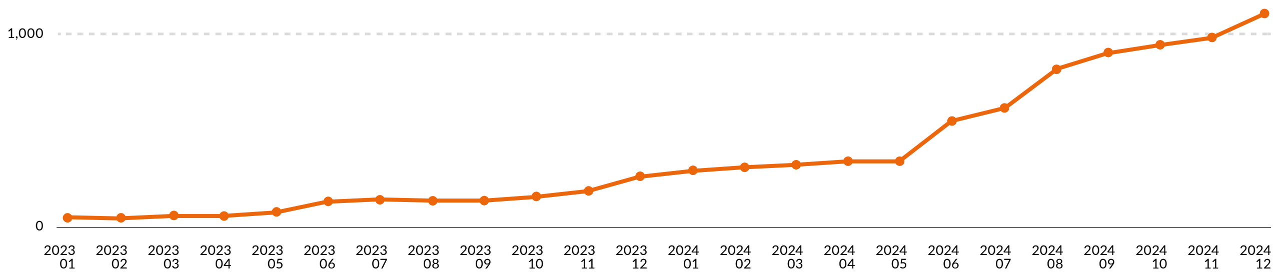
The Italian energy storage market is evolving and experiencing significant growth, which will need to continue in the future for the Country to meet its renewable energy targets. In fact, storage is a crucial resource for integrating renewable energy into the Italian electricity system (as it allows surplus renewable energy to be stored and returned to the system during hours of lower production).

In the PNIEC policy 2030 scenario, the storage capacity required to integrate renewables and manage the electric system is approximately 122 GWh, broken down as follows:

- 50 GWh from existing pumping;
- approximately 14 GWh from small-scale storage;
- approximately 8 GWh from storage already awarded long-term contracts in Capacity Market auctions;
- 50 GWh from large-scale plants that may be procured through the Mechanism for Electricity Storage Supply and Capacity (MACSE) and/or the result of private initiatives.

At 31 December 2024, the total installed capacity is approximately 66 MWh (9.9 GW in terms of power), showing a 10% growth versus 2023 (+27% in terms of power). Looking exclusively at the installed capacity of stand-alone storage plants where the Group operates, the total amounts to 3.9 MWh (1.1 GW in terms of power), with a growth of more than 300% versus the prior year in both capacity and installed power.
The following graph shows the evolution of the installed capacity of stand-alone plants only (TERNA):

INSTALLED CAPACITY STAND-ALONE PLANTS



Energy efficiency

The European regulatory framework is increasingly focused on energy efficiency, not only in relation to industry and business, but also with particular attention to public administrations, individuals, and the service and tertiary sectors. The Energy Efficiency Directive (EED) sets the course, raising targets for reductions in final and primary energy consumption at both the community and national levels. It also identifies minimum annual savings to be achieved nationally, proportionate to accomplishments in recent years. The Energy Performance of Buildings Directive (EPBD), approved in March 2024 after a lengthy review process, sets out requirements and targets for both residential and non-residential buildings, covering new constructions as well as renovations. The PNIEC, in alignment with EED III, has revised upward the targets for reducing annual final energy consumption by 2030, along with increased annual savings obligations.
In May 2024, the publication of the Superbonus LD officially marked the end of the incentive. However, the PNRR, through its December 2023 revision, allocated an additional € 7.681 billion for energy efficiency, primarily linked to the Transition 5.0 Plan.
Thanks to the importance of steady incentives supporting investment and the growing awareness of the need to reduce consumption, the energy efficiency sector holds very promising development prospects.
The AGP Group's energy efficiency activities are positioned toward industrial plants with power capacities exceeding 100 kW.

Significant events

in 2024

Co-Development

In 2024, the AGP Group continued its development activities in the traditional photovoltaic and wind renewable energy sectors, now predominantly focusing on the development of BESS Storage projects to meet the energy modulation needs of the national power grid.

On 21 March 2024, the Group signed a Co-Development contract for 9 BESS Storage plants in Italy, with a total value exceeding € 68 million (plus a success fee of up to € 15 million), with a North American investment fund. Part of this consideration, amounting to € 5.7 million, represents the value of the sale of the special purpose vehicles Green BESS S.r.l. and Blue BESS S.r.l..

Regarding the contract signed in July 2022 with the Irish company Aer Soléir for the Co-Development management of projects with a total capacity of 510 MW and a value exceeding € 40 million, the first authorization processes were concluded as of November, including the 250 MW project in Piedmont, one of the largest in Italy, which received authorization from the Ministry of Environment and Energy Security (MASE). The collection of the final tranche of consideration for this project alone amounts to approximately € 17 million over the next 18 to 24 months, with € 3.9 million to be collected in first quarter 2025.

It should be noted that in 2024, the Group developed new BESS Storage projects exceeding 500 MW, incremental to what was originally planned in the 2024-2028 Business Plan. For these new projects, business contacts are currently underway to finalize one or more Co-Development contracts.

Lastly, the AGP Group has started the authorization process for a number of Storage projects exceeding 2.5 GW. This activity aligns with the AGP Group's strategy to offer investors higher value-added projects that are more attractive as "mature projects”. It also enables the Group to secure more lucrative contracts compared to those in the greenfield project segment.

On the U.S. market front, through its subsidiary Altea Green Power US Corp., which holds a 25% stake in BESS Power Corp., the Group continues to pursue its goal of developing a pipeline of between 1.5 and 2 GW of projects over a 4 to 5-year time horizon. At 31 December 2024, an initial project of approximately 0.5 GW (referred to as Lund Storage) is at an advanced stage

of development, having secured a preliminary connection agreement with the local Texas grid operator, ERCOT.
Thanks to the commercial agreements signed in 2024, the Group now boasts an order backlog exceeding € 150 million and new pipeline developments with a total capacity of over 3 GW.

Admission to trading on Euronext Milan - STAR Segment

On 14 November 2024, Borsa Italiana arranged for the start of trading on the regulated market Euronext Milan - STAR Segment of the ordinary shares (the "Shares") and warrants called Altea Green Power 2022-2024 Warrants of Altea Green Power S.p.A., starting 18 November 2024.
Through translisting, the Directors believe they can enable the AGP Group to acquire significant benefits, including growth support, heightened visibility in both domestic and international target markets, and increased demand from domestic and foreign institutional investors, resulting in improved share liquidity. Transitioning to the regulated market, the Group also intends to fortify relationships with its strategic partners and, importantly, enhance its reputational, as well as credit standing.

Approval of the new 2024-2028 business plan

On 15 January 2024, the Board of Directors approved the new 2024-2028 Business Plan, subsequently updated on 25 September 2024 in light of the adoption of IFRS international accounting standards, setting medium- to long-term goals that envision further accelerated growth and an increase in the already remarkable margins versus the previous targets set in the 2023-2025 Plan. The Plan's growth strategy will focus on three key areas of development: consolidating its position as a leading player in the implementation of Storage BESS projects in Italy, entering a purely industrial business sector involving the development, construction, and operation of proprietary solar power plants in Italy. Lastly, development activities in the U.S. will be continued in both the Storage and Mixed Solar sectors, including through new joint ventures where the Group has a majority stake.

Renewal of corporate offices

The Shareholders' Meeting of Altea Green Power S.p.A., which met on 17 July 2024, among other items:

- set the number of members of the Board of Directors at seven, fixing the term of office of the new Board at three years, thus until the Shareholders' Meeting called to approve the financial statements at 31 December 2026. The appointed members of the Board of Directors were: Giovanni Di Pascale, Fabio Lenzini, Luca De Zen, Laura Guazzoni, Francesco Bavagnoli, Donatella De Lieto Vollaro, Anna Chiara Invernizzi. The Shareholders' Meeting also appointed Giovanni Di Pascale as Chairman of the Board of Directors;
- appointed the Board of Statutory Auditors, which will remain in office until the Shareholders' Meeting called to approve the financial statements at 31 December 2026, in the persons of: Fabrizio Morra (Chairman), Chiara Grandi (Standing Auditor), Fabrizio Bava (Standing Auditor), Franco Cattaneo (Alternate Auditor), Rosa Chirico (Alternate Auditor).

Loan signed with Parent Company Dxor Investments S.r.l.

On 31 July 2024, the parent company Dxor Investments S.r.l. disbursed a loan of € 2.5 million to Altea Green Power S.p.A., at a floating rate (3-month EURIBOR + 2% spread). The transaction was settled at arm's length, that is, on the terms that are or would be applied between two independent parties.

Settlement of tax positions from prior years

In 2023, the AGP Group filed a petition with the tax authorities seeking the possibility of allocating the tax period differently for positive income components arising from long-term contracts for the construction of plants on order, which represent the Group's core business. Pending the response to the petition, the Group also suspended payments of main tax (IRES and IRAP) for 2023, which was duly accounted for in the financial statements at 31 December 2023. However, following the negative outcome of the petition to the tax authorities in first half 2024, the AGP Group took steps on 31 July 2024 to settle its tax positions related to prior years, excluding amounts already subject to installment payments, by paying a total of € 4.1 million.

Significant events after 31 December 2024

Authorization of the 200 MW BESS (Storage) Project in Basilicata

In January 2025, the Ministry of Environment and Energy Security (MASE) authorized the project for the 200 MW electrochemical storage plant (BESS) located in Basilicata, in the Municipality of Genzano di Lucania. This project was previously covered by the agreement signed in July 2022 with customer Aer Soléir.
The total value of the BESS (Storage) project exceeds € 17.5 million, with an operating impact of approximately € 8.6 million in 2024. It is expected to generate an additional impact of € 8.9 million in 2025, producing cash flows to the Group totaling € 13 million over the next 18 to 24 months.
The authorization for the project in question follows the one received in November for the 250 MW electrochemical storage plant (BESS) located in Piedmont, in the Municipality of Rondissone, which is also covered by the agreement signed in July 2022 with customer Aer Soléir.

Start of share buyback plan

On 30 January 2025, the Board of Directors resolved to start a share buyback plan, previously approved at the Shareholders' Meeting of 29 April 2024. Specifically:
- purchases will concern a number of shares not exceeding 20% of the share capital, with a maximum countervalue set at € 1 million;
- the purchase price may not deviate downward or upward by more than 25% from the reference price recorded by the share in the session on the day before each individual transaction;
- the buyback plan may be implemented within 18 months from the date of the resolution adopted by the Shareholders' Meeting of 29 April 2024.

The Plan will be implemented by an independent intermediary who will be granted the appropriate mandate. The Group will provide information on transactions related to the share buyback plan in accordance with the terms and manners prescribed by applicable regulations.
The buyback plan may be accompanied by parallel market interventions from the controlling holding companies and/or key financial intermediaries.
On 6 February 2025, a business valuation prospectus was published by French equity research firm TP ICAP MIDCAP. This analysis, aimed at providing the most relevant operating, financial, and equity information to French investors, sets a target value for the Altea Green Power share at € 11.50 per share, aligning with a similar analysis conducted by Banca IMI in September 2024, which set the target price of the share at € 11.40.

Trend of Net Financial Debt

At 31 December 2024, the Group's Net Financial Debt stood at around € 7.4 million versus € 1 million projected in the 2024-2028 Business Plan. This change is due entirely to a series of collections initially planned for the second part of December 2024 but subsequently postponed to early 2025. With these collections, Net Financial Debt would have been in line with expectations. It should be noted that the Group, based on the postponed collections and the regularly expected ones in the early months of 2025, estimates that it will close the first quarter with a positive Net Financial Position.

AGP Group performance

Income statement

Below is the reclassified consolidated income statement at 31 December 2024 and 31 December 2023.

RECLASSIFIED INCOME STATEMENT *(Figures in Euro)*	31/12/2024	%	31/12/2023	%
Revenue	34,912,758	99%	15,475,853	95%
Other revenue	461,338	1%	786,769	5%
Total revenue	**35,374,096**	**100%**	**16,262,622**	**100%**
Purchases, services and other operating costs	(10,239,346)	(29%)	(7,506,822)	(46%)
Personnel expense	(3,221,142)	(9%)	(1,499,519)	(9%)
Operating costs	**(13,460,488)**	**(38%)**	**(9,006,341)**	**(55%)**
EBITDA	**21,913,608**	**62%**	**7,256,281**	**45%**
Amortization, depreciation and write-downs	(164,015)	0%	(153,333)	(1%)
EBIT	**21,749,593**	**61%**	**7,102,948**	**44%**
Financial income/(expense)	(546,852)	(2%)	(232,516)	(1%)
EBT	**21,202,740**	**60%**	**6,870,432**	**42%**
Income tax	(5,128,865)	(14%)	(1,950,770)	(12%)
Consolidated Net Profit	**16,073,875**	**45%**	**4,919,662**	**30%**

The Group's consolidated income statement at 31 December 2024 shows revenue of € 35.4 million, up by € 19.1 million versus € 16.3 million at 31 December 2023 (+118% versus the prior period). The sharp increase versus the prior year is related mainly to the closing of the Co-Development contract for the 9 BESS Storage plants in Italy for the sale of the subsidiaries Green BESS S.r.l. and Blue BESS S.r.l., and to progress in the authorization processes of the storage projects.

Consolidated EBITDA at 31 December 2024 came to € 21.9 million, up more than 200% from € 7.3 million at 31 December 2023. The EBITDA Margin increased too, reaching 62%, up from 45% in 2023, despite higher personnel expense due to long-term bonuses recognized and accounted for in accordance with international accounting standards starting in 2024 (€ 741 thousand).

Below is adjusted EBITDA adjusted for the extra costs mentioned above referring to the target-based remuneration plans:

ADJUSTED EBITDA *(Figures in Euro)*	31/12/2024	%	31/12/2023	%
Total revenue	**35,374,096**	**100%**	**16,262,622**	**100%**
Adjusted EBITDA	22,654,608	64%	7,256,281	45%

Statement of financial position

Below is the reclassified statement of financial position at 31 December 2024 and 31 December 2023.

RECLASSIFIED STATEMENT OF FINANCIAL POSITION - ASSETS *(Figures in Euro)*	31/12/2024	31/12/2023
Non-current assets		
Intangible assets	179,821	5,013
Tangible assets	739,165	1,016,232
Deferred tax assets	92,607	133,781
Other non-current assets	1,544,223	1,544,223
Total non-current assets	**2,555,815**	**2,699,248**
Current assets		
Current assets	63,013,235	32,400,296
Other current assets	1,419,043	2,613,334
Cash and cash equivalents	1,870,091	502,486
Total current assets	**66,302,368**	**35,516,115**
Total assets	**68,858,183**	**38,215,363**

RECLASSIFIED STATEMENT OF FINANCIAL POSITION - LIABILITIES AND EQUITY *(Figures in Euro)*	31/12/2024	31/12/2023
Equity	34,925,958	17,443,983
Non-current liabilities	5,089,097	3,724,543
Current liabilities	28,843,128	17,046,837
Total liabilities and equity	**68,858,183**	**38,215,363**

Non-current assets decreased versus 31 December 2023, due mainly to ordinary amortization/depreciation for the period.

Current assets increased sharply versus the comparison period (€ +30.8 million), due to the development of the long-term orders of the Co-Development division, and in particular the Battery Energy Storage System segment.

Equity amounted to € 34.9 million at 31 December 2024 versus € 17.4 million at 31 December 2023. The change is attributable mainly to the result for the period and the change in translation reserves.

Non-current liabilities and current liabilities increased by € 1.4 million and € 11.8 million, respectively, versus 31 December 2023. Non-current liabilities are impacted by accruals for target-based remuneration plans booked from 2024 (€ +0.7 million), recorded in line with IFRS 2, and by the non-current portion of loans payable to Intesa Sanpaolo and the parent company Dxor Investments S.r.l. in July. Current liabilities increased due mainly to advance payments received from customers upon achievement of expected milestones on existing contracts.

Net financial debt

The net financial debt at 31 December 2024 and 31 December 2023, as defined by the new ESMA Guidelines of 4 March 2021 (see CONSOB Warning Notice no. 5/21 of 29 April 2021), is composed as follows.

NET FINANCIAL DEBT *(Figures in Euro)*	**31/12/2024**	**31/12/2023**
A. Cash	(1,870,091)	(502,485)
B. Cash and cash equivalents	-	-
C. Other current financial assets	-	-
D. Liquid assets (A + B + C)	**(1,870,091)**	**(502,485)**
E. Current financial debt (including debt instruments, but excluding the current portion of non-current financial debt)	2,288,059	881,350
F. Current portion of non-current debt	3,276,670	1,058,656
G. Current financial debt (E+F)	**5,564,730**	**1,940,006**
H. Net current financial debt (G+D)	**3,694,639**	**1,437,520**
I. Non-current financial debt (excluding current portion and debt instruments)	3,708,347	2,931,819
J. Debt instruments	-	-
K. Trade and other non-current payables	4,007	9,078
L. Non-current financial debt (I+J+K)	**3,712,354**	**2,940,897**
M. Total financial debt (H+L)	**7,406,994**	**4,378,417**

Without the application of IFRS 16, net debt at 31 December 2024 would have been € 6.8 million and € 3.6 million at 31 December 2023.
The difference versus the prior year is due mainly to the heavy investments made to develop new projects and consolidate existing ones, primarily within the BESS Storage segment, through securing new financing and credit lines. As anticipated in "Significant events after 31 December 2024", based on the collections initially expected in the second part of December and subsequently postponed, as well as the regularly expected ones in the early months of 2025, the Group expects to close the first quarter with a positive Net Financial Position.
Additionally, by adopting a Net Financial Debt schedule in accordance with ESMA Guidelines, total financial debt differs from what was presented in the Consolidated Report on Operations at 31 December 2023, due to the inclusion of the portion of trade payables past due by more than 365 days (€ 9 thousand at 31 December 2023).
Below is the Reclassified Consolidated Statement of Cash Flows at 31 December 2024 and at 31 December 2023 *(see the next page).*

RECLASSIFIED CONSOLIDATED STATEMENT OF CASH FLOWS *(Figures in Euro)*	31/12/2024	31/12/2023
Cash flow from operations	(4,205,234)	(3,732,855)
Cash flow from investing activities	(291,309)	(1,653,982)
Free Cash Flow	**(4,496,543)**	**(5,386,837)**
Cash flow from financing activities	5,864,147	4,228,708
Cash flow for the period	**1,367,605**	**(1,158,129)**
Cash, beginning of period	**502,486**	**1,660,615**
Cash, end of period	**1,870,091**	**502,486**

Cash flow from operations amounted to € -4.2 million and should be attributed mainly to progress in the authorization process of BESS (Storage) projects during the year.
Cash used for investing activities amounted to € 0.3 million and refers to expenditure in company equipment (electronic equipment and furniture and fittings) as well as the outlays (net of cash acquired) for the acquisition of OF Green Energy S.r.l. and of GF Green Energy S.r.l..
Cash flow from financing activities amounted to a positive € 5.9 million, due primarily to the effect of new medium- to long-term loans and lines of credit, net of repayments on existing debt.

Stock market and share performance

On 28 January 2022, Altea Green Power S.p.A. was admitted to listing on the Euronext Milan market of Borsa Italiana, with trading starting on 1 February.
The structure of the offering included the free assignment of 4,161,000 Warrants to the market with a ratio of 1:1, exercisable in three time windows with a ratio of 1:2:

- 1-15 December 2022 (First Exercise Period) at a price of € 1.32;
- 1-15 December 2023 (Second Exercise Period) at a price of € 1.45;
- 1-15 December 2024 (Third Exercise Period) at a price of € 1.60.

On 16 December 2024, the Third and Final Period of the Altea Green Power 2022-2024 Warrants ended with the exercise of 922,568 newly-issued ordinary shares, for a total value of € 1,476,108.80.

Admission to listing on the Euronext Milan regulated market Euronext STAR Milan segment

On 14 November 2024, Altea Green Power S.p.A., assisted by Intesa SanPaolo S.p.A. (IMI Corporate & Investment Banking Division), was admitted to listing on the Euronext Milan market - STAR Segment, starting trading on 18 November.
To meet one of the requirements for access to this market, the Majority Shareholder completed the sale of 750,000 ordinary shares, representing 4.33% of the share capital, in June. The sale was conducted through an Accelerated BookBuilding (ABB) process reserved for qualified investors in Italy and institutional investors abroad, for a total value of € 5 million. Through this procedure, the free float exceeded the threshold of 35% of the share capital, thus supplementing one of the requirements for access to the Euronext STAR Milan segment organized and managed by Borsa Italiana S.p.A.

Altea Green Power S.p.A. share performance

(Euronext.com)

While the target prices of the most recent reports remained, on average, higher than the market price at 31 December 2024, the capitalization trend remained constant throughout the year, with a downward shift in the last period. This was caused by the so-called "Trump effect", which led several institutional players to reduce their energy stock holdings, negatively impacting the entire renewable energy sector. This effect was also amplified for AGP by the conversion of the third and final exercise of warrants in December. The conversion led to profit-taking by underwriters, given the significant realizable profit margins.

Environmental and personnel disclosure

The Company, recognizing the need to oversee new areas of development with competence and professionalism, has bolstered its organization by recruiting specialists from the market. The major focus areas were: administrative, and business development.
The following is a summary table on headcount trends during the period.

HEADCOUNT

	Average number			Number at year end		
	2024	**2023**	**Var.**	**2024**	**2023**	**Var.**
Executives	-	-	-	2	-	2
of which part time	-	-	-	-	-	-
Managers	5	5	-	3	5	(2)
of which part time	-	-	-	-	-	-
Employees	25	20	5	28	23	5
of which part time	*1*	*1*	-	*2*	-	*2*
Workers	1	1	-	1	1	-
of which part time	-	*1*	*(1)*	-	-	-
Total	**31**	**26**	**5**	**34**	**29**	**5**

In 2024, seven resources were hired and two resignations were submitted. The AGP Group anticipates continuing this investment in human resources in the future, both through recruitment from the labor market and through the growth of internal staff. The Group is committed to enhancing its resources through technical and managerial training programs that

promote the increasing adoption of managerial autonomy and accountability for achieving company objectives.
As proof of its commitment to enhancing the value of its resources, the AGP Group maintains an active remuneration policy for its employees, which aims to reward both the achievement of agreed goals and overall company performance on a variable basis (above 15%).
To complement this policy, the Group introduced, starting in 2024, a long-term bonus policy (retention bonus and phantom stock options) to encourage employees in key positions and/or those who have demonstrated outstanding performance to remain within the Group and support its growth.

Safety

The AGP Group has maintained a strong focus on safety. The management and coordination of worker safety always remains a key issue both in the phase prior to the opening of a construction site and after the start of work. From an internal perspective, all of the Group employees are trained and informed about safety risks and responsibilities. Given that activities at the various construction sites are often subcontracted to external companies and/or craftsmen, it has become necessary to appoint an external RSPP (a legally-mandated expert in workplace safety), who collaborates with the safety manager and the employer and meets periodically to analyze and address any issues related to the construction sites.
To ensure more efficient qualification and monitoring of suppliers, as well as greater control over compliance with internal procedures, in 2024 a dedicated Corporate Management Systems role was introduced.

Organizational and Management Model 231/01

As of June 2024, the AGP Group has been working on updating the Code of Ethics to align its principles, policies, procedures, and behavioral practices with the internal control system. The Code of Ethics has been enhanced with a focus on promoting respect for Diversity & Inclusion, fostering a corporate culture that embraces "zero tolerance" for all forms of discrimination and non-inclusion.
MOG implementation activities also began in the same month. The work carried out aims to implement the Organizational Management and Control Model by incorporating Environmental Crimes into its special section.
The new Code of Ethics and MOG have been updated and posted on the Company website. The corporate website has also been enhanced with a whistleblowing reporting feature, providing a specific online reporting channel that is accessible to all third parties, including anonymously. Additionally, throughout 2024, five meetings were held with the Supervisory Board.

Sustainability Report and ESG Policies

In 2024, the AGP Group prepared its second Sustainability Report (ESG), again on a voluntary basis. The Sustainability Report, referring to 31 December 2023, was prepared with the support of the relevant corporate departments and already incorporates some of the requirements set by the new European Corporate Sustainability Reporting Directive (CSRD) regulations. In light of current growth forecasts, these regulations will become mandatory for the Group starting with the approval of the 2025 financial statements.
The Sustainability Report reflects a journey where development, sustainability, and environmental impact are deeply interconnected. It serves as a crucial platform not only for presenting economic, social, and environmental results, but also for emphasizing the medium-

to long-term strategic directions and their alignment with sustainable development goals. Consistent with the previous report, the 2023 Sustainability Report provides comprehensive information on economic, environmental, and social aspects, essential for understanding the AGP Group's activities, performance, results, and their impact. It was prepared in accordance with the "GRI Standards" of the relevant Global Reporting Initiative (GRI). These performance indicators are based on general principles that assess relevance, inclusiveness, sustainability context, comprehensiveness, balance between positive and negative aspects, comparability, accuracy, timeliness, reliability, and clarity. The indicators were selected based on an analysis of their relevance. Additionally, quantitative information, for which estimates were utilized, is shown in various sections of the Sustainability Report.

The preparation of the Sustainability Report marks an initial formal step towards adopting a tangible sustainable approach, which involves progressively integrating the Sustainable Development Goals (SDGs) outlined in the 2030 Agenda by the United Nations. In this context, AGP conducted an analysis to assess the alignment of its business model and strategic objectives with the 17 Sustainable Development Goals - SDGs, including with the assistance of BLab-Global Compact's SDGs Action Manager platform. The SDGs Action Manager is a tool that can assess a company's contribution to the achievement of each individual goal relative to its potential.

As part of its commitment to enhance its management of relevant ESG (Environmental, Social & Governance) topics, the Group has embarked on a gap analysis and long-term road map project to advance its sustainability reporting process. This initiative is particularly focused on aligning with regulatory developments outlined in the new Corporate Sustainability Reporting Directive (CSRD).

The CSRD introduces more comprehensive non-financial reporting requirements, enhancing transparency regarding corporate performance. The AGP Group has also prepared a three-year ESG Plan, which consists of a structured set of goals and actions, associated with measurable KPIs to measure the results achieved. AGP aims to consolidate a Sustainable Business Model that, by integrating ESG topics into the company's management and reporting system, creates shared value for all stakeholders.

Quality, Environment and Safety

The Group Companies have the following certifications:

- UNI CEI 11352:2014
- UNI EN ISO 9001:2015
- UNI ISO 45001-2003
- UNI ISO 37001-2016
- UNI EN ISO 14001:2015
- UNI ISO 30415:2021

Additionally, the AGP Group has a duly certified UNI CEI 11339:2014 EGE* (Energy Management Expert) in-house. In 2024, the company oversaw functional activities related to the UNI EN ISO 45001-2003 and UNI ISO 37001-2016 certifications, obtained in September 2022; these certifications necessitated significant interventions in the company's procedural and management systems. The UNI ISO 45001-2003 certification serves to enhance the company's measures for worker safety and environmental protection. On the other hand, the UNI ISO 37001-2016 certification helps mitigate potential instances of corruption, complementing the provisions outlined in Law 231/01. In July 2024, the company obtained the ISO 14001 certification (Environmental Management System Certification). ISO 14001 applies to environmental aspects that the organization identifies as within its control and influence.
The resulting opportunities are diverse:

- improved image towards stakeholders for its commitment to environmental protection;
- tool for managing Supply Chain Risk. Failure to comply with environmental obligations may in fact result in a halt to supply due to the authorities' enforcement actions against the risk of environmental crimes;
- satisfaction of customer requirements, as supplier qualification often requires demonstration of UNI EN ISO 14001 certification;
- reduction in insurance premiums;
- environmental protection and conscious use of resources;
- evidence that tools have been implemented to prevent potential misconduct.

The Environmental Management System can indeed be a valuable tool when linked with the Organizational Model established by Leg. Decr. 231/01, which provides for the extension of corporate administrative liability to certain types of environmental crimes.
Model 231 is an interconnected model that will interact with the quality and environmental management system (ISO 9001, ISO 14001), as well as the safety control and management system (Leg. Decr. 81/2008) health and safety in the workplace (ISO 45001), the Privacy system (GDPR 2016/679), the system for the prevention of corruption (ISO 37001).
In 2024, the Group also obtained ISO 30415:2021 - Human Resources Management - Diversity and Inclusion certification, thereby implementing a model aimed at initiating a process of ongoing improvement in inclusive capabilities and the enhancement of diversity. The standard concentrates on human resource management processes within the company, facilitating compliance and certification of key HR processes including personnel planning, selection, training, performance management, development plans, and compensation policies. By obtaining ISO 30415, the Group also aims to instill a culture of inclusivity throughout the business, developing greater economic value and enhanced appeal to stakeholders.

Other information

Research & Development

During the year, the AGP Group did not undertake any Research and Development projects.

Group Control

At 31 December 2024, Dxor Investments S.r.l., wholly owned by Giovanni Di Pascale, directly controls 54.98% of the share capital of Altea Green Power S.p.A., equal to 9,518,699 shares. Additionally, Dxor Investments 1 S.r.l., a wholly owned subsidiary of Dxor Investments S.r.l., directly controls 10.00% of the share capital of Altea Green Power S.p.A. equal to 1,731,301 shares.

Treasury shares

Altea Green Power S.p.A. held no treasury shares at 31 December 2024.

Transactions with associates and parent companies subject to the control of parents

For details regarding the credit/debit exposure at 31 December 2024, as well as the income and expense accrued with related parties during the period, please refer to the relevant section in the notes to the Consolidated Financial Statements.

Atypical or unusual transactions

During the year, the Group did not carry out any atypical and/or unusual transactions.

Major risks and uncertainties

The Board of Directors reviews and agrees on policies to manage the main types of financial risks, as outlined below.

Credit risk

Credit risk refers to the Group's potential exposure to counterparties failing to fulfill their obligations. The Group is not particularly exposed to the risk of customers delaying or failing to meet their payment obligations according to the agreed terms and manner, due in part to its operations with leading players of unquestionable creditworthiness. For business purposes, policies are also adopted to ensure customer creditworthiness and limit exposure to credit risk through principal assessment and monitoring activities. Lastly, all receivables are regularly subject to a detailed evaluation on a customer-by-customer basis, with write-downs applied in cases where impairment is anticipated.

Market risk

Market risk refers to the variability in the value of assets and liabilities due to changes in market prices (primarily exchange rates and interest rates), which, in addition to affecting expected cash flows, can lead to unexpected increases in financial costs and expense.

Exchange risk

The Group is exposed to exchange rate fluctuation risks, due primarily to balance sheet items denominated in currencies other than the Euro. However, the current limited operations of the U.S. subsidiary do not expose the Group to "translational" exchange rate risks (related to fluctuations in exchange rates used to convert financial statement figures of subsidiaries) or "transactional" risks, as the Group primarily conducts its business in Eurozone countries.

Interest rate risk

Interest rate fluctuation risk is related mainly to medium/long-term loans negotiated at variable rates. Any fluctuations in exchange rates could potentially have negative effects on the Group's income and financial position. Interest rate risk management to date has been aimed primarily at minimizing financing costs and stabilizing cash flows. The Group also converted part of its floating-rate loans into fixed-rate loans by entering into financial derivatives for hedging purposes. For this reason, at the balance sheet date, the potential effect on the Income Statement from fluctuations in rising and falling rates (sensitivity analysis) is not considered significant.

Liquidity risk

Liquidity risk represents the potential difficulty that the Group may encounter in meeting its obligations associated with financial liabilities. The Group currently believes that its ability to generate cash - thanks in part to payment of services on a progress basis with chargeback of incurred costs - and the containment of bank exposure represent stable elements, sufficient to guarantee the necessary resources to continue its operations.

Risks associated with the global macroeconomic context

In recent years, the macroeconomic context has been marked by great uncertainty. Geopolitical instability, particularly the Russian-Ukrainian conflict that erupted in February 2022 and the more recent Israeli-Palestinian conflict, has created an extremely complex and unpredictable scenario marked by inflationary pressures and highly speculative dynamics. These phenomena, in particular, have impacted energy and commodity prices, disrupted supply continuity, and, more generally, led to a sharp rise in global inflation. This has resulted in a tightening of central bank monetary policies. While the Group has no significant direct or indirect business interests in the conflict-affected areas, it continues to closely monitor the developments in the macroeconomic context and its impact on business operations.

Cyber security risk

The increasing reliance on IT systems and the spread of digitization processes heighten the Group's exposure to this type of risk, which could lead to data loss, business disruption, or privacy violations. Although not particularly exposed to this risk, the Group is actively engaged in continuous efforts to enhance protection systems and procedures, train personnel, and strengthen IT infrastructure with dedicated safeguards.

Business outlook

As demonstrated by the results recorded in 2024, the strategic assessments underpinning the Group's plan are delivering the expected results. The focus and efforts directed toward the development of the Storage segment have enabled the Group, well ahead of market competitors, to secure a significant long-term income-financial result, while also creating an advantage in terms of know-how. The continued development and creation of new BESS project pipelines further strengthen the AGP Group's market position in this specific segment, laying the groundwork for growth aligned with forecasts.

2

Consolidated Statements

at 31 December 2024

Consolidated Statement of Financial Position

ASSETS *(Figures in Euro)*	Notes	31/12/2024	31/12/2023
Non-current assets			
Intangible assets	1		
Industrial patent and intellectual property rights		39,895	5,013
Intangible fixed assets under construction and other		139,926	-
Tangible assets	2		
Rights of use: property		448,247	530,874
Rights of use: other		174,994	220,588
Industrial plant, machinery and equipment		3,527	2,811
Tangible fixed assets under construction and other		112,397	261,959
Deferred tax assets	3	**92,607**	**133,781**
Other non-current assets	4		
Investments		1,544,223	1,544,223
Total non-current assets		**2,555,815**	**2,699,248**
Current assets			
Inventory	5	4,915,354	1,219,608
Contract work in progress	5	55,208,085	27,382,139
Trade receivables	6	701,399	736,884
Tax receivables	6	2,188,397	3,061,664
Other current assets	6		
Other assets		1,419,043	2,613,334
Cash and cash equivalents	7	**1,870,091**	**502,486**
Total current assets		**66,302,368**	**35,516,115**
Total assets		**68,858,183**	**38,215,363**

LIABILITIES AND EQUITY *(Figures in Euro)*	Notes	31/12/2024	31/12/2023
Equity	8		
Share capital		865,650	865,650
Share premium reserve		7,619,020	6,142,911
Legal reserve		173,130	166,603
Extraordinary reserve		59,832	59,832
FTA reserve		(15,243)	(15,243)
OCI reserve		(11,552)	(4,316)
Other reserves and retained earnings		10,161,245	5,308,883
Profit (loss) for the period		16,073,875	4,919,662
Share capital and reserves attributable to non-controlling interests		-	-
Total equity		**34,925,958**	**17,443,983**
Non-current liabilities			
Employee benefits	9	838,315	61,252
Non-current financial liabilities	10	3,708,347	2,931,819
Non-current tax liabilities	10	464,246	688,844
Deferred tax provision	10	2,172	290
Other non-current liabilities	10	76,017	42,338
Total non-current liabilities		**5,089,097**	**3,724,543**
Current liabilities			
Trade payables	10	3,960,282	2,332,778
Current financial liabilities	10	5,564,730	1,940,006
Current tax payables	10	3,523,394	3,852,288
Other current liabilities	10		
Advances from customers		14,872,540	8,476,205
Other liabilities		922,182	445,561
Total current liabilities		**28,843,128**	**17,046,838**
Total liabilities and equity		**68,858,183**	**38,215,363**

Consolidated Income Statement

INCOME STATEMENT *(Figures in Euro)*	Notes	2024	2023
Revenue			
Revenue		34,912,758	15,475,853
Other revenue and income		461,338	786,769
Total revenue	11	**35,374,096**	**16,262,622**
Operating costs			
Purchase costs		3,979,975	487,513
Service costs		8,413,153	7,135,506
Costs for rentals and leases		64,389	49,328
Personnel expense		3,221,142	1,499,519
Amortization and depreciation		157,302	133,798
Changes in allowances for inventory and trade receivables		6,714	19,534
Change in inventory		(3,695,746)	(1,065,599)
Other operating costs		1,477,575	900,073
Total operating costs	12	**13,624,503**	**9,159,674**
Operating profit/(loss)		**21,749,593**	**7,102,948**
Financial income		143,639	59,737
Financial expense		(690,491)	(292,253)
Income (expense) from investments		-	-
Financials	13	**(546,852)**	**(232,516)**
Profit/(Loss) before tax		**21,202,740**	**6,870,432**
Income tax	14	5,128,865	1,950,770
Profit/(Loss) for the year		**16,073,875**	**4,919,662**

Consolidated Income Statement

STATEMENT OF COMPREHENSIVE INCOME *(Figures in Euro)*	Notes	2024	2023
Profit/(Loss) for the year		**16,073,875**	**4,919,662**
Items reclassifiable to income statement		(1,670)	(11,108)
Actuarial gains/losses from employee plans		8,906	(1,795)
Total Other Comprehensive Income		**7,236**	**(12,904)**
Comprehensive income/(loss) for the year		**16,081,111**	**4,906,758**

Consolidated Statement of Changes in Equity

CHANGES IN EQUITY IN THE YEAR 31/12/2023 *(Figures in Euro)*	Share capital	Share premium reserve	Legal reserve	Extraord. reserve	FTA reserve	OCI reserve	Other reserves and retained earnings	Profit (loss) for the year	Total
Balance at 01/01/2023	830,663	5,163,254	104,891	59,832	(15,243)	8,588	1,233,968	4,166,918	11,552,871
Allocation of prior-year's profit/loss	-	-	61,712	-	-	-	4,105,206	(4,166,918)	-
Other changes	34,987	979,657	-	-	-	(12,903)	(30,289)	-	971,451
Profit (loss) for the year					-	-	-	4,919,661	4,919,661
Total equity attributable to the owners of the parent	865,650	6,142,911	166,603	59,832	(15,243)	(4,315)	5,308,883	4,919,662	17,443,983
Total equity attributable to non-controlling interests	-	-	-	-	-	-	-	-	-
Balance at 31/12/2023	865,650	6,142,911	166,603	59,832	(15,243)	(4,315)	5,308,883	4,919,662	17,443,983

CHANGES IN EQUITY IN THE YEAR 31/12/2024 *(Figures in Euro)*	Share capital	Share premium reserve	Legal reserve	Extraord. reserve	FTA reserve	OCI reserve	Other reserves and retained earnings	Profit (loss) for the year	Total
Balance at 01/01/2024	865,650	6,142,911	166,603	59,832	(15,243)	(4,315)	5,308,883	4,919,662	17,443,983
Allocation of prior-year's profit/loss	-	-	6,527	-	-	-	4,913,134	(4,919,662)	-
Other changes	-	1,476,109	-	-	-	(7,236)	(60,773)	-	1,408,100
Profit (loss) for the year	-	-	-	-	-	-	-	16,073,875	16,073,875
Total equity attributable to the owners of the parent	865,650	7,619,020	173,130	59,832	(15,243)	(11,552)	10,161,245	16,073,875	34,925,958
Total equity attributable to non-controlling interests	-	-	-	-	-	-	-	-	-
Balance at 31/12/2024	865,650	7,619,020	173,130	59,832	(15,243)	(11,552)	10,161,245	16,073,875	34,925,958

Consolidated Statement of Cash Flows

STATEMENT OF CASH FLOWS *(Figures in Euro)*	31/12/2024	31/12/2023
A. Cash flow from operations (indirect method)		
Profit (loss) for the year	16,073,875	4,919,662
Income tax	5,128,865	1,911,677
Interest expense/(interest income)	546,852	210,796
1. Profit (loss) for the year before income tax, interest, dividends and gains/losses from disposals	**21,749,593**	**7,042,135**
Adjustments for non-monetary items that did not have a balancing item in the net working capital		
Amortization and depreciation of fixed assets	*157,302*	*170,729*
Allocations/(releases) provisions	*20,525*	*(4,314)*
Other adjustments for non-monetary items	*1,032,149*	*(10,627)*
Total adjustments non-monetary items	1,209,975	155,788
2. Cash flow before changes in NWC	**22,959,568**	**7,197,923**
Changes in net working capital		
Decrease/(increase) in inventory net of advances from customers	*(25,125,356)*	*(13,533,834)*
Decrease/(increase) in trade receivables from customers	*35,485*	*3,264,581*
Increase/(decrease) in payables to third-party suppliers	*1,627,504*	*2,512,342*
Other changes in net working capital	*2,024,365*	*(931,480)*
Total changes in net working capital	(21,438,002)	(8,688,391)
3. Cash flow after changes in NWC	**1,521,566**	**(1,490,468)**
Other adjustments		
Interest received/(paid)	*(597,933)*	*(217,044)*
Income tax paid/(payable/offset)	*(5,128,865)*	*(1,911,677)*
(Utilization of provisions)	*-*	*(5,974)*
Total other adjustments	(5,726,799)	(2,134,695)
Cash flow from operations (A)	**(4,205,233)**	**(3,625,163)**
B. Cash flow from investing activities		
Tangible fixed assets		
(Purchases)	*(48,181)*	*(198,569)*
Disposals	*-*	*320*
Intangible fixed assets		
(Purchases)	*(185,986)*	*-*
Financial fixed assets		
(Purchases)	*-*	*(1,544,223)*
Disposals or repayments	*-*	*88,490*
Acquisition/disposal of companies/business units net of cash	(57,142)	-
Cash flow from investing activities (B)	**(291,309)**	**(1,653,982)**
C) Cash flow from financing activities		
Loan capital		
Increase/(Decrease) in short-term payables to banks	*3,333,058*	*1,544,075*
New/(Repayment) loans	*1,193,174*	*1,669,988*
Payments of lease liabilities	*(138,194)*	*(107,692)*
Equity		
Share capital increase against payment	*-*	*34,988*
Other share capital increases (decreases)	*1,476,109*	*979,657*
Cash flow from financing activities (C)	**5,864,147**	**4,121,016**
Increase (decrease) in cash (A ± B ± C)	**1,367,605**	**(1,158,129)**
Cash at 1 January	**502,486**	**1,660,615**
Bank and postal deposits	502,437	1,660,567
Cash and valuables on hand	48	48
Cash at 31 December	**1,870,091**	**502,486**
Bank and postal deposits	1,870,042	502,437
Cash and valuables on hand	48	48

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Notes to the Consolidated Financial Statements

at 31 December 2024

Overview

The AGP Group is active in the project development and construction of industrial-scale rooftop and ground-mounted photovoltaic plants, wind power plants, and storage systems. It also operates as an Independent Power Producer (IPP) exclusively from renewable sources.
The Parent Company Altea Green Power S.p.A. has its registered office in Corso Re Umberto 8, Turin (TO) and is domiciled in Via Chivasso 15/A, Rivoli (TO). It has been listed on the Euronext Milan (EXM) market of Borsa Italiana since 1 February 2022.
The Board of Directors authorized the publication of these Consolidated Financial Statements on 20 February 2025.

Preparation criteria

The Consolidated Financial Statements were prepared in accordance with IFRS, meaning all International Financial Reporting Standards, all International Accounting Standards (IAS), all interpretations of the International Reporting Interpretations Committee (IFRIC), formerly known as the Standing Interpretations Committee (SIC), which, at the closing date of the Consolidated Financial Statements, were endorsed by the European Union in accordance with the procedure set forth in Regulation (EC) no. 1606/2002 by the European Parliament and the European Council of 19 July 2002.
The Consolidated Financial Statements were prepared on a going concern basis, as the Directors have assessed that there are no financial, operational, or other indicators that may cast significant doubts on the Group’s ability to meet its obligations in the foreseeable future and in particular in the next 12 months.
The Consolidated Financial Statements consist of:

- a Consolidated Statement of Financial Position, broken down into current and non-current assets and liabilities, based on their realization or settlement within the company's normal operating cycle or within twelve months after the balance sheet date;
- a Statement of Profit (Loss) for the Period and other items of the Consolidated Statement of Comprehensive Income, which presents expense and revenue classified by nature, a method considered more representative of the business sector in which the Group operates;
- a Consolidated Statement of Changes in Equity;
- a Consolidated Statement of Cash Flows prepared according to the indirect method;
- these Explanatory Notes containing the information required by current regulations and international accounting standards, appropriately set out with regard to the reporting formats used.

The Consolidated Financial Statements are prepared on the basis of the historical cost principle, with the exception of financial instruments, measured at fair value. The Group has applied accounting standards consistent with those of the prior year.
Please refer to the Report on Operations for further details regarding the Group's situation, performance, and results of operations, particularly concerning costs, revenue, and capital expenditure. The Report also provides information on the key events in 2024 and the business outlook.

Consolidation scope

The Consolidated Financial Statements include the financial statements of the Parent Company Altea Green Power S.p.A. at 31 December 2024 and the financial statements, as of the same date, of the following direct or indirect subsidiaries:

SUBSIDIARIES	Registered office	Tax code	Currency	Share capital in Euro	Investment	Consolidation method	% Share held
Brindisi Solar Energy S.r.l.	P.zza A. Diaz 7 - MI	10812770963	Euro	10,000	Direct	Full	100%
IBE Guglionesi Wind S.r.l.	C.so Re Umberto 8 - TO	12291540016	Euro	10,000	Direct	Full	100%
Yellow BESS S.r.l.	C.so Re Umberto 8 - TO	12291490014	Euro	10,000	Direct	Full	100%
IBE Genzano S.r.l.	C.so Re Umberto 8 - TO	12291460017	Euro	10,000	Direct	Full	100%
IBE Manieri S.r.l.	C.so Re Umberto 8 - TO	12291520018	Euro	10,000	Direct	Full	100%
IBE Montecilfone S.r.l.	C.so Re Umberto 8 - TO	12291530017	Euro	10,000	Direct	Full	100%
IBE Alessandria S.r.l.	C.so Re Umberto 8 - TO	12291500010	Euro	10,000	Direct	Full	100%
IBE Venosa S.r.l.	C.so Re Umberto 8 - TO	12291480015	Euro	10,000	Direct	Full	100%
Montenero Green Energy S.r.l.	C.so Re Umberto 8 - TO	12692000016	Euro	10,000	Direct	Full	100%
Padula Green Energy S.r.l.	C.so Re Umberto 8 - TO	12710550018	Euro	10,000	Direct	Full	100%
Black BESS S.r.l.	C.so Re Umberto 8 - TO	12752950019	Euro	10,000	Direct	Full	100%
A Mesagne S.r.l.	C.so Re Umberto 8 - TO	12677100963	Euro	10,000	Direct	Full	100%
Crumiere Energia S.r.l.	C.so Re Umberto 8 - TO	3505520043	Euro	110,000	Direct	Full	100%
IBE Orbetello S.r.l.	C.so Re Umberto 8 - TO	12888870016	Euro	10,000	Direct	Full	100%
Altea Independent Power Producer S.r.l.	C.so Re Umberto 8 - TO	12268350969	Euro	10,000	Direct	Full	100%
Altea Green Power US Corp.	Delaware - USA	n/a	U.S. $	n/a	Direct	Full	100%
RAL Green Energy Corp.	Delaware - USA	n/a	U.S. $	n/a	Indirect	Equity	50%
BESS Power Corp.	Delaware - USA	n/a	U.S. $	n/a	Indirect	Equity	25%
Companies established in 2024							
Black BESS 1 S.r.l.	C.so Re Umberto 8 - TO	13053140011	Euro	10,000	Direct	Full	100%
White BESS S.r.l.	C.so Re Umberto 8 - TO	13053120013	Euro	10,000	Direct	Full	100%
White BESS 1 S.r.l.	C.so Re Umberto 8 - TO	13053110014	Euro	10,000	Direct	Full	100%
Yellow BESS 1 S.r.l.	C.so Re Umberto 8 - TO	13053100015	Euro	10,000	Direct	Full	100%
Yellow BESS 2 S.r.l.	C.so Re Umberto 8 - TO	13053130012	Euro	10,000	Direct	Full	100%
Black BESS 2 S.r.l.	C.so Re Umberto 8 - TO	13121820016	Euro	10,000	Direct	Full	100%
Orange BESS 1 S.r.l.	C.so Re Umberto 8 - TO	13123910013	Euro	10,000	Direct	Full	100%
Orange BESS 2 S.r.l.	C.so Re Umberto 8 - TO	13123980016	Euro	10,000	Direct	Full	100%
Orange BESS 3 S.r.l.	C.so Re Umberto 8 - TO	13124080014	Euro	10,000	Direct	Full	100%
Orange BESS 4 S.r.l.	C.so Re Umberto 8 - TO	13124070015	Euro	10,000	Direct	Full	100%
Pink BESS 1 S.r.l.	C.so Re Umberto 8 - TO	13100490013	Euro	10,000	Direct	Full	100%
Pink BESS 2 S.r.l.	C.so Re Umberto 8 - TO	13123500012	Euro	10,000	Direct	Full	100%
Green Power Wind 1 S.r.l.	C.so Re Umberto 8 - TO	13106140018	Euro	10,000	Direct	Full	100%

SUBSIDIARIES	Registered office	Tax code	Currency	Share capital in Euro	Investment	Consolidation method	% Share held
Companies acquired from third parties in 2024							
OF Green Energy UNO S.r.l.	Via Vinadio 20 - TO	12291470016	Euro	10,000	Direct	Full	100%
GF Green Energy UNO S.r.l.	Via San Vittore 45 - TO	12268360968	Euro	10,000	Direct	Full	100%
Companies sold to third parties in 2024							
Green BESS S.r.l.	C.so Re Umberto 8 - TO	12731150012	Euro	10,000	Direct	Full	100%
Blue BESS S.r.l.	C.so Re Umberto 8 - TO	12786310016	Euro	10,000	Direct	Full	100%
Companies liquidated in 2024							
Cuyler Green Energy LLC	Delaware - USA	n/a	U.S. $	n/a	Indirect	Full	100%
Quitman Green Energy LLC	Delaware - USA	n/a	U.S. $	n/a	Indirect	Full	100%

It should be noted that:

- companies incorporated and acquired in 2024 were consolidated on a line-by-line basis for the first time in these financial statements.

Acquisition of OF Green Energy UNO S.r.l. and GF Green Energy UNO S.r.l.

During the period, the Group acquired 100% of the shares of OF Green Energy UNO S.r.l. and GF Green Energy UNO S.r.l., with the goal of expanding its portfolio and developing new Co-Development projects. Under IFRS 3, the Directors compared the consideration transferred and the identifiable net assets acquired recognized at fair value at the acquisition date. Based on the above considerations, the Group recognized a negative difference between the acquisition cost and the current value of the assets and liabilities acquired, recording this result (€ 13 thousand) in the Income Statement as income.

Disposal of Green BESS S.r.l. and Blue BESS S.r.l.

On 21 March 2024, the Group finalized the closing of the Co-Development contract for 9 BESS Storage plants in Italy with a North American investment fund for a total of € 68.4 million, plus a potential success fee of € 15 million, concurrently selling the shares of the subsidiaries Green BESS S.r.l. and Blue BESS S.r.l. for a consideration of € 5.7 million; against this transaction, the Group recorded revenue of € 4.7 million (consideration received net of net contributed assets transferred at the date of sale).

Consolidation methods

The most significant consolidation methods used in the preparation of the Consolidated Financial Statements are as follows:

- subsidiaries are consolidated line by line from the acquisition date, i.e., when the Group gains control, and cease to be consolidated on the date when control is transferred outside the Group. This method involves recognizing the full amount of assets, liabilities, costs, and revenue, regardless of the size of the investment held. Any portion of equity and the result for the year attributable to non-controlling interests is allocated to the appropriate items in the Consolidated Financial Statements;

- the financial statements of subsidiaries were appropriately homogenized and reclassified to ensure consistency with the Group's accounting standards and valuation criteria, in accordance with the provisions of the IFRS currently in force;
- the carrying amount of investments in subsidiaries is eliminated against the corresponding equity by recognizing the subsidiaries' assets and liabilities through the full consolidation method;
- intra-group transaction balances and unrealized intra-group income and expense are eliminated. Unsupported losses are eliminated in the same way as unrealized gains, to the extent that there are no indicators that would give evidence of impairment.

Translation of individual financial statements expressed in currencies other than the Euro

At the balance sheet date, assets and liabilities of subsidiaries denominated in currencies other than the AGP Group's presentation currency (Euro) are translated as follows:

- at the spot exchange rate at the balance sheet date for balance sheet assets and liabilities;
- at the average exchange rate for the period for positive and negative income items in the Income Statement;
- at the historical exchange rate at the time of their formation for equity reserves.

Differences resulting from the application of this method are classified in the equity item “translation reserve" until the investment is sold.
The exchange rates used to determine the Euro equivalents of the foreign currency denominated figures of Altea Green Power Corp., Cuyler Green Energy LLC, Quitman Green Energy LLC, RAL Green Energy Corp., and BESS Power Corp. are shown in the tables below:

YEAR-END EXCHANGE RATES/CURRENCY	31/12/2024	31/12/2023
U.S. dollar	1.0389	1.1050

AVERAGE EXCHANGE RATES/CURRENCY	2024	2023
U.S. dollar	1.0824	1.0813

Business combinations

Business combinations in which control of an entity is acquired are recognized, in accordance with the provisions of IFRS 3, using the Acquisition Method. Acquisition cost is the fair value at the acquisition date of the assets sold, liabilities assumed, and equity instruments issued. The identifiable assets acquired, along with liabilities and contingent liabilities assumed, are recorded at their fair value at the acquisition date, except for deferred tax assets and liabilities, employee benefit assets and liabilities, and assets held for sale, which are recorded in accordance with the relevant accounting standards. The difference between the acquisition cost and the current value of the assets and liabilities acquired, if positive, is recorded in intangible assets as goodwill, or, if negative, after assessing the correct measurement of the current values of the assets and liabilities acquired and the acquisition cost, directly in the Income Statement, as income. Acquisition-related costs are recognized in the Income Statement at the moment they are incurred.

Under IFRS 3, the acquisition of a business takes place when it includes a substantial input and process that, together, contribute significantly to the ability to generate output. The definition of the term "output" refers to goods and services provided to customers, which generate flows from investments and other flows, and excludes returns in the form of lower costs and other economic benefits. In the case of partial control, the share of equity attributable to non-controlling interests is determined based on their proportionate share of the current values assigned to assets and liabilities at the date of assumption of control, excluding any goodwill attributable to them (partial goodwill method). Alternatively, the full amount of goodwill generated by the acquisition is recognized, including the portion attributable to non-controlling interests (so-called full goodwill method). In this case, non-controlling interests are presented at their full fair value, including their share of goodwill. The choice of how to determine goodwill (partial goodwill method or full goodwill method) is made selectively for each business combination transaction. The acquisition cost also includes contingent consideration, if any, which is recognized at fair value at the date when control is gained. Subsequent changes in fair value are recognized in the Income Statement or Comprehensive Income Statement if the contingent consideration is a financial asset or liability. Contingent consideration classified as equity is not recalculated and the subsequent settlement is accounted for directly in equity.
If the combination transactions through which control is gained occur in
various steps, the Group recalculates the interest it previously held in the acquiree at the respective fair value at the acquisition date and recognizes any resulting gain or loss in the Income Statement.
In the event of loss of control, the Group eliminates the assets and liabilities of the subsidiary, any non-controlling interests and other components of equity related to subsidiaries. Any gain or loss resulting from the loss of control is recognized in Profit/(Loss) for the year. Any investment retained in the former subsidiary is measured at fair value at the date of loss of control.

Accounting standards, amendments and interpretations applicable as of 1 January 2024

The following is a list of IFRS accounting standards, amendments and interpretations that became effective on 1 January 2024, the adoption of which did not materially affect the Group's financial statements.

IFRS	IASB Effective Date	Status of EU approval
Supplier Finance Arrangements (amendments to IAS 7 and IFRS 7)	1 January 2024	Endorsed
Lease liabilities in a sale and leaseback transaction (Amendments to IFRS 16)	1 January 2024	Endorsed
Classification of liabilities between current and non-current (amendments to IAS 1)	1 January 2024	Endorsed

Supplier Finance Arrangements (amendments to IAS 7 and IFRS 7)

In May 2023, the IASB issued amendments to IAS 7 Statement of Cash Flows and IFRS 7 Financial Instruments: Supplementary Information, to clarify the characteristics of reverse factoring arrangements and request to give further disclosure of such arrangements. The disclosure requirements included in the amendments are intended to assist financial statement users in understanding the effects on an entity's liabilities, cash flows, and exposure to liquidity risk of reverse factoring arrangements.

Lease liabilities in a sale and leaseback transaction (Amendments to IFRS 16)

In September 2022, the IASB issued an amendment to IFRS 16 to specify the requirements that a selling lessor uses in measuring the lease liability arising from a sale & leaseback transaction, to ensure that the selling lessor does not recognize gain or loss by reference to the right of use retained by the lessor.

Classification of liabilities between current and non-current (amendments to IAS 1)

In January 2020 and October 2022, the IASB published amendments to paragraphs 69 to 76 of IAS 1 to specify the requirements for classifying liabilities as current or noncurrent. The amendments clarify:

- what is meant by right of subordination of the due date;
- that the right of subordination must exist at year end;
- classification is not impacted by the probability that the entity may exercise its right of subordination;
- only if a derivative embedded in a convertible liability is itself an equity instrument would the due date of the liability not impact its classification.

Additionally, a requirement was introduced to give disclosures when a liability arising from a loan agreement is classified as noncurrent and the entity's right of subordination is subject to compliance with covenants within twelve months.

Accounting standards, amendments and interpretations not yet mandatorily applicable

The following is a list of IFRS accounting standards, amendments and interpretations that are not yet mandatorily applicable and/or adopted in advance by the AGP Group.

Mandatorily effective for financial periods beginning on or after 1 January 2025	Mandatorily effective for financial periods beginning on or after 1 January 2026
Lack of convertibility (amendments to IAS 21 Effects of Changes in Foreign Exchange Rates)	Classification and measurement of financial instruments (amendments to IFRS 9 and IFRS 7)
	Subsidiaries without public accountability (IFRS 19)
	Presentation and disclosure in financial statements (IFRS 18)

Lack of convertibility (amendments to IAS 21 Effects of Changes in Foreign Exchange Rates)

On 15 August 2023, the IASB published "Lack of Convertibility", which amends IAS 21 - Effects of Changes in Foreign Exchange Rates (the Amendments). The Amendments follow a request submitted to the IFRS Interpretations Committee regarding the determination of the exchange rate when one currency is not convertible into another, which had resulted in varying practices. The Committee recommended that the IASB develop limited amendments to IAS 21 to address this issue. After further resolutions, the IASB published an Exposure Draft of the proposed amendments to IAS 21 in April 2021, and the Final Amendments were published in August 2023. The amendments introduce requirements for determining when a currency is convertible into another currency and when it is not, and require an entity to estimate the spot exchange rate when determining that a currency is not convertible into another currency. The amendments will be effective for financial periods beginning on or after 1 January 2025.

Classification and measurement of financial instruments (amendments to IFRS 9 and IFRS 7)

On 30 May 2024, the IASB published "Amendment to the Classification and Measurement of Financial Instruments", which amends IFRS 9 and IFRS 7, and in particular introduces new requirements regarding:

- the derecognition of financial liabilities settled by electronic transfer; and
- the classification of financial assets with environmental, social, and corporate governance (ESG) and similar characteristics: the amendments clarify how contractual cash flows on loans accounted for at amortized cost or fair value should be measured.

The amendments will be effective for financial periods beginning on or after 1 January 2026.

Subsidiaries without public accountability (IFRS 19)

On 9 May 2024, the IASB issued the new IFRS 19 Subsidiaries without Public Accountability. Disclosure allows eligible subsidiaries to use IFRS accounting standards with reduced disclosure. The new standard will allow subsidiaries to keep only one set of accounting records to meet the needs of both the parent company and the users of their financial statements and will require a reduction in disclosure requirements as it will allow reduced disclosures more suited to the needs of the users of their financial statements. The new standard will be effective for financial periods beginning on or after 1 January 2027.

Presentation and disclosure in financial statements (IFRS 18)

On 9 April 2024, the IASB issued the new IFRS 18, which will provide investors with more transparent and comparable information about companies' financial performance. IFRS 18 introduces three sets of new requirements to improve the reporting of companies' financial performance and provide investors with a better basis for analyzing and comparing companies:

- improved comparability in the Income Statement;
- greater transparency of performance measures defined by Management;
- more useful grouping of information in the financial statements.

IFRS 18 supersedes IAS 1 Presentation of Financial Statements and will be effective for financial periods beginning on or after 1 January 2027; early application is permitted.

Discretionary evaluations and significant accounting estimates

The preparation of the financial statements requires the Directors to make discretionary judgments, estimates, and assumptions that impact the values of revenue, expense, assets, liabilities, and their related disclosures, as well as the disclosure of contingent liabilities. Uncertainty regarding these assumptions and estimates could lead to outcomes that may require significant adjustments to the carrying amount of assets and/or liabilities in the future. Briefly described below are the categories most impacted by the use of estimates and valuations, where changes in the conditions underlying the assumptions could significantly affect the financial figures.

Revenue from contracts with customers

With regard to revenue from contracts with customers for contract work and assets and liabilities in progress from contracts, the application of the incurred cost method (cost-to-cost) requires prior estimation of the total lifetime costs of individual projects, which are updated at each balance sheet date based on assumptions made by the Directors. The margins expected to be recognized on the entire project upon completion are recorded in the income statements of the relevant years according to the project's progress. Therefore, the proper recognition of work in progress and margins related to incomplete projects relies on accurate estimates by Management of the costs to completion, assumed increases, as well as potential delays, extra costs, and penalties that could reduce the expected margin. To better support the estimates, Management adopts contract risk management and analysis frameworks designed to monitor and quantify risks associated with the execution of these contracts. The amounts booked represent the best estimate made by Management at the time, supported by the use of these procedural aids. These facts and circumstances make it challenging to estimate the costs of completing projects and, consequently, to determine the value of contract assets or ongoing liabilities at the balance sheet date.

Allocations to provisions for risks and charges

Directors make estimates for risk and expense assessments. Specifically, the Directors have used estimates and assumptions to assess the likelihood of an actual liability arising. If the risk is deemed probable, they have determined the appropriate amount to be set aside to cover the identified risks.

Deferred tax assets

Deferred tax assets are accounted for based on expectations of taxable income in future years. The assessment of expected taxable income for the purpose of accounting for deferred tax assets depends on factors that may vary over time and result in significant effects on the recoverability of deferred tax assets.

Estimate of the marginal borrowing rate on leases

Directors cannot easily determine the implicit interest rate of the lease and therefore use the marginal lending rate to measure the lease liability. The marginal borrowing rate is the interest rate that the lessee would have to pay for a loan, with a similar term and similar collateral, in order to acquire an asset of comparable value to the right-of-use asset in a similar economic environment. The marginal borrowing rate reflects the rate the Group would have had to pay, and this requires estimating when data do not exist or when rates need to be adjusted to reflect the terms and conditions of the lease. The Group estimates the marginal borrowing rate using observable data (such as market interest rates) if available, as well as making specific considerations about creditworthiness conditions.

Significant judgment in determining the lease term of contracts containing an extension option

The Directors estimated the lease term of the contracts in which it acts as a lessee and which have renewal options. The assessment as to whether or not there is reasonable certainty of exercising the option affects the estimated lease term, significantly impacting the amount of the lease liability and assets from right of use recognized. The Group has reviewed all the lease contracts, defining the lease term for each one, given by the "not cancellable" period together with the effects of any extension or early termination clauses, the exercise of which was considered reasonably certain. Specifically, in the case of properties, the analysis took into account the specific circumstances of each asset. With regard to other categories of assets, mainly company cars, the Directors considered it unlikely that any extension or early termination clauses would be exercised in view of the Group's customary practice.

Determination of the useful life of assets

The Group determines the useful life of assets recorded under Property, Plant and Equipment, Intangible Fixed Assets with definite useful life, as well as Rights of Use. Estimated useful lives are estimated by the Directors based on generally applicable valuation practices, industry experience and knowledge, and are critically reviewed at each period end.

Impairment of non-financial assets

The Group's tangible and intangible assets are subject to impairment on at least an annual basis if they have indefinite lives or more often when events occur that indicate that the carrying amount is not recoverable. The identification of Cash Generating Units (CGUs) is also affected by the Directors' assessments, which may equally affect the recoverability of the amounts recorded in the assets. Further details are provided in Note 2.7.

Employee benefits

The carrying amount of defined benefit plans is determined using actuarial valuations that require the development of assumptions about discount rates, the expected rate of return on investments, future salary increases, mortality rates and future pension increases. The Group considers the rates estimated by the actuaries for the valuations at the balance sheet date to be reasonable. However, it cannot be ruled out that significant future changes in these rates could have a material impact on the liability recorded.

Cash-settled share-based payments - medium-long term incentive plan

The determination of the fair value of the shares awardable through the incentive plan as well as the measurement of vesting rights are subject to estimates on the expectation of the Group's results and the achievement of the targets assigned to the beneficiaries. The Group estimates the likelihood of achieving results consistent with the forecasts contained in the long-term plan adopted by the Board of Directors.

Valuation criteria

The valuation criteria applied or applicable are given below. It may therefore be the case that some of these criteria have not been applied at the reporting date.

1. Statement of financial position

1.1. Non-current assets

1.1.1. Property, plant and equipment

Recognition and measurement

An item of property, plant and equipment is measured at cost, including capitalized borrowing costs, less accumulated depreciation and impairment losses.
If an item of property, plant and equipment is composed of several components having different useful lives, these components are accounted for separately (significant components).
The gain or loss generated by the disposal of an item of property, plant and equipment is recognized in profit/(loss) for the year.

Subsequent Costs

Subsequent costs are capitalized only when it is probable that the related future economic benefits will flow to the Group.

Depreciation

Depreciation of an item of property, plant and equipment is calculated to reduce the cost of that item by a straight-line basis, net of its estimated residual value, over the useful life of the item. Depreciation is generally recognized in profit/(loss) for the year. Leased assets are depreciated over the shorter of the lease term and their useful life unless there is reasonable certainty that the Group will obtain ownership at the end of the lease term. Land is not depreciated.
The estimated useful lives of the current and comparative years are as follows:

- equipment: 5 years;
- furniture and fittings: 8-9 years;
- electronic office machines: 5 years.

Depreciation methods, useful lives and residual values are checked at the end of the year and adjusted where necessary.

1.1.2. Right of Use

Recognition and measurement

The Group recognizes assets from right of use on the lease commencement date (i.e., the date on which the underlying asset is available for use). Assets from right of use are measured at cost, net of accumulated amortization/depreciation and impairment losses, and adjusted for any remeasurement of lease liabilities.

Amortization/depreciation

Assets from rights of use are amortized/depreciated on a straight-line basis from the effective date to the end of the useful life of the asset consisting of the right of use. Assets from right of use are subject to impairment.

1.1.3. Intangible fixed assets with indefinite useful life

Recognition and measurement

Goodwill: goodwill arising from business combinations represents the positive excess of the acquisition cost over the Group's share of the current values, fair value, of identifiable assets, liabilities and contingent liabilities at the acquisition date. Goodwill is recognized as an asset with an indefinite useful life and is not amortized; rather, it is tested annually even in the absence of indicators of impairment, or more frequently if necessary, for impairment. Impairment losses are recognized directly in the Income Statement and are not subsequently reversed. After initial recognition, goodwill is measured at cost net of any accumulated impairment losses. When a subsidiary is sold, the net value of its goodwill is included in determining the gain or loss on disposal. For the purpose of impairment testing, goodwill is allocated to cash generating units or CGUs.

Other fixed assets with indefinite useful lives: an intangible asset is considered to have an indefinite useful life when, based on an analysis of relevant factors, there is no foreseeable limit to the period until which the asset is expected to generate net cash inflows for the entity. For the purpose of impairment testing, assets with indefinite useful lives are tested for recoverability within the cash generating units or CGUs to which they are allocated.

1.1.4. Intangible fixed assets with finite useful life

Recognition and measurement

Research and development: expense for research activities is recognized in the Income Statement for the year in which it is incurred. Development expense is capitalized only if the cost attributable to the asset during its development can be reliably estimated, the product or process is feasible in technical and commercial terms, future economic benefits are likely, and the Group intends and has sufficient resources to complete its development and use or sell the asset. Other development expense is recognized in the Income Statement for the year as it is incurred. Capitalized development expense is recorded at cost less accumulated amortization and any accumulated impairment losses.

Other intangible assets: Other intangible assets with finite useful life are carried at cost at cost less amortization and any accumulated impairment losses.

Subsequent costs

Subsequent costs are capitalized only when they increase the expected future economic benefits attributable to the asset to which they relate. All other subsequent costs, including internally generated trademarks, are charged to the Income Statement for the year in which they are incurred.

Amortization

Amortization is recognized in the Income Statement for the year on a straight-line basis over the estimated useful life of intangible assets from the time the asset is available for use. The estimated useful lives of the current and comparative years are as follows:

- long-term financial expense: 5 years;
- software: 5 years;
- patents: 5 years;
- maintenance on third-party assets: based on the duration of the contract or the life of the asset, whichever is shorter.

Amortization methods, useful lives, and residual values are reviewed at each year-end and modified as necessary.

1.1.5. Investments

Recognition and measurement

Investments in associates and joint ventures: associates refer to those enterprises over which the Group or the Company exercises significant influence. Significant influence is when an entity owns directly or indirectly (e.g., through subsidiaries), 20% or more of the votes exercisable at the investee's shareholders' meeting, unless it can be clearly demonstrated otherwise. The existence of significant influence by an entity is usually evidenced in one or more of the following ways:

a. representation on the board of directors or equivalent governing body of the investee;
b. participation in policy-making processes, including participation in decisions about dividends or other profit distributions;
c. material transactions between the entity and its investee;
d. the exchange of managerial personnel;
e. provision of essential technical information.

A joint venture is defined as a situation in which the Group or the Company has an arrangement under which two or more parties have joint control of the economic activity covered by the arrangement. Joint control 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. A joint venture is a joint arrangement whereby the parties that have joint control of the arrangement have rights to the net assets of the arrangement. Associates are accounted for at cost, while joint ventures are accounted for under the equity method and initially recognized at cost. Under the equity method, on initial recognition the investment in a joint venture is recognized at cost, and the carrying amount is increased or decreased to recognize the investor's share of the profit or loss of the investee after the date of acquisition.
The investor's share of the investee's profit or loss is recognized in the investor's profit or loss. Distributions received from an investee reduce the carrying amount of the investment. Adjustments to the carrying amount may also be necessary for changes in the investor's proportionate interest in the investee arising from changes in the investee's other comprehensive income. Such changes include those arising from the revaluation of property, plant and equipment and from foreign exchange translation differences. The investor's share of these changes is recognized in other comprehensive income.
The investor's share of the investee's profit or loss is recognized in the investor's profit or loss. Distributions received from an investee reduce the carrying amount of the investment. Adjustments to the carrying amount may also be necessary for changes in the investor's proportionate interest in the investee arising from changes in the investee's other comprehensive income. Such changes include those arising from the revaluation of property, plant and equipment and from foreign exchange translation differences. The investor's share of these changes is recognized in other comprehensive income.

Other investments: investments in other companies are initially accounted for at acquisition cost including transaction costs. Their value undergoes regular impairment tests to compare the recoverable value with the carrying amount annually and whenever an impairment indication arises.

1.1.6. Financial instruments

Recognition and measurement

Trade receivables and debt securities issued are recognized when they are originated. All other financial assets and liabilities are initially recognized on the trade date, which is when the Group becomes a contractual party to the financial instrument. Except for trade receivables that do not contain a significant financing component, financial assets are initially measured at fair value plus or minus, in the case of financial assets or liabilities not measured at FVTPL, the transaction costs directly attributable to the acquisition or issuance of the financial asset. Upon initial recognition, trade receivables that do not have a significant financing component are measured at their transaction price.

Classification and subsequent valuation - Financial assets

Upon initial recognition, a financial asset is classified according to its valuation:

- amortized cost;
- fair value recognized in other comprehensive income (FVOCI);
- fair value recognized in profit/(loss) for the year (FVTPL).

The Group determines their classification based on the business model pursued in the management of financial assets and the characteristics related to the contractual cash flows of financing activities.

Financial assets are not reclassified after their initial recognition unless the Group changes its business model for managing financial assets.

In such a case, all affected financial assets are reclassified on the first day of the first year following the change in business model.

A financial asset should be measured at amortized cost if both of the following conditions are met and it is not designated at FVTPL:

- the financial asset is held as part of a business model whose objective is to hold financial assets for the purpose of collecting the relating contractual cash flows;
- the contractual terms of the financial asset provide for cash flows at certain dates represented solely by payments of principal and interest on the amount of principal to be repaid.

A financial asset should be measured at FVOCI if both of the following conditions are met and it is not designated at FVTPL:

- the financial asset is held as part of a business model whose objective is achieved by collecting contractual cash flows and selling financial assets and;
- the contractual terms of the financial asset provide for cash flows at certain dates represented solely by payments of principal and interest on the amount of principal to be repaid.

Upon initial recognition of an equity security not held for trading purposes, the Group may make an irrevocable election to present subsequent changes in fair value in other comprehensive income. This choice is made for each asset.

All financial assets not classified as measured at amortized cost or FVOCI, as indicated above, are measured at FVTPL. This includes all financial derivatives. Upon initial recognition, the Group may irrevocably designate the financial asset as measured at fair value through profit or loss for the year if doing so eliminates or significantly reduces an accounting mismatch that would otherwise result from measuring the financial asset at amortized cost or FVOCI.

Financial assets - Evaluation of the business model

The Group evaluates the objective of the business model under which the financial asset is held at the portfolio level as best reflecting how the asset is managed and the information reported to Management.

Financial assets: assessment of whether contractual cash flows are represented solely by payments of principal and interest.

For valuation purposes, "principal" is the fair value of the financial asset upon initial recognition, while "interest" is the consideration for the time value of money, for the credit risk associated with the amount of principal to be repaid during a given period of time, and for other basic risks and costs associated with the loan (e.g., liquidity risk and administrative costs), as well as for the profit margin.

In assessing whether contractual cash flows are represented solely by payments of principal and interest, the Group considers the contractual terms of the instrument. Therefore, it assesses, among others, whether the financial asset contains a contractual clause that changes the timing or amount of contractual cash flows such that the following condition is not met. For evaluation purposes, the Group considers:

- contingent events that would change the timing or amount of cash flows;
- clauses that could adjust the contractual coupon rate, including variable-rate elements;
- prepayment and extension elements;
- clauses limiting the Group's requests for cash flows from specific assets.

Financial assets - Subsequent valuation and gains and losses

Financial assets measured at FVTPL: these assets are subsequently measured at fair value. Net gains and losses, including dividends or interest received, are recognized in the Income Statement for the year.

Financial assets measured at amortized cost: these assets are subsequently measured at amortized cost in accordance with the effective interest method. Amortized cost is decreased by impairment losses. Interest income, exchange gains and losses, and impairment losses are recognized in the Income Statement for the year as are any gains or losses from derecognition.

Debt securities measured at FVOCI: these assets are subsequently measured at fair value. Interest income calculated in accordance with the effective interest method, exchange gains and losses, and impairment losses are recognized in the Income Statement for the year. Other net gains and losses are recognized in other comprehensive income. Upon derecognition, accumulated gains or losses in other components of the Comprehensive Income Statement are reclassified to the Income Statement for the year.

Equity securities measured at FVOCI: these assets are subsequently measured at fair value. Dividends are recognized in the Income Statement for the year unless they clearly represent a recovery of a portion of the cost of the investment. Other net gains and losses are recognized in other comprehensive income and are never reclassified to net profit/(loss) for the year.

Derecognition - Financial assets

Financial assets are derecognized when the contractual rights to the cash flows from them expire, when the contractual rights to receive the cash flows under a transaction in which substantially all risks and rewards of ownership of the financial asset are transferred, or when the Group neither transfers nor retains substantially all risks and rewards of ownership of the financial asset and does not retain control of the financial asset.

Financial liabilities

The Group derecognizes a financial liability when the obligation specified in the contract has been fulfilled or cancelled or has expired. The Group also derecognizes a financial liability if the relevant contractual terms are changed, and the cash flows of the changed liability are substantially different. In this case, a new financial liability is recognized at fair value based on the amended contractual terms.

The difference between the carrying amount of the financial liability settled and the consideration paid (including assets not represented by cash transferred or liabilities assumed) is recognized in the Income Statement for the year.

Offsetting

Financial assets and financial liabilities may be offset and the amount resulting from the offset is presented in the statement of financial position if, and only if, the Group currently has the legal right to offset such amounts and intends to settle the balance on a net basis or realize the asset and settle the liability simultaneously.

Financial derivatives, including hedge accounting

The Group uses financial derivatives to hedge its exposure to exchange and interest rate risks. Derivative instruments are always measured at fair value with a balancing entry in the Income Statement, unless they are effective hedging instruments of a given risk related to underlying assets or liabilities or commitments undertaken by the Group.

At the beginning of the designated hedging relationship, the Group documents its risk management objectives and hedging strategy, as well as the economic relationship between hedged item and hedging instrument and whether it is expected that changes in the cash flows of the hedged item and hedging instrument will offset each other.

Cash flow hedging

When a financial derivative is designated as a hedge for exposure to cash flow variability, the effective portion of changes in the fair value of the financial derivative is recognized in other comprehensive income and presented in the cash flow hedge reserve. The effective portion of changes in the fair value of the derivative financial instrument that is recognized in other comprehensive income is limited to the cumulative change in the fair value of the hedged instrument (at present value) since the beginning of the hedge. The ineffective portion of changes in the fair value of the derivative financial instrument is immediately recognized in the Income Statement for the year.

In a hedging relationship, the Group designates only the change in the fair value of the spot element of the forward contract as the hedging instrument. The change in the fair value of the forward element of the exchange forward contract (forward points) is accounted for separately as a hedging cost and recognized in equity, in the hedging cost reserve.

If a planned hedged transaction subsequently results in the recognition of a non-financial asset or liability, for example, inventory, the amount accumulated in the cash flow hedge reserve and hedging cost reserve is included directly in the initial cost of the asset or liability upon recognition. For all other hedged planned transactions, the amount should be reclassified from the cash flow hedge reserve and hedge cost reserve into the profit/(loss) in the same year(s) in which the hedged expected future cash flows affect profit/(loss) for the year.

If the hedge ceases to meet the eligibility criteria or the hedging instrument is sold, matures or is exercised, hedge accounting ceases prospectively. When hedge accounting for cash flow hedges ceases, the amount accumulated in the cash flow hedge reserve remains in equity until, in the case of a hedge of a transaction involving the recognition of a non-financial asset or non-financial liability it is included in the cost of the non-financial asset or non-financial liability upon initial recognition or, in the case of other cash flow hedges, it is reclassified to net profit/(loss) for the period in the same period(s) in which the hedged expected future cash flows affect net profit/(loss) for the period. If future hedged cash flows are no longer expected, the amount should be reclassified immediately from the cash flow hedge reserve and the hedge cost reserve into the profit/(loss) for the year.

1.1.7. Non-financial assets

At each balance sheet date, the Group tests whether there is objective evidence of impairment concerning the carrying amounts of its non-financial assets, excluding inventory and deferred

tax assets. If on the basis of this test, it appears that the assets are indeed impaired, the Group estimates their recoverable value. The recoverable value of goodwill, on the other hand, is estimated annually. For the purpose of identifying impairment losses, assets are grouped into the smallest identifiable group of assets that generates cash flows largely independent of cash flows generated by other assets or groups of assets (the "cash-generating units" or "CGUs"). Goodwill acquired through a business combination is allocated to the group of CGUs expected to benefit from synergies.
The recoverable amount of an asset or CGU is the higher of its value in use and its fair value less costs of disposal. To determine value in use, estimated expected cash flows are discounted using a pre-tax discount rate that reflects current market assessments of the time value of money and risks specific to the asset or CGU. When the carrying amount of an asset or CGU exceeds its recoverable value, an impairment loss is recognized.
Impairment losses are recognized in profit/(loss) for the year. Those related to the CGU are first charged against the carrying amount of any goodwill allocated to the CGU, then proportionately charged against the other assets comprising the CGU. Goodwill impairment losses cannot be reversed. For other assets, impairment losses recognized in prior years are reversed up to the carrying amount that would have been determined (net of amortization) if the asset impairment loss had never been recognized.

1.1.8. Deferred tax

Deferred tax is recognized with regard to temporary differences between the carrying amounts of assets and liabilities recorded in the financial statements and the corresponding amounts recognized for tax purposes. Deferred tax is not recognized for:

- temporary differences related to the initial recognition of assets or liabilities in a transaction other than a business combination that affects neither accounting profit (or loss) nor taxable income (or tax loss);
- temporary differences related to investments in subsidiaries, associates, and joint ventures to the extent that the Group is able to control the timing of the reversal of temporary differences and it is probable that, in the foreseeable future, the temporary difference will not reverse;
- taxable temporary differences related to the initial recognition of goodwill.

Deferred tax assets are recognized for unused tax losses and tax receivables, as well as deductible temporary differences, to the extent that it is probable that future taxable income will be available against which these assets can be used. Future taxable income is defined on the basis of the reversal of related deductible temporary differences.
If the amount of taxable temporary differences is not sufficient to fully recognize a deferred tax asset, future taxable income, adjusted for the cancellations of outstanding temporary differences, provided for in the business plans of individual Group subsidiaries, is taken into account. The value of deferred tax assets is reviewed at each reporting date and is reduced to the extent that it is no longer probable that the related tax benefit will be realized. These reductions should be restored when the probability of achieving future taxable income increases.
Unrecognized deferred tax assets are reviewed at the end of each reporting period and are recognized to the extent that it has become probable that the Group will earn sufficient taxable profit in the future to utilize them.
Deferred tax is measured using the tax rates that are expected to be applicable to temporary differences in the year in which they reverse based on tax rates established by measures in effect or substantially in effect at the end of the year. The valuation of deferred tax reflects

the tax effects arising from the manner in which the Group expects, at the end of the reporting period, to recover or settle the carrying amount of assets and liabilities.
Deferred tax assets and liabilities are offset only when certain criteria are met.

1.2. Current assets

1.2.1. Inventory

Inventory is carried at the lower of purchase cost, including all directly attributable ancillary costs and expense and indirect costs relating to internal production, and the presumed realizable value based on market trends.
Contract work in progress (for which there is an order in progress at the close of the year), related to future and potential photovoltaic, wind, and energy storage projects under construction at the close of the year, were quantified by adopting the percentage-of-completion method. Therefore, the valuation of this inventory is carried out in an amount corresponding to the revenue accrued at the end of each year, determined with regard to the progress of the work, which is determined by the incurred cost method. Finished products and goods, if any, are measured at production cost.
Any advance payments from customers are recorded under other current payables until the relevant revenue is recognized.
Allowances are made for any materials, finished products, spare parts and other supplies considered obsolete or slow-moving, taking into account their expected future use and realizable value. It should be noted that to date there are no such funds allocated in the financial statements. In accordance with IFRS 15, revenue from sales is recognized only when the performance obligation is fulfilled. Since the only performance obligation recognized for IFRS 15 within the sales contracts is the authorization for the construction of the plant (at least unless otherwise indicated), prior to the settlement of this obligation, the activities performed are shown under “Contract work in progress" and recognized using the cost-to-cost method including the contract margin allocated to the work progress.

1.2.2. Trade receivables

Trade receivables, arising from the sale of goods or services produced or marketed by the Group, are included in current assets. They are recognized at the nominal amount shown on the invoice net of the allowance for doubtful accounts, which is set aside based on estimates of the risk of uncollectibility of receivables outstanding at the end of the period.
Trade receivables are subsequently measured at amortized cost, which represents the value at which they were measured at initial recognition less principal repayments, increased or decreased by aggregate amortization using the effective interest method on any difference between the initial value and the value at maturity, and less any reduction (directly or through the use of a provision) as a result of an impairment or assessment of uncollectibility.
Upon initial recognition, trade receivables that do not have a significant financing component are measured at their transaction price.
Impairment losses are recognized in the financial statements when there is objective evidence that the Group will not be able to recover the amount due from the counterparty based on the contractual terms.
Objective evidence includes such events as:

a. significant financial difficulties of the debtor;
b. open legal disputes with the debtor regarding the collectibility of the claim;
c. likelihood that the debtor will declare bankruptcy or other financial restructuring procedures will be opened.

The amount of impairment loss is measured as the difference between the asset's carrying amount and the present value of expected future cash flows and recognized in the Income Statement. Unrecoverable receivables are removed from the statement of financial position with an offset in the allowance for doubtful accounts. If, in subsequent periods, the reasons for the previous impairment losses cease to apply, the value of the assets is restored up to the value that would have resulted from valuation at amortized cost.

1.2.3. Cash and cash equivalents

These include cash, deposits with banks or other lending institutions available for current operations, postal accounts and other equivalent securities, as well as investments maturing within three months from the date of purchase. Cash and cash equivalents are recorded at fair value, which normally coincides with the nominal value.

1.3. Liabilities

1.3.1. Share capital

Ordinary shares

Incremental costs directly attributable to the issuance of ordinary shares are recognized as a decrease in equity. Income tax related to the transaction costs of an equity transaction is recognized in accordance with IAS 12.

Buyback and reissue of ordinary shares (treasury shares)

In case of share buyback recognized in equity, the consideration paid, including costs directly attributable to the transaction are recognized as a reduction of equity. Shares thus bought back are classified as treasury shares and recognized in the treasury shares reserve. The consideration received from the subsequent sale or reissue of treasury shares is recognized as an increase in equity. Any positive or negative difference arising from the transaction is recognized in the share premium reserve.

FTA reserve and FVOCI reserve

The FTA reserve includes all pre-IFRS changes to adjust opening balances to IFRS.
The FVOCI reserve holds changes in the fair value of financial instruments and assets following their valuation at fair value. Valuation differences are also recognized in other components of the statement of comprehensive income.

1.3.2. Loans payable

Loans are recorded at the fair value of the consideration received net of ancillary expense directly attributable to the financial asset. After initial recognition, loans are measured at amortized cost using the effective interest rate method.

1.3.3. Employee benefits

Short-term employee benefits

Short-term employee benefits are recognized as an expense when the service giving rise to such benefits is provided. The Group recognizes a liability for the amount expected to be paid when it has a present, legal, or constructive obligation to make such payments as a result of past events and a reliable estimate of the obligation can be made.

Share-based payment transactions

Group companies provide additional benefits to the Group's top executives through cash-settled share-based payment plans (phantom stock options). Under IFRS 2 ("Share-based payments"), employee phantom stock options are measured at fair value at the grant date according to models that take account of factors and elements (option exercise price, option term, current price of the underlying shares, expected volatility of the share price, expected dividends, and interest rate for a risk-free investment over the life of the option) in effect at the grant date. If the right becomes exercisable after a certain period and/or upon occurrence of certain performance conditions (vesting period), the total value of the options is allocated pro rata temporis over the aforementioned period and recorded in the Income Statement with an offsetting entry in a non-current liability item. At each year end, under IFRS 2, the estimated number of options that are estimated to vest (and thus the number of employees who will be eligible to exercise options) is updated. The change in estimate is recorded as an increase or decrease in the above non-current liability item with a balancing entry in the Income Statement. At the end of the exercise period, exercised options are settled in cash for the portion corresponding to the product of the number of shares issued and the par value of each share.

Defined contribution plans

Contributions payable to defined contribution plans are recognized as a cost in the Income Statement over the period in which employees serve; contributions paid in advance are recognized as an asset to the extent that the prepayment will result in a reduction in future payments or a refund.

Defined benefit plans

The Group's net obligation arising from defined benefit plans is calculated separately for each plan by estimating the amount of future benefit that employees have accrued in exchange for their service in the current and prior years; this benefit is discounted and the fair value of any plan assets is deducted from liabilities. The calculation is performed by an independent actuary using the projected unit credit method. If the calculation generates a benefit to the Group, the amount of the asset recognized is limited to the present value of economic benefits available in the form of refunds from the plan or reductions in future plan contributions.

Actuarial gains and losses, returns from any plan assets (excluding interest), and the effect of the asset ceiling (excluding any interest) arising from revaluations of the net defined benefit plan liability are recognized immediately in other comprehensive income. Net interest for the year on the net defined benefit liability/(asset) is calculated by applying to the net defined benefit liability/(asset), the discount rate used to discount the defined benefit obligation, determined at the beginning of the year, considering any changes in the net defined benefit liability/(asset) that occurred during the year as a result of contributions received and benefits paid.

Conversely, net interest and other costs related to defined benefit plans are recognized in net profit/(loss) for the year.

When changes are made to the benefits of a plan or when a plan is reduced, the portion of the economic benefit relating to past service or the gain or loss resulting from the reduction of the plan is recognized in net profit/(loss) for the year when the adjustment or reduction occurs.

Other long-term employee benefits

The Group's net obligation as a result of long-term employee benefits is the amount of future benefit that employees have accrued for employment benefits in the current and prior years. This benefit is discounted. Revaluations are recognized in profit/(loss) for the year when they arise.

Benefits due to employees for termination of employment

Benefits payable to employees for termination of employment are recognized as an expense when the Group has committed itself without the possibility of withdrawal in offering such benefits or when the Group recognizes restructuring costs, whichever is earlier. Benefits fully payable more than twelve months after the end of the year are discounted.

1.3.4. Provisions for risks and charges

Provisions for risks and charges are recognized when at the reporting date, in the presence of a legal or implied obligation to third parties arising from a past event, it is probable that an outlay of resources, the amount of which can be reliably estimated, will be required to satisfy the obligation.
This amount represents the best discounted estimate of the expense required to settle the obligation.
The rate used in determining the present value of the liability reflects current market values and includes additional effects related to the specific risk associated with each liability. Changes in estimates are reflected in the Income Statement for the year in which the change occurs. For certain disputes, the information required by IAS 37 - Provisions, Contingent Liabilities and Contingent Assets is not reported in order not to harm the Group's position in such disputes or negotiations.
Risks for which the onset of a liability is merely a possibility are disclosed in the appropriate disclosure section on commitments and risks, and no allocation is made.
With regard to assets and liabilities arising from contracts, in the event that the revisiting of business plans (full-life estimates) during the progress of a contract shows the presence of elements that make them onerous, the portion of costs deemed "unavoidable" in excess of the economic benefits arising from the contract is recognized in its entirety in the year in which it becomes reasonably foreseeable and set aside in an "Onerous Contracts Provision", which is recorded under current provisions for risks and charges. The reversal of these provisions is recognized as absorption under "Other operating revenue".

1.3.5. Lease liabilities

On the effective date of the lease, the Group recognizes lease liabilities by measuring them at the present value of lease payments due but not yet paid at that date. Payments due include fixed payments (including in-substance fixed payments), net of any lease incentives to be received, variable lease payments dependent on an index or rate, and amounts expected to be payable under residual value guarantees.
Lease payments also include the exercise price of a purchase option if it is reasonably certain that such an option will be exercised by the Group and lease termination penalty payments if the lease term takes account of the Group's exercise of its lease termination option.
Variable lease payments that do not depend on an index or rate are recognized as costs in the period in which the event or condition that generated the payment occurs. When calculating the present value of payments due, the Group adopts the marginal borrowing rate at the start date. After the effective date, the amount of the lease liability increases to account for interest on the lease liability and decreases to account for payments made. Additionally, the carrying amount of lease payables is restated in the event of any changes in the lease or for a review of the contractual terms for the change in payments; it is also restated when there are changes regarding the valuation of the option to purchase the underlying asset or for changes in future payments that results from a change in the index or rate used to determine such payments. Lease liabilities are presented together with financial liabilities, distinguishing between current and non-current.

1.3.5.1. Short-term leases and low-value asset leases

The Group applies the exemption under IFRS 16 for the recognition of short-term (12-month) and low-value asset leases. For such contracts, payments of related expense are recognized as costs in the Income Statement on a straight-line basis spread over the term of the contract.

2. Income Statement

2.1. Revenue from contracts with customers

Based on the provisions of IFRS 15, revenue from contracts with customers is recognized when the transfer of control of the good or service to the customer takes place, which can occur over time or at a specific point in time.
Contracts related to the sale of projects referring to new production plants (whether photovoltaic, wind or Storage), which meet the requirements for over time revenue recognition, are classified under "Assets arising from contracts".
Specifically, "Assets arising from contracts" represent the right to consideration for goods or services that have already been transferred to the customer.
The standard is applied using a model consisting of the following five basic steps:

1. identification of customer contract: occurs when the parties approve the contract, having commercial substance, and identify their respective rights and obligations. The contract must be legally binding, identify the right to receive goods and/or services, the consideration, and the terms of payment;
2. identification of the contractual obligations (performance obligations) therein, i.e., promises to transfer distinct goods and services;
3. determination of transaction consideration (transaction price): this is the total amount contracted with the counterparty over the contract term;
4. price allocation to the different contractual obligations in proportion to their respective stand alone selling prices determined from list prices;
5. revenue recognition upon fulfillment of contractual obligations.

Where there is more than one performance obligation within a contract, representing a contractual promise to transfer to the customer a distinct good or service (or a series of distinct goods or services that are essentially the same and are transferred in the same manner), classification among assets is done at the aggregate level and not at the individual performance obligation level.
Assets arising from contracts with customers for which revenue recognition takes place over time are recognized using an input-based ("cost-to-cost") methodology for measuring progress; under this methodology, costs, revenue, and margin are recognized based on the progress of production activity, determined with regard to the ratio of costs incurred at the measurement date to total costs expected for performance obligation fulfillments.
Conversely, in cases where the requirements for recognition over a period of time are not met, revenue is recognized at a specific point in time; in such cases, production progress under contracts with customers are recognized under the item of assets arising from point-in-time contracts, under “inventory”.
Assets from contracts are shown net of any allowances for impairment. Updates to estimates are made periodically, and any economic effects are accounted for in the year in which the updates are made. In the event that a contract qualifies as "onerous", the method of accounting is set out later in this note.
Contracts with consideration denominated in currencies other than the functional currency are valued by converting the accrued portion of consideration, determined on the basis of the percentage-of-completion method, at the closing exchange rate for the period. The Group's foreign exchange risk policy requires that all contracts with cash flow exposures to changes in

foreign exchange rates be hedged on a timely basis.
Revenue related to maintenance activities, sales of spare parts and provision of services is handled through customer spot orders and is recognized on an accrual basis. Revenue from services is accounted for on a progress basis in the year in which they are rendered.

2.2. Government grants

Government grants related to costs incurred during the year are recognized in the Income Statement for that year as other income when the government grant becomes receivable. Other government grants related to assets recorded in the Statement of Financial Position are initially recognized at fair value as deferred revenue if there is reasonable certainty that they will be received and that the Group will comply with the conditions attached to their receipt, and are then recognized in the Income Statement for the year as other income on a systematic basis over the useful life of the asset to which they relate.

2.3. Cost recognition

Costs are recognized when they relate to goods and services purchased or consumed during the period or by systematic allocation on an accrual basis.

2.4. Financial income and expense

Interest income and expense are recognized in the Income Statement for the year on an accrual basis using the effective interest method. Dividend income is recognized when the Group's right to receive payment is established.
The "effective interest rate" is the rate that exactly discounts estimated future payments or receipts over the expected life of the financial asset:

- at the gross carrying amount of the financial asset or
- at the amortized cost of the financial liability.

When calculating interest income and interest expense, the effective interest rate is applied to the gross carrying amount of the asset (when the asset is not impaired) or the amortized cost of the liability. However, in the case of financial assets that have impaired after initial recognition, interest income is calculated by applying the effective interest rate to the amortized cost of the financial asset. If the asset ceases to be impaired, interest income reverts to a gross basis.

2.5. Income tax

Tax expense for the year includes current and deferred tax recognized in the Income Statement for the year, except for tax related to business combinations or items recognized directly in equity or among other components of the Comprehensive Income Statement. The Group has determined that interest and penalties related to income tax, including accounting treatments to be applied to income tax of an uncertain nature, are accounted for in accordance with IAS 37 - Provisions, Contingent Liabilities and Contingent Assets because they do not meet the definition of income tax.

2.6. Current tax

Current tax includes the estimated amount of income tax due or receivable, calculated on taxable income or tax loss for the year as well as any adjustments to tax from prior years. The amount of tax payable or receivable, determined on the basis of tax rates in effect or substantially in effect at the end of the year, also includes the best estimate of any amount payable or receivable that is subject to uncertainty factors. Current tax also includes any tax related to dividends. Current tax assets and liabilities are offset only when certain criteria are met.

2.7. Impairment losses

Non-financial derivatives

Financial instruments and assets arising from contracts

The Group recognizes allowances for expected credit losses related to:
- financial assets measured at amortized cost;
- debt securities measured at FVOCI;
- assets arising from contracts.

The Group assesses allowances for impairment at an amount equal to the expected losses over the life of the loan, except as noted below, for the following twelve months:
- debt securities with low credit risk as of the balance sheet date;
- other debt securities and bank accounts whose credit risk (i.e., the risk of default occurring over the expected life of the financial instrument) has not significantly increased after initial recognition.

Allowances for impairment of trade receivables and assets arising from contracts are always valued at an amount equal to the expected losses over the life of the receivable.

To determine whether credit risk related to a financial asset has increased significantly since initial recognition for the purpose of estimating expected credit losses, the Group considers reasonable and demonstrable information that is relevant and available without undue cost or effort. Included is quantitative and qualitative information and analysis, based on the Group's historical experience, credit rating as well as information indicative of expected developments ("forward-looking information").

For the Group, the credit risk of a financial asset increases significantly when contractual payments are more than 30 days past due. Lifetime expected credit losses are the expected credit losses arising from all possible defaults over the expected life of a financial instrument. Expected credit losses at 12 months are expected credit losses arising from possible defaults within 12 months of the balance sheet date (or within a shorter period if the expected life of a financial instrument is less than 12 months). The maximum period to be considered in assessing expected credit losses is the maximum contractual period during which the Group is exposed to credit risk.

Evaluation of expected credit losses

Expected Credit Losses (or "ECL") are a probability-weighted estimate of credit losses. Bad debt losses are the present value of all uncollectibles (i.e., the difference between the cash flows due to the entity in accordance with the contract and the cash flows the Group expects to receive). ECLs are discounted using the effective interest criterion of the financial asset.

Impaired financial assets

At each reporting date, the Group assesses whether financial assets measured at amortized cost and debt securities at FVOCI are impaired. A financial asset is credit-impaired when one or more events that have a detrimental impact on the estimated future cash flows of that financial asset have occurred.

Evidence that a financial asset is credit-impaired includes observable data about the following events:
- significant financial difficulty of the issuer or the borrower;

- a breach of contract, such as a default or past due event that has not been met for more than 90 days;
- debt restructuring by the Group or an advance on terms that the Group would not otherwise have considered;
- there is a likelihood that the borrower will file for bankruptcy or other financial restructuring procedures;
- the disappearance of an active market for that financial asset because of financial difficulties.

Presentation of the allowance for expected loan losses in the statement of financial position
Allowances for impairment of financial assets measured at amortized cost are deducted from the gross carrying amount of the assets. For debt securities at FVOCI, the allowance for impairment is accrued in the Income Statement for the year and recognized in other comprehensive income.

Write-down
The gross carrying amount of a financial asset is written down (in part or in full) to the extent that there is no real prospect of recovery.
For private customers, the Group's policy is to write down the gross carrying amount when the financial asset is more than 180 days past due based on historical experience in recovering similar assets. For corporate customers, the Group individually assesses the timing and amount of impairment based on the actual prospect of recovery. The Group does not expect any significant recovery of the written-down amount. However, the written-down financial assets may still be subject to enforcement in order to comply with the Group's debt collection procedures.

2.8. Fair value measurement

Fair value is the price that would be received on the valuation date for the sale of an asset or that would be paid for the transfer of a liability in a regular transaction between market participants in the principal (or most advantageous) market to which the Group has access at that time. The fair value of a liability reflects the effect of a default risk. Several accounting standards and disclosure requirements require the Group to measure the fair value of financial and non-financial assets and liabilities. Fair values are divided into various hierarchical levels based on the inputs used in the measurement techniques, as shown below.

Level 1: where available, the Group assesses the fair value of an instrument using the quoted price of that instrument in an active market. A market is active when transactions for the asset or liability take place with sufficient frequency and volume to provide pricing information on an ongoing basis.

Level 2: in the absence of a quoted price in an active market, input data are used that are observable for the asset or liability, either directly (prices) or indirectly (derived from prices).

Level 3: in the absence of data in Levels 1 and 2, input data related to the asset or liability that are not based on observable market data are used.
The Group uses valuation techniques by maximizing the use of observable input data and minimizing the use of unobservable input data. The chosen valuation technique includes all factors that market participants would consider in estimating the transaction price. If the inputs used to measure the fair value of an asset or liability fall into different levels of the fair value hierarchy, the entire valuation is placed in the same level of the hierarchy as the lowest level input that is significant to the entire valuation.
The Group recognizes transfers between levels of the fair value hierarchy at the end of the period in which the transfer took place. If an asset or liability measured at fair value has a bid

and an ask price, the Group values the asset and long positions at the bid price and the liability and short positions at the ask price. The best evidence of the fair value of a financial instrument at initial recognition is usually the transaction price (i.e., the fair value of the consideration given or received). If the Group notices a difference between the fair value at initial recognition and the transaction price, and the fair value is not determined either by using a quoted price in an active market for identical assets or liabilities, or by means of a valuation technique whose unobservable inputs are considered insignificant, the financial instrument is initially measured at fair value, adjusted to defer the difference between the fair value at initial recognition and the transaction price. Thereafter, this difference is recognized in profit/(loss) for the year over the life of the instrument by an appropriate method, but no later than when the valuation is fully supported by observable market data or the transaction is concluded.

Notes to the Consolidated Financial Statements at 31/12/2024

Assets

Non-current assets

1. Intangible assets

Changes in the item were as follows:

INTANGIBLE FIXED ASSETS *(Figures in Euro)*	Industrial patent and intellectual property rights	Intangible fixed assets under construction and other	Total intangible assets
Net amount at 01/01/2023	**7,522**	**-**	**7,522**
Increases/(Decreases/Divestments)	-	-	-
Amortization	(2,509)	-	(2,509)
Net amount at 31/12/2023	**5,013**	**-**	**5,013**
Increases/(Decreases/Divestments)	46,060	139,926	185,986
Amortization	(11,178)	-	(11,178)
Net amount at 31/12/2024	**39,895**	**139,926**	**179,821**

"Industrial patent and intellectual property rights" mainly includes the implementation of new proprietary software capitalized in 2024.
The change in "Intangible fixed assets under construction and other" versus the prior year is related instead to the costs incurred in implementing the new management software, whose go-live took place on 1 January 2025.

2. Tangible assets

The changes in the item are shown below *(see next page)*:

TANGIBLE FIXED ASSETS *(Figures in Euro)*	Property	Plant, machinery and equipment	Furniture and fittings	Electr, off, machines	Cars	Tangible fixed assets under construction	Total tangible assets
Net amount at 1/1/2023	**544,077**	**2,661**	**31,118**	**26,776**	**130,345**	**21,000**	**755,977**
of which Rights of Use IFRS16	*544,077*	-	-	-	*130,345*	-	*674,422*
Increases/(Decreases/Divestments)	35,542	900	25,007	18,979	152,354	153,360	386,142
Reclassifications	-	-	-	-	-	-	-
Write-backs/(Write-downs)	-	-	-	-	-	-	-
Depreciation	(48,745)	(750)	(5,782)	(8,499)	(62,111)	-	(125,887)
Net amount at 31/12/2023	**530,874**	**2,811**	**50,343**	**37,256**	**220,588**	**174,360**	**1,016,232**
Increases/(Decreases/Divestments)	(32,626)	1,090	11,273	35,818	27,182	-	42,737
Reclassifications	-	550	-	(550)	-	(174,360)	(174,360)
Write-backs/(Write-downs)	-	-	-	-	-	-	-
Depreciation	(50,001)	(925)	(7,959)	(13,784)	(72,776)	-	(145,445)
Net amount at 31/12/2024	**448,247**	**3,527**	**53,657**	**58,740**	**174,994**	**-**	**739,164**
of which Rights of Use IFRS16							
Net amount at 31/12/2023	*530,874*	-	-	-	*220,588*	-	*751,462*
Increases/(Decreases/Divestments)	*(32,626)*	-	-	-	*27,182*	-	*(5,444)*
Depreciation	*(50,001)*	-	-	-	*(72,776)*	-	*(122,777)*
Net amount at 31/12/2024	***448,247***	**-**	**-**	**-**	***174,994***	**-**	***623,241***

Increases over the period refer mainly to the signing of new rental contracts for cars for company use, electronic equipment (servers, computers, cell phones, etc.), and furniture and fittings (desks, tables for meeting rooms, etc.).
Decreases over the period refer to the ISTAT adjustment for 2024 of the Rights of Use on the property as envisaged in the lease agreement and in IFRS 16.
The decrease in "Tangible fixed assets under construction" refers to the reclassification of disbursements incurred for the purchase of land previously recorded under fixed assets and now under “Contract work in progress" in line with the approach adopted at the Group level.
No disposals, divestments, scrapping of any kind were carried out during the period.

3. Deferred tax assets

The value of Deferred Tax Assets is composed mainly of the tax effect calculated as a result of adjustments made at first time adoption (1 January 2022). In detail, the outstanding value at 31 December 2024, amounting to € 93 thousand, refers for € 81 thousand to the previously capitalized listing expense according to the OIC rules released over a period of 5 years.

4. Other non-current assets

Investments in associates and joint ventures

Details at 31 December 2024 are as follows *(see the next page):*

INVESTMENTS IN ASSOCIATES	Registered office (Country)	Currency	Equity (with profit/loss) in currency	Result for the year in foreign currency	Equity (with profit/loss) in Euro	% share held	Portion of Equity in Euro	Amount entered in the Financial Statements
BESS Power Corp.	Delaware (USA)	USD	1,675,258	(1,215,245)	1,612,530	25%	403,133	1,544,223
Total			**1,675,258**	**(1,215,245)**	**1,612,530**		**403,133**	**1,544,223**

The U.S.-registered companies CUYLER Green Energy LLC and QUITMAN Green Energy LLC, both wholly owned by Altea Green Power USA Corp. although not operational yet, were liquidated in 2024 to focus resources on the operating company BESS Power Corp.
The value of the investment in the associate BESS Power Corp., measured at cost, was not written down as Management, considering the high margins and advanced stage of development of existing projects, does not believe there is any indication of impairment. These projects include the Storage project named "Lund" on which there are current expressions of interest by third-party investors.

Current assets

5. Inventory and contract work in progress

“Inventory" includes Business Opportunities, which include costs incurred by the Group on Co-Development projects for which contracting with the end customer is still pending completion.

INVENTORY *(Figures in Euro)*	Balance at 31/12/2024			Balance at 31/12/2023		
	Gross stock value	(Prov. for stock write-down)	Total net stock	Gross stock value	(Prov. for stock write-down)	Total net stock
Business Opportunities	4,915,354	-	4,915,354	1,219,608	-	1,219,608
Total	**4,915,354**	**-**	**4,915,354**	**1,219,608**	**-**	**1,219,608**

The significant increase in "Business Opportunities" is attributable to the progress in the authorization process of several Storage projects, following the AGP Group’s decision to offer investors projects with higher added value. These projects are more attractive as "mature projects" and enable the Group to secure more remunerative contracts than those in the greenfield project segment.
Contract work in progress refers generally to long-term contracts, related to the Co-Development business, and to short-term contracts related to the Energy Efficiency business, in progress at the end of the period. Progress is determined by the costs incurred added to the recognized margins and net of any expected losses.

CONTRACT WORK IN PROGRESS
(Figures in Euro)

	Balance at 31/12/2024			Balance at 31/12/2023		
	Gross amount	(Allowance for impairm.)	Net total	Gross amount	(Allowance for impairm.)	Net total
Short-term orders	459,954	-	459,954	788,705	-	788,705
Long-term orders	54,861,663	(113,532)	54,748,131	26,612,968	(19,534)	26,593,434
Total	**55,321,617**	**(113,532)**	**55,208,085**	**27,401,673**	**(19,534)**	**27,382,139**

Within the Energy Efficiency business, EPC activities related to the installation of photovoltaic plants on apartment buildings, as well as on industrial or agricultural enterprise facilities, are ongoing.
Within the Co-Development business, activities related to the Battery Energy Storage System (BESS) segment are the main drivers of the sharp increase in long-term orders.
Details of the activities of the long-term orders are shown in the table below:

LONG-TERM ORDERS
(Figures in Euro)

	Balance at 31/12/2024	Balance at 31/12/2023	Change
Storage	40,674,381	17,407,540	23,266,841
Photovoltaic	13,035,608	8,205,332	4,830,276
Wind	1,151,674	1,000,096	151,578
Total	**54,861,663**	**26,612,968**	**28,248,695**

The sharp increase from long-term orders is related mainly to the progress in the authorization process of the contracted BESS (Storage) projects.
The allowance for impairment on contract work in progress changed as follows:

ALLOWANCE FOR IMPAIRMENT ON CONTRACT WORK IN PROGRESS
(Figures in Euro)

Balance at 01/01/2024	**19,534**
Provisions	93,998
Utilizations	-
Releases	-
Balance at 31/12/2024	**113,532**

The provision for the period, in line with IFRS 15, was recorded with an analysis of the margins of a number of smaller orders.

6. Trade receivables, Tax receivables and Other current assets

Details of receivables by type and maturity are shown in the table below:

RECEIVABLES UNDER CURRENT ASSETS *(Figures in Euro)*	Balance for the Year					
		Due beyond one year				
	Due within one year	Residual maturity less than or equal to five years	Residual maturity of over five years	Balance at 31/12/2024	Balance at 31/12/2023	Change
Receivables from customers	701,399	-	-	701,399	736,884	(35,485)
Tax receivables	792,496	992,665	403,236	2,188,397	3,061,664	(873,267)
Other assets	1,419,043	-	-	1,419,043	2,613,334	(1,194,291)

Receivables from customers are recorded net of the allowance for impairment (€ 36 thousand), which includes mainly provisions made in prior years for receivables from two customers. Injunctions were requested and obtained for these receivables during the first months of 2024, and the outcome is currently unknown. The change in the period (€ 7 thousand), on the other hand, is the result of the accounting adjustment required by IFRS 9 (Expected Credit Losses).

TRADE RECEIVABLES *(Figures in Euro)*	Balance at 31/12/2024	Balance at 31/12/2023	Change
Trade receivables - gross amount	737,343	766,113	(28,770)
(Allowance for doubtful trade receivables)	(35,943)	(29,230)	(6,713)
Total - net amount	**701,399**	**736,884**	**(35,485)**

The table below shows the details of overdue by band of receivables from customers:

TRADE RECEIVABLES SCHEDULE *(Figures in Euro)*	Balance at 31/12/2024	Falling due	Past due up to 30 days	Past due 31-180 days	Past due 181-270 days	Past due 271-360 days	Past due over 360 days
Trade receivables - gross amount	737,343	29,714	211,485	340,501	530	-	155,112
(Allowance for doubtful trade receivables)	(35,943)	-	-	(10,301)	(530)	-	(25,112)
Total - net amount	**701,399**	**29,714**	**211,485**	**330,200**	**-**	**-**	**130,000**

The amount of past due over 360 days refers to a single lot subject of a broader business negotiation that the AGP Group expects to finalize, with the related receivable settlement, by first half 2025.

Tax receivables are broken down as follows:

TAX RECEIVABLES *(Figures in Euro)*	Balance at 31/12/2024	Balance at 31/12/2023	Change
Tax receivables from Superbonus and other construction bonuses	1,831,449	2,022,651	(191,202)
VAT	309,575	956,598	(647,023)
Other tax receivables	47,373	82,415	(35,042)
Total	**2,188,397**	**3,061,664**	**(873,267)**

The decrease in "Tax receivables from Superbonus and other construction bonuses" refers to the offsetting of the paperwork, submitted to the tax authorities in 2023, related to the "invoice discount" as established by Law Decree 34/2020 and subsequent legislative measures, notably those associated with the 110% Superbonus on activities initiated in 2022.
VAT receivables refer to amounts accrued in prior years and usable for offsetting purposes. The Group has commenced participation in the "Group VAT settlement procedure" as of 1 January 2024. Other receivables include mainly withholdings incurred by banking institutions on "traditional" building renovation transfers.
Receivables from others include:

RECEIVABLES FROM OTHERS *(Figures in Euro)*	Balance at 31/12/2024	Balance at 31/12/2023	Change
Advances for land deposits and surface rights (DDS)	751,809	2,246,858	(1,495,049)
Security deposits	481,200	119,108	362,092
Advances to suppliers	88,729	153,497	(64,768)
Accruals and deferrals	61,914	60,310	1,604
Other assets	35,390	33,561	1,829
Total	**1,419,043**	**2,613,334**	**(1,194,291)**

The decrease in "Advances for land deposits and surface rights (DDS)" refers mainly to the reversal of disbursements incurred in advance on behalf of third-party SPVs with which the Group maintains business relationships.
Total receivables are due entirely from entities or subjects residing within the territory of Italy.

7. Cash and cash equivalents

The item is broken down as follows:

CASH *(Figures in Euro)*	Balance at 31/12/2024	Balance at 31/12/2023	Change
Bank and postal deposits	1,870,042	502,437	1,367,605
Cash and valuables on hand	48	48	-
Total	**1,870,091**	**502,485**	**1,367,605**

Cash and cash equivalents include no escrow accounts.
Please refer to the Statement of Cash Flows for a quantitative analysis of the cash flows that originated the change for the year.

Liabilities

Equity

8. Equity

Details of this item are as follows:

EQUITY *(Figures in Euro)*	Balance at 31/12/2024	Balance at 31/12/2023
Share capital	865,650	865,650
Share premium reserve	7,619,020	6,142,911
Legal reserve	173,130	166,603
Extraordinary reserve	59,832	59,832
FTA reserve	(15,243)	(15,243)
OCI reserve	(11,552)	(4,316)
Other reserves and retained earnings	10,161,245	5,308,885
Profit (loss) for the period	16,073,875	4,919,662
Total	**34,925,958**	**17,443,983**

At 31 December 2024, the fully subscribed and paid-up share capital of the Parent Company Altea Green Power S.p.A. stood at € 865,650, divided into 17,313,006 ordinary shares with no indication of their par value.
The Share Premium Reserve is recorded as a result of the share capital increase that took place when the company was listed on the Euronext Growth Milan Market (EGM) in February 2022 and subsequent increases following the exercise of Warrants.
"Other reserves and retained earnings", in addition to retained earnings from prior years, includes a translation reserve with a negative balance of € 26 thousand, related to foreign exchange differences from the translation of financial statements of Group companies operating in areas other than the Euro.

Reconciliation Statement between the Parent Company Separate Financial Statements and the Consolidated Financial Statements

A reconciliation of equity of the parent company Altea Green Power S.p.A. and consolidated equity is shown below:

RECONCILIATION STATEMENT *(Figures in Euro)*	Equity at 31/12/2024	Profit (loss) 2024	Equity at 31/12/2023	Profit (loss) 2023
Equity and profit (loss) of the parent company	**18,949,923**	**16,464,466**	**12,602,257**	**4,878,794**
Share of equity and net profit/loss of consolidated companies, net of the carrying amount of the relevant investments	(76,799)	(403,723)	(47,871)	40,868
Adjustments made on consolidation for				
Change in consolidation scope	4,647	13,218	-	-
Difference in translation	(25,689)	(87)	(30,064)	-
Total	**18,852,083**	**16,073,875**	**12,524,322**	**4,919,662**

9. Employee benefits

“Employee benefits” refers to post-employment benefits and to long-term bonuses recognized by the Group to its employees.
Details of "Employee benefits" are as follows:

EMPLOYEE BENEFITS *(Figures in Euro)*	**31/12/2024**	**31/12/2023**
Post-employment benefits	96,536	61,252
Post-employment benefits	741,779	-
Total	**838,315**	**61,252**

Post-employment benefits

The actuarial valuation of post-employment benefits was performed based on the "accrued benefits" method using the Projected Unit Credit (PUC) criterion as provided in paragraphs 67-69 of IAS 19.
The economic technical bases used are shown below:

SUMMARY OF ECONOMIC TECHNICAL BASES	**31/12/2024**	**31/12/2023**	**31/12/2022**
Annual discount rate	3.38%	3.17%	3.77%
Annual inflation rate	2.00%	2.00%	2.30%
Annual increase rate in post-employment benefits	3.00%	3.00%	3.23%
Annual wage increase rate	Executives: 2.50% Middle managers: 1.00% Employees: 1.00% Workers: 1.00%	Executives: 2.50% Middle managers: 1.00% Employees: 1.00% Workers: 1.00%	Executives: 2.50% Middle managers: 1.00% Employees: 1.00% Workers: 1.00%

Specifically:

- the annual discount rate used for the determination of the present value of the obligation was derived, consistent with paragraph 83 of IAS 19, from the Iboxx Corporate AA index with duration 10+ recognized as of the valuation date. For this purpose, a yield with a duration comparable to that of the collective of workers being evaluated was chosen;
- the annual increase rate in post-employment benefits, under Article 2120 of the Italian Civil Code, is 75% of inflation plus 1.5 percentage points;
- the annual wage increase rate applied exclusively for Companies with an average of less than 50 employees in 2006 was determined based on the Group’s historical experience.

The annual advance and turnover frequencies of 0.50% and 7.00%, respectively, stem from the Group's historical experience and frequencies derived from the Actuarial Company’s experience on a relevant number of comparables.
The tables below show the reconciliations between the IAS 19 measurement of the post-employment benefits provision for 2023 and the IAS 19 measurement and the post-employment benefits provision at 31 December 2023 *(see the next page)*:

RECONCILIATION IAS 19 VALUATIONS FOR THE PERIOD 01/01/2023-31/12/2023
(Figures in Euro)

	AGP Group
Defined Benefit Obligation at 01/01/2023	49,121
Service cost	13,811
Interest cost	1,804
Benefits paid	(5,973)
Transfers in / (out)	-
Expected DBO at 31/12/2023	58,762
Actuarial (Gains)/Losses from experience	497
Actuarial (Gains)/Losses from change in demographic assumptions	-
Actuarial (Gains)/Losses from change in financial assumptions	1,993
Defined Benefit Obligation at 31/12/2023	**61,252**

RECONCILIATION OF IAS 19 VALUATIONS AND POST-EMPLOYMENT BENEFITS PROVISION AT 31/12/2023
(Figures in Euro)

	AGP Group
Defined Benefit Obligation at 31/12/2023	61,252
Post-employment benefits at 31/12/2023	62,188
Surplus/(Deficit)	935

The tables below show the reconciliations between the IAS 19 measurement of the post-employment benefits provision for 2024 and the IAS 19 measurement and the post-employment benefits provision at 31 December 2024:

RECONCILIATION IAS 19 VALUATIONS FOR THE PERIOD 01/01/2024-31/12/2024
(Figures in Euro)

	AGP Group
Defined Benefit Obligation at 01/01/2024	61,148
Adjustment	6,402
Service cost	22,112
Interest cost	2,420
Benefits paid	(835)
Transfers in / (out)	-
Expected DBO at 31/12/2024	91,247
Actuarial (Gains)/Losses from experience	6,594
Actuarial (Gains)/Losses from change in demographic assumptions	19
Actuarial (Gains)/Losses from change in financial assumptions	(1,324)
Defined Benefit Obligation at 31/12/2024	**96,536**

RECONCILIATION OF IAS 19 VALUATIONS AND POST-EMPLOYMENT BENEFITS PROVISION AT 31/12/2024 *(Figures in Euro)*	**AGP Group**
Defined Benefit Obligation at 31/12/2024	96,536
Post-employment benefits at 31/12/2024	99,095
Surplus/(Deficit)	2,559

Long-term bonuses

During the year, the Group introduced a series of long-term bonuses in the form of Phantom Stock Options and retention bonuses to be paid to employees who hold key positions and/or who have demonstrated outstanding performance during the plan evaluation period, in order to encourage their retention and support for the Group's growth.
Details of the item "Long-term bonuses" are as follows:

EMPLOYEE BENEFITS LONG-TERM BONUSES *(Figures in Euro)*	31/12/2024	31/12/2023
Phantom Stock Options	314,014	-
Retention Bonus	427,765	-
Total	**741,779**	**-**

The Phantom Stock Option plan falls under cash-settled share-based payment transactions and therefore does not generate the granting of new shares at the end of the vesting period as outlined by IFRS 2. Regarding the measurement of Altea Green Power's performance in terms of Total Shareholder Return, this was estimated using stochastic simulation with the "Monte Carlo Method". This approach, based on appropriate assumptions, allowed for the generation of a substantial number of alternative scenarios through the end of the performance period.
The actuarial valuation of the retention bonus plan, on the other hand, was performed based on the "accrued benefits" method using the Projected Unit Credit (PUC) criterion as provided in paragraphs 67-69 of IAS 19.

10. Non-current and current liabilities

Consolidated non-current and current liabilities are broken down by maturity as follows *(see the next page)*:

PAYABLES
(Figures in Euro)

	Balance for the Year					
		Amounts due beyond one year				
	Due within one year	Due beyond one year and within five years	Due beyond five years	Balance at 31/12/2024	Balance at 31/12/2023	Change
Payables to banks	5,179,064	2,174,748	-	7,353,812	4,079,943	3,273,869
Payables to Dxor Investments S.r.l.	250,000	1,002,364	-	1,252,364	-	1,252,364
Financial derivatives	9,438	-	-	9,438	11,108	(1,670)
Tax payables	3,523,394	464,246	-	3,987,640	4,541,132	(553,492)
Advances from customers	14,872,540	-	-	14,872,540	8,476,205	6,396,335
Payables to suppliers	3,960,282	-	-	3,960,282	2,332,778	1,627,504
Other liabilities	922,182	76,017	-	998,199	487,900	510,299
Deferred tax provision	2,172	-	-	2,172	290	1,882
Financial liabilities arising from the application of IFRS 16	126,230	303,235	228,000	657,464	780,775	(123,311)
Total	**28,845,302**	**4,020,610**	**228,000**	**33,093,911**	**20,710,131**	**12,383,780**

Payables to banks

“Payables to banks" consists of bank loans.

In 2024, the Group obtained additional credit lines, as well as new medium- to long-term loans, required to support the development of the business related mainly to the Battery Energy Storage System segment.

Details of outstanding loans are as follows *(see next page)*:

PAYABLES TO BANKS *(Figures in Euro)*	Type of loan	Interest rate	Disbursem. date	Maturity date	Amount disbursed	Outstanding debt at 31/12/24	of which current portion	of which long-term portion
Banks								
Banca FinInt	Unsecured	Eur3M + 5.50%	may-17	nov-24	90,000	-	-	-
Banca Progetto	Unsecured	Eur1M + 4.75%	apr-22	apr-26	600,000	212,766	158,307	54,459
Intesa Sanpaolo	Unsecured	Eur1M + 3.15%	jun-22	jun-27	315,000	157,500	63,000	94,500
Banca Sella	Unsecured	Eur3M + 1.75%	apr-23	apr-28	1,500,000	1,038,542	294,697	743,845
Intesa Sanpaolo	Unsecured	Eur1M + 1.80%	may-23	may-26	800,000	377,778	266,667	111,111
Intesa Sanpaolo	Unsecured	Eur1M + 5.21%	jun-23	jun-29	650,000	487,500	108,333	379,167
Banca Sella	Unsecured	Eur3M + 1%	dec-23	jul-24	72,000	-	-	-
Intesa Sanpaolo	Contract advance	5.75%	feb-24	dec-25	500,000	500,000	500,000	-
BNL	Unsecured	Eur3M + 1.90%	apr-24	oct-25	1,500,000	1,500,000	1,500,000	-
Intesa Sanpaolo	Unsecured	Eur1M + 1,95%	jul-24	jul-27	1,500,000	1,291,667	500,000	791,667
BNL	Unsecured	Eur3M + 1,80%	jul-24	nov-24	500,000	-	-	-
Intesa Sanpaolo	Contract advance	5,73%	dec-24	apr-25	1,781,250	1,781,250	1,781,250	-
Total payables to banks for loans						7,347,002	5,172,254	2,174,748
Payables for use of credit cards						6,809	6,809	-
Total						**7,353,812**	**5,179,064**	**2,174,748**

The Parent Company obtained a SACE / Mediocredito guarantee on the following loans:

- Unsecured loan number 10000173 concluded on 1 March 2017 with Banca Finanziaria Internazionale S.p.A.
- Loan number 0L85010831898 concluded on 20 November 2020 with Banca Intesa Sanpaolo S.p.A.
- Loan number 06/100/27706 concluded on 27 April 2022 with Banca Progetto S.p.A.
- Loan number 0IC1017191315 concluded on 21 June 2022 with Banca Intesa Sanpaolo S.p.A.
- Loan number 0UC2015428553 concluded on 29 June 2023 with Banca Intesa Sanpaolo S.p.A.
- Loan number 0IR1036449708 concluded on 30 July 2024 with Banca Intesa Sanpaolo S.p.A.

Financial derivative liabilities

The current item includes the negative Mark to Market value of the following derivatives at 31 December 2024 (€ 10 thousand).

FINANCIAL INSTRUMENTS *(Figures in Euro)*	Balance at 31/12/2024		
	Outstanding capital	Positive fair value	Negative fair value
Derivative hedging instruments			
IRS Collar - 98592731 (Reference capital € 800K)	377,777	-	(1,142)
IRS Dynamic Rate - 98983526 (Reference capital € 650K)	487,499	-	(8,296)
Fair Value Financial Instruments recorded in the Financial Statements		**-**	**(9,438)**

The financial derivative matures within 5 years.

Tax payables

The details of "Tax payables" are as follows:

TAX PAYABLES *(Figures in Euro)*	Balance at 31/12/2024	Balance at 31/12/2023	Change
Payables for current IRES/IRAP	3,158,780	4,411,744	(1,252,964)
Payables for IRES/IRAP in instalments	656,386	120,428	535,958
Payables for withholding tax	172,474	8,960	163,514
Total	**3,987,640**	**4,541,132**	**(553,492)**

Payables to suppliers and other payables

“Payables to suppliers" includes payables mainly arisen for the purchase of services and goods intended directly for the production of services. The amount of trade payables overdue for over 365 days was € 4 thousand at 31 December 2024.
"Other liabilities”, amounting to € 998 thousand at 31 December 2024, includes mainly current salaries and annual bonuses of employees (€ 536 thousand), payables to INPS and supplementary pension funds (€ 411 thousand) and miscellaneous payables (€ 50 thousand).
With the exception of € 469 thousand due to intermediaries residing in the European Union, the amount of payables is due to entities or parties residing in Italy.
There are no payables secured by collateral on corporate assets.

Income Statement

11. Revenue

The item of Revenue recorded in the Financial Statements is broken down as follows:

BREAKDOWN BY BUSINESS CATEGORY *(Figures in Euro)*	2024	% of Total Revenue and Services	2023	% of Total Revenue and Services	Change
Revenue					
Invoiced revenue	7,086,813	20%	2,985,785	19%	4,101,028
Revenue from contract work in progress	27,825,946	80%	12,490,068	81%	15,335,878
Total	**34,912,758**	**100%**	**15,475,853**	**100%**	**19,436,905**

Invoiced revenue

The breakdown of "Invoiced revenue" by business category is as follows:

BREAKDOWN BY BUSINESS CATEGORY *(Figures in Euro)*	2024	% of Total Revenue and Services	2023	% of Total Revenue and Services	Change
Invoiced revenue					
Service revenue from EPC activities	1,965,444	28%	2,717,832	91%	(752,388)
Service revenue from Co-Development Activities	5,121,369	72%	267,953	9%	4,853,415
Total	7,086,813	100%	2,985,785	100%	4,101,028

The decrease in "Service revenue from EPC activities", which includes revenue from the sale of turnkey industrial and residential photovoltaic plants, is attributable to the reduction in orders related to Superbonus 110% procedures and so-called "minor bonuses". "Service revenue from Co-Development Activities" increased significantly versus the prior year, due to the closing of the Co-Development contract for 9 BESS Storage plants in Italy, signed in March, for the sale of the subsidiaries Green BESS S.r.l. and Blue BESS S.r.l. (€ 5.7 million net of transferred assets and liabilities amounting to € 1 million). Net of the above revenue (non-EU), revenue from sales and services was generated entirely in Italy.

Revenue from contract work in progress

Revenue from contract work in progress is recognized over time, in line with the gradual progress of activities. This percentage of completion is then applied to the total contract value agreed with the customer to determine the amount to be recorded as income in the Income Statement. As already shown in "Inventory and contract work in progress" the significant increase in the year is largely justified by development in the BESS (Storage) segment.

Other revenue and income

"Other revenue and income", amounting to € 461 thousand, refers mainly to revenue from reimbursements of advance expense incurred on behalf of SPVs owned by contracted clients with whom the AGP Group operates. This item also includes the income from the acquisition of OF Green Energy S.r.l. and GF Green Energy S.r.l. (€ 13 thousand) as explained earlier.

12. Operating costs

Operating costs are all inherent and related to revenue generation and accrued during the period.

Purchase costs

Details of this item are shown below:

PURCHASE COSTS *(Figures in Euro)*	2024	2023	Change
Purchase of tangible goods for production of services	3,822,920	283,933	3,538,987
Purchase of electrical and consumable materials	145,882	192,129	(46,247)
Purchase of capital goods <516.46	11,172	11,451	(279)
Total	**3,979,975**	**487,513**	**3,492,462**

"Purchase costs" generally includes the supply of materials used in the sale of turnkey industrial and residential photovoltaic plants. The strong increase versus the prior year is related, in line with the planning process, to the purchase of land on a number of contracted photovoltaic orders.

Service costs

Details of this item are shown below:

SERVICE COSTS *(Figures in Euro)*	**2024**	**2023**	**Change**
Co-Development consulting	3,123,104	2,354,427	768,677
EPC Consulting	946,450	791,590	154,860
Financial consulting	750,500	205,094	545,406
Administrative and tax consulting	742,658	209,361	533,297
STMG fee, DDS and State Treasury expense	720,256	1,195,921	(475,665)
Fees to corporate bodies	696,497	566,021	130,476
Advertising, advertisements and billboards	187,565	210,453	(22,888)
Miscellaneous consulting	174,624	115,598	59,026
Expense advanced on behalf of SPVs	170,045	144,869	25,176
Legal and notarial consulting	138,593	173,075	(34,482)
Optional insurance prem.	111,855	90,650	21,205
Other minor, individually negligible items	651,008	1,078,447	(427,439)
Total	**8,413,153**	**7,135,506**	**1,277,647**

The change in “Service costs" versus the prior year is directly related to the significant increase in revenue for the period.
Net of costs directly attributable to business development, costs for administrative and financial consulting increased versus the prior year due to consulting services received on the project to list ordinary shares and warrants on Euronext Milan, Euronext STAR Milan segment.
The remaining item "Other minor items" decreased due mainly to lower costs incurred from third parties on incentive renovation projects (including the 110% Superbonus).

Costs for rentals and leases

Costs for rentals and leases are related mainly to annual fees for the use of the company's IT infrastructure (servers and licenses for management software).

COSTS FOR RENTALS AND LEASES *(Figures in Euro)*	**2024**	**2023**	**Change**
Fees for use of software licenses	45,112	36,447	8,665
Car rental for business trips	12,638	4,514	8,124
Equipment rental	5,269	7,122	(1,853)
Electronic machine rental fees	1,371	1,245	126
Total	**64,389**	**49,328**	**15,061**

The increase in costs versus the prior period is attributable mainly to license fees on new management systems that the Group has and is implementing, and higher costs related to the rental of vehicles used during domestic trips both due to higher unit costs and increased travel in line with the expansion of the business.

Personnel expense

The item includes all employee-related expense, including performance increases, promotions, cost-of-living increases, untaken vacation and leave and accruals made pursuant to the law and collective labour agreements.
The increase versus the prior year is due mainly to the accrual for the period concerning the new long-term bonuses awarded to employees starting in 2024 (see Note 9 for more details), and residually to the higher number of staff currently employed by the Group.

Amortization and depreciation

It is important to note that amortization/depreciation was calculated based on the useful life of the assets and their participation in the production process. Please refer to the notes on Intangible and Tangible Fixed Assets.

Changes in allowances for inventory and trade receivables

In 2024, the Group set aside € 101 thousand, of which € 7 thousand as an allowance for doubtful trade receivables based on expected future losses (ECLs) under IFRS 9, and € 94 thousand as an allowance for impairment of assets from work on contracts (provision recorded in "Revenue from contract work in progress").
During the period, the Directors did not consider it reasonable to show any provisions for risks in the financial statements.

Other operating costs

Details of this item are shown below:

OTHER OPERATING COSTS *(Figures in Euro)*	2024	2023	Change
Contingent liabilities	872,098	413,017	459,081
Unrecoverable Co-Development costs	317,997	306,277	11,720
Sanctions, penalties and fines	232,508	76,770	155,738
Miscellaneous tax	38,582	36,926	1,656
Other expense	16,390	67,083	(50,693)
Total	**1,477,575**	**900,073**	**577,502**

Contingent liabilities include mainly reversal of positions related to prior years for renegotiation and settlement of items.
The increase in penalties versus the prior year refers to the recognition of higher penalties on tax from prior years; as explained in the Consolidated Report on Operations, in July 2024, the outstanding tax positions were settled in full.
Unrecoverable Co-Development costs regard start-up projects ("business opportunities") that have been deemed technically and economically unfeasible.

13. Financial income and expense

Net financial expense, amounting to € 547 thousand, is broken down as follows:

NET FINANCIAL EXPENSE *(Figures in Euro)*	2024	2023	Change
Financial income	(143,639)	(59,737)	(83,902)
Bank interest expense	327,321	74,458	252,863
Interest expense on arrears	283,449	96,181	187,267
Sundry financial expense	59,327	96,352	(37,025)
Interest expense from application of IFRS 16	20,394	25,262	(4,868)
Total	**546,852**	**232,516**	**314,336**

"Financial income" refers mainly to the reversal of financial expense, recorded in prior years under "other financial expense", as a result of offsetting long-term tax receivables and/or transferring them to third parties.
The increase in interest payable on arrears versus the prior year refers to the recognition of higher interest on tax from prior years; as explained in the Consolidated Report on Operations, in July 2024, the outstanding tax positions were settled in full.
"Sundry financial expense" includes interest recognized (€ 52 thousand) on the loan liability concluded in July with the parent company Dxor Investments S.r.l.

14. Income tax for the year, current, deferred and prepaid tax

Details of current, deferred and prepaid tax are shown below:

INCOME TAX *(Figures in Euro)*	2024	2023	Change
IRES	4,321,776	1,606,939	2,714,837
IRAP	754,129	304,738	449,391
Total current tax	**5,075,905**	**1,911,677**	**3,164,228**
IRES	52,960	39,094	13,867
Total deferred and prepaid tax	**52,960**	**39,094**	**13,867**
Total income tax for the year	**5,128,865**	**1,950,770**	**3,178,095**

Deferred tax assets for the period refer mainly to the pro-rata release (€ 42 thousand) of deferred tax assets recorded on the elimination, upon first time adoption, of capitalized listing expense under OIC. Below is a reconciliation of the theoretical tax charge with the actual tax charge at 31 December 2024 and 31 December 2023 *(see the next page):*

RECONCILIATION OF THE TAX CHARGE *(Figures in Euro)*	2024	2023
Theoretical IRES rate	**24%**	**24%**
Profit before tax	21,202,740	6,870,432
Theoretical	**5,088,658**	**1,648,904**
Increasing changes	2,055,062	351,357
Decreasing changes	(121,685)	(238,191)
Taxable income	**23,136,117**	**6,983,598**
Tax loss effect	(663,717)	(288,021)
Net taxable income	22,472,400	6,695,577
IRES 24%	5,393,376	1,606,939
IRAP 3.9%	754,129	304,738
Total current tax	**6,147,505**	**1,911,677**
PEX regime adjustment	(1,071,600)	-
Deferred tax assets and liabilities	52,960	39,094
Total income tax for the year	**5,128,865**	**1,950,770**

15. Earnings per share

Earnings per share are calculated by dividing the net result for the period attributable to ordinary shareholders of the Parent Company by the weighted average number of ordinary shares outstanding during the period, excluding treasury shares.
Diluted earnings per share are calculated by dividing the net result for the period attributable to ordinary shareholders of the Company by the weighted average number of ordinary shares outstanding during the period, excluding treasury shares, taking account of the effects of all dilutive potential ordinary shares.
The result and number of ordinary shares used for the purpose of calculating basic and diluted earnings per share, determined in accordance with the methodology adopted by IAS 33, are shown below.

EARNINGS PER SHARE *(Figures in Euro)*	31/12/2024	31/12/2023
Earnings/(Loss) per share	0,93	0,21
Earnings/(Loss) per diluted shares	0,93	0,21
Weighted average number of shares outstanding		
Basic	17,293,887	16,547,582
Diluted	17,293,887	16,547,582

16. Fees paid to the Independent Auditors

Pursuant to Article 149-duodecies of the CONSOB Issuer Regulation, the fees for the current year for audit, certification and other services provided by the Independent Auditors BDO Italia S.p.A., for the Parent Company and its subsidiaries, are broken down as follows:

FEES TO THE INDEPENDENT AUDITORS
(Figures in Euro)

	2024 fees
Auditing	53,500
Audit-related services	4,000
Services related to the translisting process	370,000
Other fees	16,300

Other mandatory information

Disclosure by operating segment

IFRS 8 requires that, in the consolidated financial statements of a Group where the Parent Company has debt or equity instruments traded in a public market, information must be disclosed by operating segment.
"Operating segment" refers to a component of an entity that:

- engages in entrepreneurial activities generating revenue and costs (including revenue and costs from transactions with other components of the same entity);
- has its operational performance reviewed periodically by the entity's highest decision-making level to allocate resources and assess performance; and
- has separate financial statement information available for reporting.

In accordance with IFRS 8, the Directors did not consider it reasonable to provide disclosure by operating segments, as, in line with paragraph 13 of the same accounting standard, business units other than Co-Development do not meet any of the quantitative thresholds, either individually or in aggregate. For further information on the performance and composition of the Group's business units, please refer to the Report on Operations.

Financial risk management: targets and criteria

The Board of Directors reviews and agrees on policies to manage the main types of financial risks, as outlined below.

Credit risk

Credit risk refers to the Group's potential exposure to counterparties failing to fulfill their obligations. The Group is not particularly exposed to the risk of customers delaying or failing to meet their payment obligations according to the agreed terms and manner, due in part to its operations with leading players of unquestionable creditworthiness.
For business purposes, policies are also adopted to ensure customer creditworthiness and limit exposure to credit risk through principal assessment and monitoring activities. Lastly, all receivables are regularly subject to a detailed evaluation on a customer-by-customer basis, with write-downs applied in cases where impairment is anticipated.

Market risk

Market risk refers to the variability in the value of assets and liabilities due to changes in market prices (primarily exchange rates and interest rates), which, in addition to affecting expected cash flows, can lead to unexpected increases in financial costs and expense.

Exchange risk

The Group is exposed to exchange rate fluctuation risks, due primarily to balance sheet items denominated in currencies other than the Euro. However, the current limited operations of the U.S. subsidiary do not expose the Group to "translational" exchange rate risks (related to fluctuations in exchange rates used to convert financial statement figures of subsidiaries) or "transactional" risks, as the Group primarily conducts its business in Eurozone countries.

Interest rate risk

Interest rate fluctuation risk is related mainly to medium/long-term loans negotiated at variable rates. Any fluctuations in exchange rates could potentially have negative effects on the Group's income and financial position. Interest rate risk management to date has been aimed primarily at minimizing financing costs and stabilizing cash flows. The Group also converted part of its floating-rate loans into fixed-rate loans by entering into financial derivatives for hedging purposes. For this reason, at the balance sheet date, the potential effect on the Income Statement from fluctuations in rising and falling rates (sensitivity analysis) is not considered significant.

Liquidity risk

Liquidity risk represents the potential difficulty that the Group may encounter in meeting its obligations associated with financial liabilities. The Group currently believes that its ability to generate cash - thanks in part to payment of services on a progress basis with chargeback of incurred costs - and the containment of bank exposure represent stable elements, sufficient to guarantee the necessary resources to continue its operations.

Risks associated with the global macroeconomic context

In recent years, the macroeconomic context has been marked by great uncertainty. Geopolitical instability, particularly the Russian-Ukrainian conflict that erupted in February 2022 and the more recent Israeli-Palestinian conflict, has created an extremely complex and unpredictable scenario marked by inflationary pressures and highly speculative dynamics. These phenomena, in particular, have impacted energy and commodity prices, disrupted supply continuity, and, more generally, led to a sharp rise in global inflation. This has resulted in a tightening of central bank monetary policies. While the Group has no significant direct or indirect business interests in the conflict-affected areas, it continues to closely monitor the developments in the macroeconomic context and its impact on business operations.

Cyber security risk

The increasing reliance on IT systems and the spread of digitization processes heighten the Group's exposure to this type of risk, which could lead to data loss, business disruption, or privacy violations. Although not particularly exposed to this risk, the Group is actively engaged in continuous efforts to enhance protection systems and procedures, train personnel, and strengthen IT infrastructure with dedicated safeguards.

Fair value measurement and related hierarchical levels of measurement

The Directors have confirmed that the fair value of cash, trade receivables and payables, current financial assets and liabilities, and other current liabilities approximates their carrying amount, due to the short-term maturities of these instruments. As explained in Note 2.8, with regard to financial instruments recognized in the statement of financial position at fair value, IFRS 7 requires that these values be classified based on a hierarchy of levels that reflects the significance of the inputs used in determining fair value. All assets and liabilities measured at fair value at 31 December 2024 can be classified in hierarchical level number 2. Lastly, it should be noted that there were no transfers between different levels of measurement during the year.

Related party transactions

Under IAS 24, the following are defined as related parties of the Group: associates, members of the Board of Directors, Statutory Auditors and key management personnel of the Parent Company and their family members, and certain members of the Board of Directors and key management personnel of other Group companies and their family members.
The Group does not have any dealings with the parent Dxor S.r.l. and affiliates, with the exception of the loan granted on 31 July 2024 by the parent Dxor Investments S.r.l. to the parent Altea Green Power S.p.A. in the amount of € 2.5 million. The transaction was settled at arm's length, that is, on the terms that are or would be applied between two independent parties.
Transactions with related parties consist of fees paid to the Board of Directors, the Board of Statutory Auditors, and key management personnel of the Parent Company for the performance of their duties.
The following are the fees paid to members of the governing and supervisory bodies and key management personnel in 2024.

STATO PATRIMONIALE *(Figures in Euro)*	31/12/2024		31/12/2023	
	Receivables	Payables	Receivables	Payables
Dxor Investments S.r.l.	-	1,252,364	-	-
Board of Directors of the Parent Company	-	8,993	-	10,195
Board of Statutory Auditors of the Parent Company	-	6,500	-	-
Key management personnel	-	7,223	-	6,887

CONTO ECONOMICO *(Figures in Euro)*	2024		2023	
	Costs	Revenue	Costs	Revenue
Dxor Investments S.r.l.	52,364	-	-	-
Board of Directors of the Parent Company	647,004	-	531,021	-
Board of Statutory Auditors of the Parent Company	49,493	-	35,000	-
Key management personnel	144,233	-	82,652	-

Significant events after 31 December 2024

Please refer to the Consolidated Report on Operations for more information on significant events after 31 December 2024.

Rivoli (Turin), 20 February 2025

For the Board of Directors
Chairman
Giovanni Di Pascale

Financial Reporting Manager
Salvatore Guarino

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Certification of the annual Consolidated Financial

at 31 December 2024

Certification of the annual Consolidated Financial Statements pursuant to Article 81-ter of CONSOB Regulation 11971/1999 193

1. The undersigned Giovanni Di Pascale, as Chief Executive Officer, and Salvatore Guarino, as Financial Reporting Manager of Altea Green Power Group, certify, also taking into account the provisions of Article 154-bis, paragraphs 3 and 4, of Legislative Decree no. 58 of 24 February 1998:
   - the adequacy of the characteristics of the Company;
   - the effective application of administrative and accounting procedures for preparation of the Consolidated Financial Statements in 2024.
2. No major issues arose in this respect.
3. Moreover, the following is certified:
   3.1. The annual Consolidated Financial Statements for the year ended 31 December 2024 of Altea Green Power Group:
   - were prepared in accordance with the International Financial Reporting Standards endorsed by the European Union pursuant to EC Regulation no. 1606/2002 of the European Parliament and Council of 19 July 2002;
   - are consistent with the accounting records and books;
   - give a true and fair view of the financial position and performance of the Issuer and of the companies included in the consolidation scope as a whole.

   3.2. The Report on Operations contains a reliable analysis of performance and the results of operations, and of the situation of the Issuer and the group of companies included in the consolidation scope, together with a description of the main risks and uncertainties they are exposed to.

Rivoli (Turin), 20 February 2025

Giovanni Di Pascale
Chief Executive Officer

Salvatore Guarino
Financial Reporting Manager

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Independent Auditors' Report

ALTEA GREEN POWER S.P.A.

Independent auditor's report pursuant to article 14 of Legislative Decree no. 39, dated January 27, 2010 and article 10 of Regulation (EU) 537/2014

Consolidated financial statements as of December 31, 2024

As disclosed by the Directors on page 1, the accompanying consolidated financial statements of Altea Green Power S.p.A. constitute a non-official version which is not compliant with the provisions of the Commission Delegated Regulation (EU) 2019/815. This independent auditor's report has been translated into the English language solely for the convenience of international readers. Accordingly, only the original text in Italian language is authoritative

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Independent auditor's Report
pursuant to article 14 of Legislative Decree no. 39, dated January 27, 2010 and article 10 of Regulation (EU) 537/2014

To the Shareholders of
Altea Green Power S.p.A.

Report on the consolidated financial statements

Opinion

We have audited the consolidated financial statements of Altea Green Power Group (the "Group"), which comprise the consolidated statement of financial position as at December 31, 2024, the consolidated income statement, the consolidated statement of comprehensive income, the consolidated statement of changes in shareholders' equity and the consolidated statement of cash flow for the year then ended, and the notes to the consolidated financial statements, including material accounting policy information.

In our opinion, the consolidated financial statements give a true and fair view of the financial position of the Group as at December 31, 2024 and of its financial performance and its consolidated cash flows for the year then ended in accordance with IFRS Accounting Standards as issued by the International Accounting Standards Board (IASB) as adopted by the European Union, as well as the regulation issued to implement article 9 of Legislative Decree no. 38/05.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (ISA Italia). Our responsibilities under those standards are further described in the *Auditor's Responsibilities for the Audit of the consolidated financial statements* section of our report. We are independent of Altea Green Power S.p.A. (the "Company") in accordance with the ethical and independence requirements applicable in Italy to the audit of financial statements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Key audit matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the consolidated financial statements of the current period. These matters were addressed in the context of our audit of the consolidated financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

Key audit matters	Audit response
Measurement of revenues and assets arising from contracts	

We refer to Note 2.1 “Revenue from contracts with customers” and Note 5 “Inventory and contract work in progress” of the notes to the consolidated financial statements.
 	
The consolidated financial statements include in income statement revenues from contracts for Euro 35 million, including revenues for contract work in progress for Euro 28 million, and in the Statement of Financial Position contract work in progress for Euro 55 million.
 	
Revenues from contracts with customers are recognized when the transfer of control of the good or service to the customer takes place, which occurs over the time.
 	
Contracts related to the sale of projects referring to new production plants which meet the requirements for over time revenue recognition, are classified under "Assets arising from contracts”, that represent the right to consideration for goods or services that have already been transferred to the customer.
 	
Assets arising from contracts with customers for which revenue recognition takes place over time are recognized using an input-based ("cost-to-cost") methodology for measuring progress; under this methodology, costs, revenue, and margin are recognized based on the progress of production activity, determined with regard to the ratio of costs incurred at the measurement date to total costs expected for performance obligation fulfillments.
 	
The application of this methodology requires prior estimation of the total lifetime costs of individual projects, which are updated at each balance sheet date based on assumptions made by the Directors. These facts and circumstances make it challenging to estimate the costs of completing projects and, consequently, to determine the value of contract assets or ongoing liabilities at the balance sheet date. For these reasons the item has been considered relevant for the purpose of the audit.
	Our audit procedures in response to the key audit matter related to the measurement of revenues and Assets arising from contracts, included the following:
	▪ the understanding of the internal control system relating to the initial estimation of the results of the work in progress from contracts and the subsequent adjustment of contract revenues and costs in the financial statements, including the verification of the valuation assumptions;
	▪ the verification of the criteria for recognition of revenues and the methodology adopted, and in particular, for the purpose of determining the percentage of completion, the understanding of the process of planning and controlling contracts, on the basis of which the Directors have determined revenue and measured contract assets by:
	    ▪ analysis of the reasonableness of the assumptions underlying the budget of the most significant projects through interviews with those responsible for management control, examining the documentation supporting the evaluations carried out and the major deviations from the estimates made in previous years and the costs incurred;
	    ▪ verification of final costs through analysis of the budget of total contract costs and verification of estimates updates at the balance sheet date;
	    ▪ carrying out specific procedures to verify the correct allocation of costs to individual contracts;
	    ▪ verification of the percentage of progress of contracts calculated as the ratio between the costs incurred at the balance sheet date and the estimated total costs;
	▪ the verification of final revenues through the analysis of a significant sample of contracts;
	▪ the verification of the completeness of the information provided in the notes to the financial statements.

Responsibilities of the Directors and the Board of Statutory Auditors for the consolidated financial statements

The Directors are responsible for the preparation and fair presentation of the consolidated financial statements in accordance with IFRS Accounting Standards as issued by the International Accounting Standards Board (IASB) as adopted by the European Union, as well as the regulation issued to implement article 9 of Legislative Decree no. 38/05 and, in the terms prescribed by the law, for such internal control as they determine is necessary to enable the preparation of consolidated financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the consolidated financial statements, the Directors are responsible for assessing the Group's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless they either intend to liquidate the Parent Company Altea Green Power S.p.A. or to cease operations, or has no realistic alternative but to do so.

The board of statutory auditors is responsible for overseeing, in the terms prescribed by law, the Group's financial reporting process.

Auditor's Responsibilities for the audit of the consolidated financial statements

Our objectives are to obtain reasonable assurance about whether the consolidated financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance but is not a guarantee that an audit conducted in accordance with ISA Italia will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these consolidated financial statements.

As part of an audit in accordance with ISA Italia, we exercised professional judgment and maintain professional skepticism throughout the audit. We also have:

- Identified and assessed the risks of material misstatement of the consolidated financial statements, whether due to fraud or error, designed and performed audit procedures responsive to those risks, and obtained audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtained an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Group's internal control.
- Evaluated the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the Directors.
- Concluded on the appropriateness of the Directors' use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Group's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the consolidated financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Group to cease to continue as a going concern.
- Evaluated the overall presentation, structure and content of the consolidated financial statements, including the disclosures, and whether the consolidated financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- Obtained sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Group to express an opinion on the consolidated financial statements. We are responsible for the direction, supervision and performance of the group audit. We remain

solely responsible for our audit opinion on the consolidated financial statements.

We have communicated with Those charged with governance, as properly identified in accordance with ISA Italia, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We have also provided those charged with governance with a statement that we have complied with ethical and independence requirements applicable in Italy, and we have communicated all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, actions taken to eliminate relevant risks or the safeguards measures applied.

From the matters communicated with Those charged with governance, we determined those matters that were of most significance in the audit of the consolidated financial statements of the current period and are therefore the key audit matters. We described those matters in our auditor's report.

Other information communicated pursuant to article 10 of Regulation (EU) 537/2014

We were initially engaged by the Shareholders meeting of Altea Green Power S.p.A. on July 17, 2024, to perform the audits of the financial statements of the holding Company and the consolidated financial statements of Altea Green Power Group of each fiscal year starting from December 31, 2024, to December 31, 2032.

We declare that we did not provide prohibited non-audit services, referred to article 5, paragraph 1, of Regulation (EU) 537/2014, and that we remained independent of the Company in conducting the audit.

We confirm that the opinion on the consolidated financial statements of Altea Green Power S.p.A. included in this audit report is consistent with the content of the additional report prepared in accordance with article 11 of Regulation (EU) 537/2014, submitted to Those charged with governance.

Reports on other legal and regulatory requirements

Opinion on the compliance to the requirements of Delegated Regulation (EU) 2019/815

The Directors of Altea Green Power S.p.A. are responsible for the application of the requirements of Delegated Regulation (EU) 2019/815 of European Commission regarding the regulatory technical standards pertaining the electronic reporting format specifications (ESEF – European Single Electronic Format) (hereinafter the "Delegated Regulation") to the consolidated financial statements as at December 31 2024, to be included in the Annual financial report.

We have performed the procedures required under Auditing Standard (SA Italia) no. 700B in order to express an opinion on the compliance of the consolidated financial statements to the requirements of the Delegated Regulation.

In our opinion, the consolidated financial statements at December 31, 2024 have been prepared in XHTML format and have been marked-up, in all material respects, in compliance to the requirements of Delegated Regulation.

Opinion pursuant to article 14, paragraph 2, (e),e-bis) and e-ter) of Legislative Decree no. 39/10 and of article 123-bis paragraph 4 of Legislative Decree no. 58/98.

The directors of Altea Green Power S.p.A. are responsible for the preparation of the report on operations and of the corporate governance report of Altea Green Power Group as at December 31, 2024, including their consistency with the consolidated financial statements and their compliance with the applicable laws and regulations.

We have performed the procedures required under Auditing Standard (SA Italia) no. 720B in order to:

- express an opinion on the consistency of the report on operations and of specific information of the corporate governance report as provided by article 123-bis, paragraph 4, of Legislative Decree no. 58/98, with the consolidated financial statements;
- express an opinion on the compliance of the report on operations and of the specific information of the corporate governance report as provided by article 123-bis, paragraph 4, of Legislative Decree no. 58/98, with the applicable laws and regulations;
- issue a statement on whether the report on operations and of specific information of the corporate governance report as provided by article 123-bis, paragraph 4, of Legislative Decree no. 58/98 contain material misstatements.

In our opinion, the report on operations and the specific information of the corporate governance report as provided by article 123-bis, paragraph 4, of Legislative Decree no. 58/98, are consistent with the consolidated financial statements of Group Altea Green Power as at December 31, 2024.

Furthermore, in our opinion the report on operations and of the specific information of the corporate governance report as provided by article 123-bis, paragraph 4, of Legislative Decree no. 58/98, are compliant with applicable laws and regulations.

With reference to the assessment pursuant to article 14, paragraph. 2, e-ter), of Legislative Decree no. 39/10 based on our knowledge and understanding of the entity and its environment obtained through our audit, we have nothing to report.

Turin, March 6, 2025

BDO Italia S.p.A.
Signed by

Massimo Siccardi
Partner

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Separate Statements

at 31 December 2024

Statement of Financial Position

ASSETS *(Figures in Euro)*	Notes	31/12/2024	31/12/2023
Non-current assets			
Intangible assets	1		
Industrial patent and intellectual property rights		39.895	5.013
Intangible fixed assets under construction and other		139.926	-
Tangible assets	2		
Rights of use: property		448.247	530.874
Rights of use: other		174.994	220.588
Industrial plant, machinery and equipment		3.527	2.811
Tangible fixed assets under construction and other		112.397	87.599
Deferred tax assets	3	**92.607**	**133.781**
Other non-current assets	4		
Investments		301.587	1.191.255
Total non-current assets		**1.313.179**	**2.171.921**
Current assets			
Inventory	5	3.434.118	1.219.608
Contract work in progress	5	50.585.079	25.324.810
Trade receivables	6	701.399	736.681
Receivables from subsidiaries	6	11.631.385	6.417.515
Tax receivables	6	1.876.544	2.493.548
Other current assets	6		
Other assets		850.886	436.881
Cash and cash equivalents	7	1.740.031	500.213
Total current assets		**70.819.442**	**37.129.256**
Total assets		**72.132.621**	**39.301.177**

LIABILITIES AND EQUITY *(Figures in Euro)*	Notes	31/12/2024	31/12/2023
Equity	8		
Share capital		865.650	865.650
Share premium reserve		7.619.020	6.142.911
Legal reserve		173.130	166.603
Extraordinary reserve		59.832	59.832
FTA reserve		(15.243)	(15.243)
OCI reserve		(11.552)	(4.316)
Other reserves and retained earnings		10.259.086	5.386.823
Profit (loss) for the period		16.464.466	4.878.794
Share capital and reserves attributable to non-controlling interests		-	-
Total equity		**35.414.390**	**17.481.052**
Non-current liabilities			
Employee benefits	9	838.315	61.252
Non-current financial liabilities	10	3.708.347	2.931.819
Non-current tax liabilities	10	464.246	688.844
Deferred tax provision	10	2.172	290
Other non-current liabilities	10	76.017	42.338
Total non-current liabilities		**5.089.097**	**3.724.543**
Current liabilities			
Trade payables	10	3.955.114	1.907.575
Payables to subsidiaries	10	2.671.621	1.513.182
Current financial liabilities	10	5.564.730	1.939.964
Current tax payables	10	3.680.408	3.850.829
Other current liabilities	10		
Advances from customers		14.872.540	8.476.205
Other liabilities		884.722	407.830
Total current liabilities		**31.629.135**	**18.095.582**
Total liabilities and equity		**72.132.621**	**39.301.177**

Income Statement

INCOME STATEMENT *(Figures in Euro)*	Notes	2024	2023
Revenue			
Revenue		32.345.814	14.232.603
Other revenue and income		816.014	770.713
Total revenue	11	**33.161.828**	**15.003.316**
Operating costs			
Purchase costs		358.289	487.513
Service costs		8.183.004	5.497.203
Costs for rentals and leases		64.389	49.328
Personnel expense		3.221.142	1.499.519
Amortization and depreciation		157.302	133.798
Changes in allowances for inventory and trade receivables		459.213	444.382
Change in inventory		(2.214.510)	(1.065.599)
Other operating costs		1.159.430	827.202
Total operating costs	12	**11.388.259**	**7.873.346**
Operating profit/(loss)		**21.773.569**	**7.129.970**
Financial income		647.477	59.737
Financial expense		(678.328)	(291.018)
Financials	13	**(30.850)**	**(231.281)**
Profit/(Loss) before tax		**21.742.719**	**6.898.689**
Income tax	14	5.278.253	2.019.896
Profit/(Loss) for the year		**16.464.466**	**4.878.794**

Separate Comprehensive Income

STATEMENT OF COMPREHENSIVE INCOME *(Figures in Euro)*	Notes	2024	2023
Profit/(Loss) for the year		**16.464.466**	**4.878.794**
Items reclassifiable to income statement		(1.670)	(11.108)
Actuarial gains/losses from employee plans		8.906	(1.795)
Total Other Comprehensive Income		7.236	(12.904)
Comprehensive income/(loss) for the year		**16.471.702**	**4.865.890**

Statement of Changes in Equity

CHANGES IN EQUITY IN THE YEAR 31/12/2023 *(Figures in Euro)*	Share capital	Share premium reserve	Legal reserve	Extraord. reserve	FTA reserve	OCI reserve	Other reserves and retained earnings	Profit (loss) for the year	Total
Balance at 01/01/2023	830.663	5.163.254	104.891	59.832	(15.243)	8.588	1.237.116	4.211.416	11.600.517
Allocation of prior-year's profit/loss	-	-	61.712	-	-	-	4.149.704	(4.211.416)	-
Other changes	34.987	979.657	-	-	-	(12.903)	-	-	1.001.741
Profit (loss) for the year					-	-	-	4.878.794	4.878.794
Balance at 31/12/2023	865.650	6.142.911	166.603	59.832	(15.243)	(4.315)	5.386.820	4.878.794	17.481.052

CHANGES IN EQUITY IN THE YEAR 31/12/2024 *(Figures in Euro)*	Share capital	Share premium reserve	Legal reserve	Extraord. reserve	FTA reserve	OCI reserve	Other reserves and retained earnings	Profit (loss) for the year	Total
Balance at 01/01/2024	865.650	6.142.911	166.603	59.832	(15.243)	(4.315)	5.386.820	4.878.794	17.481.052
Allocation of prior-year's profit/loss	-	-	6.527	-	-	-	4.872.267	(4.878.794)	-
Other changes	-	1.476.109	-	-	-	(7.236)	-	-	1.468.873
Profit (loss) for the year	-	-	-	-	-	-	-	16.464.466	16.464.466
Balance at 31/12/2024	865.650	7.619.020	173.130	59.832	(15.243)	(11.552)	10.259.087	16.464.466	35.414.390

Statement of Cash Flows

STATEMENT OF CASH FLOWS *(Figures in Euro)*	**31/12/2024**	**31/12/2023**
A. Cash flow from operations (indirect method)		
Profit (loss) for the year	16.464.466	4.878.794
Income tax	5.278.253	2.019.896
Interest expense/(interest income)	30.850	231.281
1. Profit (loss) for the year before income tax, interest, dividends and gains/losses from disposals	**21.773.569**	**7.129.970**
Adjustments for non-monetary items that did not have a balancing item in the net working capital		
Amortization and depreciation of fixed assets	*157.302*	*170.729*
Allocations/(releases) provisions	*473.024*	*(4.314)*
Other adjustments for non-monetary items	*2.004.632*	*225*
Total adjustments non-monetary items	2.634.958	166.640
2. Cash flow before changes in NWC	**24.408.527**	**7.296.610**
Changes in net working capital		
Decrease/(increase) in inventory net of advances from customers	*(21.078.443)*	*(12.292.883)*
Decrease/(increase) in trade receivables from customers	*35.282*	*3.265.235*
Increase/(decrease) in payables to third-party suppliers	*2.047.539*	*1.375.896*
Other changes in net working capital	*(3.736.881)*	*(1.406.415)*
Total changes in net working capital	(22.732.503)	(9.058.167)
3. Cash flow after changes in NWC	**1.676.024**	**(1.761.557)**
Other adjustments		
Interest received/(paid)	*(597.933)*	*(215.809)*
Income tax paid/(payable/offset)	*(5.278.253)*	*(2.019.896)*
(Utilization of provisions)	*-*	*(5.974)*
Total other adjustments	(5.876.186)	(2.202.585)
Cash flow from operations (A)	**(4.200.162)**	**(3.964.142)**
B. Cash flow from investing activities		
Tangible fixed assets		
(Purchases)	*(48.181)*	*(45.209)*
Disposals	*-*	*320*
Intangible fixed assets		
(Purchases)	*(185.986)*	*-*
Financial fixed assets		
(Purchases)	*(190.000)*	*(1.102.765)*
Cash flow from investing activities (B)	**(424.167)**	**(1.147.654)**
C) Cash flow from financing activities		
Loan capital		
Increase/(Decrease) in short-term payables to banks	*3.624.766*	*1.544.075*
New/(Repayment) loans	*901.466*	*1.669.988*
Payments of lease liabilities	*(138.194)*	*(107.692)*
Equity		
Share capital increase against payment	*-*	*34.988*
Other share capital increases (decreases)	*1.476.109*	*979.657*
Cash flow from financing activities (C)	**5.864.147**	**4.121.016**
Increase (decrease) in cash (A ± B ± C)	**1.239.818**	**(990.780)**
Cash at 1 January	**500.213**	**1.490.993**
Bank and postal deposits	500.205	1.490.985
Cash and valuables on hand	8	8
Cash at 31 December	**1.740.031**	**500.213**
Bank and postal deposits	1.740.023	500.205
Cash and valuables on hand	8	8

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Notes to the Separate Financial Statements

at 31 December 2024

Overview

The Company is active in the project development and construction of industrial-scale rooftop and ground-mounted photovoltaic plants, wind power plants, and storage systems. It also operates as an Independent Power Producer (IPP) exclusively from renewable sources.
Altea Green Power S.p.A. has its registered office in Corso Re Umberto 8, Turin (TO) and is domiciled in Via Chivasso 15/A, Rivoli (TO). It has been listed on the Euronext Milan (EXM) market of Borsa Italiana since 1 February 2022.
The Board of Directors authorized the publication of these Separate Financial Statements on 20 February 2025.

Preparation criteria

The Separate Financial Statements were prepared in accordance with IFRS, meaning all International Financial Reporting Standards, all International Accounting Standards (IAS), all interpretations of the International Reporting Interpretations Committee (IFRIC), formerly known as the Standing Interpretations Committee (SIC), which, at the closing date of the Separate Financial Statements, were endorsed by the European Union in accordance with the procedure set forth in Regulation (EC) no. 1606/2002 by the European Parliament and the European Council of 19 July 2002.
The Separate Financial Statements were prepared on a going concern basis, as the Directors have assessed that there are no financial, operational, or other indicators that may cast significant doubts on the Company's ability to meet its obligations in the foreseeable future and in particular in the next 12 months.
The Separate Financial Statements consist of:

- a Separate Statement of Financial Position, broken down into current and non-current assets and liabilities, based on their realization or settlement within the company's normal operating cycle or within twelve months after the balance sheet date;
- a Statement of Profit (Loss) for the Period and other items of the Separate Statement of Comprehensive Income, which presents expense and revenue classified by nature, a method considered more representative of the business sector in which the Company operates;
- a Statement of Changes in Equity;
- a Statement of Cash Flows prepared according to the indirect method;
- these Explanatory Notes containing the information required by current regulations and international accounting standards, appropriately set out with regard to the reporting formats used.

The Separate Financial Statements are prepared on the basis of the historical cost principle, with the exception of financial instruments, measured at fair value. The Company has applied accounting standards consistent with those of the prior year.
Please refer to the Report on Operations for further details regarding the Company's situation, performance, and results of operations, particularly concerning costs, revenue, and capital expenditure. The Report also provides information on the key events in 2024 and the business outlook.

Accounting standards, amendments and interpretations applicable as of 1 January 2024

The following is a list of IFRS accounting standards, amendments and interpretations that became effective on January 1, 2024, the adoption of which did not materially affect the Company's financial statements.

IFRS	IASB Effective Date	Status of EU approval
Supplier Finance Arrangements (amendments to IAS 7 and IFRS 7)	1 January 2024	Endorsed
Lease liabilities in a sale and leaseback transaction (amendments to IFRS 16)	1 January 2024	Endorsed
Classification of liabilities between current and non-current (amendments to IAS 1)	1 January 2024	Endorsed

Supplier Finance Arrangements (amendments to IAS 7 and IFRS 7)

In May 2023, the IASB issued amendments to IAS 7 Statement of Cash Flows and IFRS 7 Financial Instruments: Supplementary Information, to clarify the characteristics of reverse factoring arrangements and request to give further disclosure of such arrangements. The disclosure requirements included in the amendments are intended to assist financial statement users in understanding the effects on an entity's liabilities, cash flows, and exposure to liquidity risk of reverse factoring arrangements.

Lease liabilities in a sale and leaseback transaction (amendments to IFRS 16)

In September 2022, the IASB issued an amendment to IFRS 16 to specify the requirements that a selling lessor uses in measuring the lease liability arising from a sale & leaseback transaction, to ensure that the selling lessor does not recognize gain or loss by reference to the right of use retained by the lessor.

Classification of liabilities between current and non-current (amendments to IAS 1)

In January 2020 and October 2022, the IASB published amendments to paragraphs 69 to 76 of IAS 1 to specify the requirements for classifying liabilities as current or noncurrent. The amendments clarify:

- what is meant by right of subordination of the due date;
- that the right of subordination must exist at year end;
- classification is not impacted by the probability that the entity may exercise its right of subordination;
- only if a derivative embedded in a convertible liability is itself an equity instrument would the due date of the liability not impact its classification.

Additionally, a requirement was introduced to give disclosures when a liability arising from a loan agreement is classified as noncurrent and the entity's right of subordination is subject to compliance with covenants within twelve months.

Accounting standards, amendments and interpretations not yet mandatorily applicable

The following is a list of IFRS accounting standards, amendments and interpretations that are not yet mandatorily applicable and/or adopted in advance by the Company.

Mandatorily effective for financial periods beginning on or after 1 January 2025	Mandatorily effective for financial periods beginning on or after 1 January 2026
Lack of convertibility (amendments to IAS 21 Effects of Changes in Foreign Exchange Rates)	Classification and measurement of financial instruments (amendments to IFRS 9 and IFRS 7)
	Subsidiaries without public accountability (IFRS 19)
	Presentation and disclosure in financial statements (IFRS 18)

Lack of convertibility (amendments to IAS 21 Effects of Changes in Foreign Exchange Rates)

On 15 August 2023, the IASB published "Lack of Convertibility", which amends IAS 21 - Effects of Changes in Foreign Exchange Rates (the Amendments). The Amendments follow a request submitted to the IFRS Interpretations Committee regarding the determination of the exchange rate when one currency is not convertible into another, which had resulted in varying practices. The Committee recommended that the IASB develop limited amendments to IAS 21 to address this issue. After further resolutions, the IASB published an Exposure Draft of the proposed amendments to IAS 21 in April 2021, and the Final Amendments were published in August 2023. The amendments introduce requirements for determining when a currency is convertible into another currency and when it is not, and require an entity to estimate the spot exchange rate when determining that a currency is not convertible into another currency. The amendments will be effective for financial periods beginning on or after 1 January 2025.

Classification and measurement of financial instruments (amendments to IFRS 9 and IFRS 7)

On 30 May 2024, the IASB published "Amendment to the Classification and Measurement of Financial Instruments", which amends IFRS 9 and IFRS 7, and in particular introduces new requirements regarding:

- the derecognition of financial liabilities settled by electronic transfer;
- the classification of financial assets with environmental, social, and corporate governance (ESG) and similar characteristics: the amendments clarify how contractual cash flows on loans accounted for at amortized cost or fair value should be measured.

The amendments will be effective for financial periods beginning on or after 1 January 2026.

Subsidiaries without public accountability (IFRS 19)

On 9 May 2024, the IASB issued the new IFRS 19 Subsidiaries without Public Accountability. Disclosure allows eligible subsidiaries to use IFRS accounting standards with reduced disclosure. The new standard will allow subsidiaries to keep only one set of accounting records to meet the needs of both the parent company and the users of their financial statements and will require a reduction in disclosure requirements as it will allow reduced disclosures more suited to the needs of the users of their financial statements. The new standard will be effective for financial periods beginning on or after 1 January 2027.

Presentation and disclosure in financial statements (IFRS 18)

On 9 April 2024, the IASB issued the new IFRS 18, which will provide investors with more transparent and comparable information about companies' financial performance. IFRS 18 introduces three sets of new requirements to improve the reporting of companies' financial performance and provide investors with a better basis for analyzing and comparing companies:

- improved comparability in the Income Statement;
- greater transparency of performance measures defined by Management;
- more useful grouping of information in the financial statements.

IFRS 18 supersedes IAS 1 Presentation of Financial Statements and will be effective for financial periods beginning on or after 1 January 2027; early application is permitted.

Discretionary evaluations and significant accounting estimates

The preparation of the financial statements requires the Directors to make discretionary judgments, estimates, and assumptions that impact the values of revenue, expense, assets, liabilities, and their related disclosures, as well as the disclosure of contingent liabilities. Uncertainty regarding these assumptions and estimates could lead to outcomes that may require significant adjustments to the carrying amount of assets and/or liabilities in the future. Briefly described below are the categories most impacted by the use of estimates and valuations, where changes in the conditions underlying the assumptions could significantly affect the financial figures.

Revenue from contracts with customers

With regard to revenue from contracts with customers for contract work and assets and liabilities in progress from contracts, the application of the incurred cost method (cost-to-cost) requires prior estimation of the total lifetime costs of individual projects, which are updated at each balance sheet date based on assumptions made by the Directors. The margins expected to be recognized on the entire project upon completion are recorded in the income statements of the relevant years according to the project's progress. Therefore, the proper recognition of work in progress and margins related to incomplete projects relies on accurate estimates by Management of the costs to completion, assumed increases, as well as potential delays, extra costs, and penalties that could reduce the expected margin. To better support the estimates, Management adopts contract risk management and analysis frameworks designed to monitor and quantify risks associated with the execution of these contracts. The amounts booked represent the best estimate made by Management at the time, supported by the use of these procedural aids. These facts and circumstances make it challenging to estimate the costs of completing projects and, consequently, to determine the value of contract assets or ongoing liabilities at the balance sheet date.

Allocations to provisions for risks and charges

Directors make estimates for risk and expense assessments. Specifically, the Directors have used estimates and assumptions to assess the likelihood of an actual liability arising. If the risk is deemed probable, they have determined the appropriate amount to be set aside to cover the identified risks.

Deferred tax assets

Deferred tax assets are accounted for based on expectations of taxable income in future years. The assessment of expected taxable income for the purpose of accounting for deferred tax assets depends on factors that may vary over time and result in significant effects on the recoverability of deferred tax assets.

Estimate of the marginal borrowing rate on leases

Directors cannot easily determine the implicit interest rate of the lease and therefore use the marginal lending rate to measure the lease liability. The marginal borrowing rate is the interest rate that the lessee would have to pay for a loan, with a similar term and similar collateral, in order to acquire an asset of comparable value to the right-of-use asset in a similar economic environment. The marginal borrowing rate reflects the rate the Company would have had to pay, and this requires estimating when data do not exist or when rates need to be adjusted to reflect the terms and conditions of the lease. The Company estimates the marginal borrowing rate using observable data (such as market interest rates) if available, as well as making specific considerations about creditworthiness conditions.

Significant judgment in determining the lease term of contracts containing an extension option

The Directors estimated the lease term of the contracts in which it acts as a lessee and which have renewal options. The assessment as to whether or not there is reasonable certainty of exercising the option affects the estimated lease term, significantly impacting the amount of the lease liability and assets from right of use recognized. The Company has reviewed all the lease contracts, defining the lease term for each one, given by the "not cancellable" period together with the effects of any extension or early termination clauses, the exercise of which was considered reasonably certain. Specifically, in the case of properties, the analysis took into account the specific circumstances of each asset. With regard to other categories of assets, mainly company cars, the Directors considered it unlikely that any extension or early termination clauses would be exercised in view of the Company's customary practice.

Determination of the useful life of assets

The Company determines the useful life of assets recorded under Property, Plant and Equipment, Intangible Fixed Assets with definite useful life, as well as Rights of Use. Estimated useful lives are estimated by the Directors based on generally applicable valuation practices, industry experience and knowledge, and are critically reviewed at each period end.

Impairment of non-financial assets

The Company’s tangible and intangible assets are subject to impairment on at least an annual basis if they have indefinite lives or more often when events occur that indicate that the carrying amount is not recoverable. The identification of Cash Generating Units (CGUs) is also affected by the Directors' assessments, which may equally affect the recoverability of the amounts recorded in the assets. Further details are provided in Note 2.7.

Employee benefits

The carrying amount of defined benefit plans is determined using actuarial valuations that require the development of assumptions about discount rates, the expected rate of return on investments, future salary increases, mortality rates and future pension increases. The Company considers the rates estimated by the actuaries for the valuations at the balance sheet date to be reasonable. However, it cannot be ruled out that significant future changes in these rates could have a material impact on the liability recorded.

Cash-settled share-based payments - medium-long term incentive plan

The determination of the fair value of the shares awardable through the incentive plan as well as the measurement of vesting rights are subject to estimates on the expectation of the Company's results and the achievement of the targets assigned to the beneficiaries. The Company estimates the likelihood of achieving results consistent with the forecasts contained in the long-term plan adopted by the Board of Directors.

Valuation criteria

The valuation criteria applied or applicable are given below. It may therefore be the case that some of these criteria have not been applied at the reporting date.

1. Statement of financial position

1.1. Non-current assets

1.1.1. Property, plant and equipment

Recognition and measurement

An item of property, plant and equipment is measured at cost, including capitalized borrowing costs, less accumulated depreciation and impairment losses.

If an item of property, plant and equipment is composed of several components having different useful lives, these components are accounted for separately (significant components). The gain or loss generated by the disposal of an item of property, plant and equipment is recognized in profit/(loss) for the year.

Subsequent costs

Subsequent costs are capitalized only when it is probable that the related future economic benefits will flow to the Company.

Depreciation

Depreciation of an item of property, plant and equipment is calculated to reduce the cost of that item by a straight-line basis, net of its estimated residual value, over the useful life of the item. Depreciation is generally recognized in profit/(loss) for the year. Leased assets are depreciated over the shorter of the lease term and their useful life unless there is reasonable certainty that the Company will obtain ownership at the end of the lease term. Land is not depreciated.

The estimated useful lives of the current and comparative years are as follows:

- equipment: 5 years;
- furniture and fittings: 8-9 years;
- electronic office machines: 5 years.

Depreciation methods, useful lives and residual values are checked at the end of the year and adjusted where necessary.

1.1.2. Right of Use

Recognition and measurement

The Company recognizes assets from right of use on the lease commencement date (i.e., the date on which the underlying asset is available for use). Assets from right of use are measured at cost, net of accumulated amortization/depreciation and impairment losses, and adjusted for any remeasurement of lease liabilities.

Amortization/depreciation

Assets from rights of use are amortized/depreciated on a straight-line basis from the effective date to the end of the useful life of the asset consisting of the right of use. Assets from right of use are subject to impairment.

1.1.3. Intangible fixed assets with indefinite useful life

Recognition and measurement

Goodwill: goodwill arising from business combinations represents the positive excess of the acquisition cost over the Company's share of the current values, fair value, of identifiable assets, liabilities and contingent liabilities at the acquisition date. Goodwill is recognized as an asset with an indefinite useful life and is not amortized; rather, it is tested annually even in the absence of indicators of impairment, or more frequently if necessary, for impairment. Impairment losses are recognized directly in the Income Statement and are not subsequently reversed. After initial recognition, goodwill is measured at cost net of any accumulated impairment losses. When a subsidiary is sold, the net value of its goodwill is included in determining the gain or loss on disposal. For the purpose of impairment testing, goodwill is allocated to cash generating units or CGUs.

Other fixed assets with indefinite useful life: an intangible asset is considered to have indefinite useful life when, based on an analysis of relevant factors, there is no foreseeable limit to the period until which the asset is expected to generate net cash inflows for the entity. For the purpose of impairment testing, assets with indefinite useful lives are tested for recoverability within the cash generating units or CGUs to which they are allocated.

1.1.4. Intangible fixed assets with finite useful life

Recognition and measurement

Research and development: expense for research activities is recognized in the Income Statement for the year in which it is incurred. Development expense is capitalized only if the cost attributable to the asset during its development can be reliably estimated, the product or process is feasible in technical and commercial terms, future economic benefits are likely, and the Company intends and has sufficient resources to complete its development and use or sell the asset. Other development expense is recognized in the Income Statement for the year as it is incurred. Capitalized development expense is recorded at cost less accumulated amortization and any accumulated impairment losses.

Other intangible assets: other intangible assets with finite useful life are carried at cost less accumulated amortization and any accumulated impairment losses.

Subsequent costs

Subsequent costs are capitalized only when they increase the expected future economic benefits attributable to the asset to which they relate. All other subsequent costs, including internally generated trademarks, are charged to the Income Statement for the year in which they are incurred.

Amortization

Amortization is recognized in the Income Statement for the year on a straight-line basis over the estimated useful life of intangible assets from the time the asset is available for use. The estimated useful lives of the current and comparative years are as follows:

- long-term financial expense: 5 years;
- software: 5 years;
- patents: 5 years;
- maintenance on third-party assets: based on the duration of the contract or the life of the asset, whichever is shorter.

Amortization methods, useful lives, and residual values are reviewed at each year-end and modified as necessary.

1.1.5. Investments

Recognition and measurement

Investments in subsidiaries: investments in subsidiaries are initially accounted for at acquisition cost including transaction costs. Their value undergoes regular impairment tests to compare the recoverable value with the carrying amount annually and whenever an impairment indication arises.

Investments in associates and joint ventures: associates refer to those enterprises over which the Group or the Company exercises significant influence. Significant influence is when an entity owns directly or indirectly (e.g., through subsidiaries), 20% or more of the votes exercisable at the investee's shareholders' meeting, unless it can be clearly demonstrated otherwise. The existence of significant influence by an entity is usually evidenced in one or more of the following ways:

a. representation on the board of directors or equivalent governing body of the investee;
b. participation in policy-making processes, including participation in decisions about dividends or other profit distributions;
c. material transactions between the entity and its investee;
d. the exchange of managerial personnel;
e. provision of essential technical information.

A joint venture is defined as a situation in which the Group or the Company has an arrangement under which two or more parties have joint control of the economic activity covered by the arrangement. Joint control 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. A joint venture is a joint arrangement whereby the parties that have joint control of the arrangement have rights to the net assets of the arrangement. Associates are accounted for at cost, while joint ventures are accounted for under the equity method and initially recognized at cost. Under the equity method, on initial recognition the investment in a joint venture is recognized at cost, and the carrying amount is increased or decreased to recognize the investor's share of the profit or loss of the investee after the date of acquisition. The investor's share of the investee's profit or loss is recognized in the investor's profit or loss. Distributions received from an investee reduce the carrying amount of the investment. Adjustments to the carrying amount may also be necessary for changes in the investor's proportionate interest in the investee arising from changes in the investee's other comprehensive income. Such changes include those arising from the revaluation of property, plant and equipment and from foreign exchange translation differences. The investor's share of these changes is recognized in other comprehensive income.

Other investments: investments in other companies are initially accounted for at acquisition cost including transaction costs. Their value undergoes regular impairment tests to compare the recoverable value with the carrying amount annually and whenever an impairment indication arises.

1.1.6. Financial instruments

Recognition and measurement

Trade receivables and debt securities issued are recognized when they are originated. All other financial assets and liabilities are initially recognized on the trade date, which is when the Company becomes a contractual party to the financial instrument. Except for trade receivables that do not contain a significant financing component, financial assets are initially measured at fair value plus or minus, in the case of financial assets or liabilities not measured at FVTPL, the transaction costs directly attributable to the acquisition or issuance of the financial asset. Upon initial recognition, trade receivables that do not have a significant financing component are measured at their transaction price.

Classification and subsequent valuation - Financial assets

Upon initial recognition, a financial asset is classified according to its valuation:

- amortized cost;
- fair value recognized in other comprehensive income (FVOCI);
- fair value recognized in profit/(loss) for the year (FVTPL).

The Company determines their classification based on the business model pursued in the management of financial assets and the characteristics related to the contractual cash flows of the financial asset.

Financial assets are not reclassified after their initial recognition unless the Company changes its business model for managing financial assets. In such a case, all affected financial assets are reclassified on the first day of the first year following the change in business model.

A financial asset should be measured at amortized cost if both of the following conditions are met and it is not designated at FVTPL:

- the financial asset is held as part of a business model whose objective is to hold financial assets for the purpose of collecting the relating contractual cash flows;
- the contractual terms of the financial asset provide for cash flows at certain dates represented solely by payments of principal and interest on the amount of principal to be repaid.

A financial asset should be measured at FVOCI if both of the following conditions are met and it is not designated at FVTPL:

- the financial asset is held as part of a business model whose objective is achieved by collecting contractual cash flows and selling financial assets and;
- the contractual terms of the financial asset provide for cash flows at certain dates represented solely by payments of principal and interest on the amount of principal to be repaid.

Upon initial recognition of an equity security not held for trading purposes, the Company may make an irrevocable election to present subsequent changes in fair value in other comprehensive income. This choice is made for each asset.
All financial assets not classified as measured at amortized cost or FVOCI, as indicated above, are measured at FVTPL. This includes all financial derivatives. Upon initial recognition, the Company may irrevocably designate the financial asset as measured at fair value through profit or loss for the year if doing so eliminates or significantly reduces an accounting mismatch that would otherwise result from measuring the financial asset at amortized cost or FVOCI.

Financial assets - Evaluation of the business model

The Company evaluates the objective of the business model under which the financial asset is held at the portfolio level as best reflecting how the asset is managed and the information reported to Management. Financial assets: assessment of whether contractual cash flows are represented solely by payments of principal and interest.
For valuation purposes, "principal" is the fair value of the financial asset upon initial recognition, while "interest" is the consideration for the time value of money, for the credit risk associated with the amount of principal to be repaid during a given period of time, and for other basic risks and costs associated with the loan (e.g., liquidity risk and administrative costs), as well as for the profit margin.
In assessing whether contractual cash flows are represented solely by payments of principal and interest, the Company considers the contractual terms of the instrument. Therefore, it assesses, among others, whether the financial asset contains a contractual clause that changes the timing or amount of contractual cash flows such that the condition
is not met. For evaluation purposes, the Company considers:

- contingent events that would change the timing or amount of cash flows;
- clauses that could adjust the contractual coupon rate, including variable-rate elements;
- prepayment and extension elements;
- clauses limiting the Company’s requests for cash flows from specific assets.

Financial assets - Subsequent valuation and gains and losses

Financial assets measured at FVTPL: these assets are subsequently measured at fair value. Net gains and losses, including dividends or interest received, are recognized in the Income Statement for the year.

Financial assets measured at amortized cost: these assets are subsequently measured at amortized cost in accordance with the effective interest method. Amortized cost is decreased by impairment losses. Interest income, exchange gains and losses, and impairment losses are recognized in the Income Statement for the year as are any gains or losses from derecognition.

Debt securities measured at FVOCI: these assets are subsequently measured at fair value. Interest income calculated in accordance with the effective interest method, exchange gains and losses, and impairment losses are recognized in the Income Statement for the year. Other net gains and losses are recognized in other comprehensive income. Upon derecognition, accumulated gains or losses in other components of the Comprehensive Income Statement are reclassified to the Income Statement for the year.

Equity securities measured at FVOCI: these assets are subsequently measured at fair value. Dividends are recognized in the Income Statement for the year unless they clearly represent a recovery of a portion of the cost of the investment. Other net gains and losses are recognized in other comprehensive income and are never reclassified to net profit/(loss) for the year.

Derecognition - Financial assets

Financial assets are derecognized when the contractual rights to the cash flows from them expire, when the contractual rights to receive the cash flows under a transaction in which substantially all risks and rewards of ownership of the financial asset are transferred, or when the Company neither transfers nor retains substantially all risks and rewards of ownership of the financial asset and does not retain control of the financial asset.

Financial liabilities

The Company derecognizes a financial liability when the obligation specified in the contract has been fulfilled or cancelled or has expired. The Company also derecognizes a financial liability if the relevant contractual terms are changed, and the cash flows of the changed liability are substantially different. In this case, a new financial liability is recognized at fair value based on the amended contractual terms.

The difference between the carrying amount of the financial liability settled and the consideration paid (including assets not represented by cash transferred or liabilities assumed) is recognized in the Income Statement for the year.

Offsetting

Financial assets and financial liabilities may be offset and the amount resulting from the offset is presented in the statement of financial position if, and only if, the Company currently has the legal right to offset such amounts and intends to settle the balance on a net basis or realize the asset and settle the liability simultaneously.

Financial derivatives, including hedge accounting

The Company uses financial derivatives to hedge its exposure to exchange and interest rate risks. Derivative instruments are always measured at fair value with a balancing entry in the Income Statement, unless they are effective hedging instruments of a given risk related to underlying assets or liabilities or commitments undertaken by the Company.

At the beginning of the designated hedging relationship, the Group documents its risk management objectives and hedging strategy, as well as the economic relationship between hedged item and hedging instrument and whether it is expected that changes in the cash flows of the hedged item and hedging instrument will offset each other.

Cash flow hedging

When a financial derivative is designated as a hedge for exposure to cash flow variability, the effective portion of changes in the fair value of the financial derivative is recognized in other comprehensive income and presented in the cash flow hedge reserve. The effective portion of changes in the fair value of the derivative financial instrument that is recognized in other comprehensive income is limited to the cumulative change in the fair value of the hedged instrument (at present value) since the beginning of the hedge. The ineffective portion of changes in the fair value of the derivative financial instrument is immediately recognized in the Income Statement for the year.

In a hedging relationship, the Company designates only the change in the fair value of the spot element of the forward contract as the hedging instrument. The change in the fair value of the forward element of the exchange forward contract (forward points) is accounted for separately as a hedging cost and recognized in equity, in the hedging cost reserve.

If a planned hedged transaction subsequently results in the recognition of a non-financial asset or liability, for example, inventory, the amount accumulated in the cash flow hedge reserve and hedging cost reserve is included directly in the initial cost of the asset or liability upon recognition. For all other hedged planned transactions, the amount should be reclassified from the cash flow hedge reserve and hedge cost reserve into the profit/(loss) in the same year(s) in

which the hedged expected future cash flows affect profit/(loss) for the year.
If the hedge ceases to meet the eligibility criteria or the hedging instrument is sold, matures or is exercised, hedge accounting ceases prospectively. When hedge accounting for cash flow hedges ceases, the amount accumulated in the cash flow hedge reserve remains in equity until, in the case of a hedge of a transaction involving the recognition of a non-financial asset or non-financial liability it is included in the cost of the non-financial asset or non-financial liability upon initial recognition or, in the case of other cash flow hedges, it is reclassified to net profit/(loss) for the period in the same period(s) in which the hedged expected future cash flows affect net profit/(loss) for the period. If future hedged cash flows are no longer expected, the amount should be reclassified immediately from the cash flow hedge reserve and the hedge cost reserve into the profit/(loss) for the year.

1.1.7. Non-financial assets

At each balance sheet date, the Company tests whether there is objective evidence of impairment concerning the carrying amounts of its non-financial assets, excluding inventory and deferred tax assets. If on the basis of this test, it appears that the assets are indeed impaired, the Company estimates their recoverable value. The recoverable value of goodwill, on the other hand, is estimated annually. For the purpose of identifying impairment losses, assets are grouped into the smallest identifiable group of assets that generates cash flows largely independent of cash flows generated by other assets or groups of assets (the "cash-generating units" or "CGUs"). Goodwill acquired through a business combination is allocated to the group of CGUs expected to benefit from synergies.
The recoverable amount of an asset or CGU is the higher of its value in use and its fair value less costs of disposal. To determine value in use, estimated expected cash flows are discounted using a pre-tax discount rate that reflects current market assessments of the time value of money and risks specific to the asset or CGU. When the carrying amount of an asset or CGU exceeds its recoverable value, an impairment loss is recognized.
Impairment losses are recognized in profit/(loss) for the year. Those related to the CGU are first charged against the carrying amount of any goodwill allocated to the CGU, then proportionately charged against the other assets comprising the CGU. Goodwill impairment losses cannot be reversed. For other assets, impairment losses recognized in prior years are reversed up to the carrying amount that would have been determined (net of amortization) if the asset impairment loss had never been recognized.

1.1.8. Deferred tax

Deferred tax is recognized with regard to temporary differences between the carrying amounts of assets and liabilities recorded in the financial statements and the corresponding amounts recognized for tax purposes. Deferred tax is not recognized for:

- temporary differences related to the initial recognition of assets or liabilities in a transaction other than a business combination that affects neither accounting profit (or loss) nor taxable income (or tax loss);
- temporary differences related to investments in subsidiaries, associates, and joint ventures to the extent that the Company is able to control the timing of the reversal of temporary differences and it is probable that, in the foreseeable future, the temporary difference will not reverse;
- taxable temporary differences related to the initial recognition of goodwill.

Deferred tax assets are recognized for unused tax losses and tax receivables, as well as

deductible temporary differences, to the extent that it is probable that future taxable income will be available against which these assets can be used. Future taxable income is defined on the basis of the reversal of related deductible temporary differences.
If the amount of taxable temporary differences is not sufficient to fully recognize a deferred tax asset, future taxable income, adjusted for the cancellations of outstanding temporary differences, provided for in the business plans of individual Company subsidiaries, is taken into account. The value of deferred tax assets is reviewed at each balance sheet date and is reduced to the extent that it is no longer probable that the related tax benefit will be realized. These reductions should be restored when the probability of achieving future taxable income increases.
Unrecognized deferred tax assets are reviewed at the end of each year and are recognized to the extent that it has become probable that the Company will earn sufficient taxable profit in the future to utilize them.
Deferred tax is measured using the tax rates that are expected to be applicable to temporary differences in the year in which they reverse based on tax rates established by measures in effect or substantially in effect at the end of the year. The valuation of deferred tax reflects the tax effects arising from the manner in which the Company expects, at the end of the year, to recover or settle the carrying amount of assets and liabilities.
Deferred tax assets and liabilities are offset only when certain criteria are met.

1.2. Current assets

1.2.1. Inventory

Inventory is carried at the lower of purchase cost, including all directly attributable ancillary costs and expense and indirect costs relating to internal production, and the presumed realizable value based on market trends.
Contract work in progress (for which there is an order in progress at the close of the year), related to future and potential photovoltaic, wind, and energy storage projects under construction at the close of the year, were quantified by adopting the percentage-of-completion method. Therefore, the valuation of this inventory is carried out in an amount corresponding to the revenue accrued at the end of each year, determined with regard to the progress of the work, which is determined by the incurred cost method. Finished products and goods, if any, are measured at production cost.
Any advance payments from customers are recorded under other current payables until the relevant revenue is recognized.
Allowances are made for any materials, finished products, spare parts and other supplies considered obsolete or slow-moving, taking into account their expected future use and realizable value. It should be noted that to date there are no such funds allocated in the financial statements. In accordance with IFRS 15, revenue from sales is recognized only when the performance obligation is fulfilled. Since the only performance obligation recognized for IFRS 15 within the sales contracts is the authorization for the construction of the plant (at least unless otherwise indicated), prior to the settlement of this obligation, the activities performed are shown under “Contract work in progress" and recognized using the cost-to-cost method including the contract margin allocated to the work progress.

1.2.2. Trade receivables

Trade receivables, arising from the sale of goods or services produced or marketed by the Company, are included in current assets. They are recognized at the nominal amount shown on the invoice net of the allowance for doubtful accounts, which is set aside based on estimates of

the risk of uncollectibility of receivables outstanding at the end of the period.
Trade receivables are subsequently measured at amortized cost, which represents the value at which they were measured at initial recognition less principal repayments, increased or decreased by aggregate amortization using the effective interest method on any difference between the initial value and the value at maturity, and less any reduction (directly or through the use of a provision) as a result of an impairment or assessment of uncollectibility.
Upon initial recognition, trade receivables that do not have a significant financing component are measured at their transaction price.
Impairment losses are recognized in the financial statements when there is objective evidence that the Company will not be able to recover the amount due from the counterparty based on the contractual terms.
Objective evidence includes such events as:

a. significant financial difficulties of the debtor;
b. open legal disputes with the debtor regarding the collectibility of the claim;
c. likelihood that the debtor will declare bankruptcy or other financial restructuring procedures will be opened.

The amount of impairment loss is measured as the difference between the asset's carrying amount and the present value of expected future cash flows and recognized in the Income Statement. Unrecoverable receivables are removed from the statement of financial position with an offset in the allowance for doubtful accounts. If, in subsequent periods, the reasons for the previous impairment losses cease to apply, the value of the assets is restored up to the value that would have resulted from valuation at amortized cost.

1.2.3. Cash and cash equivalents

These include cash, deposits with banks or other lending institutions available for current operations, postal accounts and other equivalent securities, as well as investments maturing within three months from the date of purchase. Cash and cash equivalents are recorded at fair value, which normally coincides with the nominal value.

1.3. Liabilities

1.3.1. Share capital

Ordinary shares

Incremental costs directly attributable to the issuance of ordinary shares are recognized as a decrease in equity. Income tax related to the transaction costs of an equity transaction is recognized in accordance with IAS 12.

Buyback and reissue of ordinary shares (treasury shares)

In case of share buyback recognized in equity, the consideration paid, including costs directly attributable to the transaction are recognized as a reduction of equity. Shares thus bought back are classified as treasury shares and recognized in the treasury shares reserve. The consideration received from the subsequent sale or reissue of treasury shares is recognized as an increase in equity. Any positive or negative difference arising from the transaction is recognized in the share premium reserve.

FTA reserve and FVOCI reserve

The FTA reserve includes all pre-IFRS changes to adjust opening balances to IFRS. The FVOCI reserve holds changes in the fair value of financial instruments and assets following their valuation at fair value. Valuation differences are also recognized in other components of the statement of comprehensive income.

1.3.2. Loans payable

Loans are recorded at the fair value of the consideration received net of ancillary expense directly attributable to the financial asset. After initial recognition, loans are measured at amortized cost using the effective interest rate method.

1.3.3. Employee benefits

Short-term employee benefits

Short-term employee benefits are recognized as an expense when the service giving rise to such benefits is provided. The Company recognizes a liability for the amount expected to be paid when it has a present, legal, or constructive obligation to make such payments as a result of past events and a reliable estimate of the obligation can be made.

Share-based payment transactions

The Company recognizes additional benefits to top executives through cash-settled share-based payment plans (phantom stock options). Under IFRS 2 ("Share-based payments"), employee phantom stock options are measured at fair value at the grant date according to models that take account of factors and elements (option exercise price, option term, current price of the underlying shares, expected volatility of the share price, expected dividends, and interest rate for a risk-free investment over the life of the option) in effect at the grant date. If the right becomes exercisable after a certain period and/or upon occurrence of certain performance conditions (vesting period), the total value of the options is allocated pro rata temporis over the aforementioned period and recorded in the Income Statement with an offsetting entry in a non-current liability item. At each year end, under IFRS 2, the estimated number of options that are estimated to vest (and thus the number of employees who will be eligible to exercise options) is updated. The change in estimate is recorded as an increase or decrease in the above non-current liability item with a balancing entry in the Income Statement. At the end of the exercise period, exercised options are settled in cash for the portion corresponding to the product of the number of shares issued and the par value of each share.

Defined contribution plans

Contributions payable to defined contribution plans are recognized as a cost in the Income Statement over the period in which employees serve; contributions paid in advance are recognized as an asset to the extent that the prepayment will result in a reduction in future payments or a refund.

Defined benefit plans

The Company's net obligation arising from defined benefit plans is calculated separately for each plan by estimating the amount of future benefit that employees have accrued in exchange for their service in the current and prior years; this benefit is discounted and the fair value of any plan assets is deducted from liabilities. The calculation is performed by an independent actuary using the projected unit credit method. If the calculation generates a benefit to the Company, the amount of the asset recognized is limited to the present value of economic benefits available in the form of refunds from the plan or reductions in future plan contributions.

Actuarial gains and losses, returns from any plan assets (excluding interest), and the effect of the asset ceiling (excluding any interest) arising from revaluations of the net defined benefit plan liability are recognized immediately in other comprehensive income. Net interest for the year on the net defined benefit liability/(asset) is calculated by applying to the net defined benefit liability/(asset), the discount rate used to discount the defined benefit obligation, determined at the beginning of the year, considering any changes in the net defined benefit liability/(asset) that occurred during the year as a result of contributions received and benefits paid.

Conversely, net interest and other costs related to defined benefit plans are recognized in net profit/(loss) for the year.
When changes are made to the benefits of a plan or when a plan is reduced, the portion of the economic benefit relating to past service or the gain or loss resulting from the reduction of the plan is recognized in net profit/(loss) for the year when the adjustment or reduction occurs.

Other long-term employee benefits

The Company's net obligation as a result of long-term employee benefits is the amount of future benefit that employees have accrued for employment benefits in the current and prior years. This benefit is discounted. Revaluations are recognized in profit/(loss) for the year when they arise.

Benefits due to employees for termination of employment

Benefits payable to employees for termination of employment are recognized as an expense when the Company has committed itself without the possibility of withdrawal in offering such benefits or when the Company recognizes restructuring costs, whichever is earlier. Benefits fully payable more than twelve months after the end of the year are discounted.

1.3.4. Provisions for risks and charges

Provisions for risks and charges are recognized when at the reporting date, in the presence of a legal or implied obligation to third parties arising from a past event, it is probable that an outlay of resources, the amount of which can be reliably estimated, will be required to satisfy the obligation.
This amount represents the best discounted estimate of the expense required to settle the obligation.
The rate used in determining the present value of the liability reflects current market values and includes additional effects related to the specific risk associated with each liability. Changes in estimates are reflected in the Income Statement for the year in which the change occurs. For certain disputes, the information required by IAS 37 - Provisions, Contingent Liabilities and Contingent Assets is not reported in order not to harm the Company's position in such disputes or negotiations.
Risks for which the onset of a liability is merely a possibility are disclosed in the appropriate disclosure section on commitments and risks, and no allocation is made.
With regard to assets and liabilities arising from contracts, in the event that the revisiting of business plans (full-life estimates) during the progress of a contract shows the presence of elements that make them onerous, the portion of costs deemed "unavoidable" in excess of the economic benefits arising from the contract is recognized in its entirety in the year in which it becomes reasonably foreseeable and set aside in an "Onerous Contracts Provision", which is recorded under current provisions for risks and charges. The reversal of these provisions is recognized as absorption under "Other operating revenue".

1.3.5. Lease liabilities

On the effective date of the lease, the Company recognizes lease liabilities by measuring them at the present value of lease payments due but not yet paid at that date. Payments due include fixed payments (including in-substance fixed payments), net of any lease incentives to be received, variable lease payments dependent on an index or rate, and amounts expected to be payable under residual value guarantees.
Lease payments also include the exercise price of a purchase option if it is reasonably certain that such an option will be exercised by the Company and lease termination penalty payments

if the lease term takes account of the Company's exercise of its lease termination option.
Variable lease payments that do not depend on an index or rate are recognized as costs in the period in which the event or condition that generated the payment occurs. When calculating the present value of payments due, the Company adopts the marginal borrowing rate at the start date. After the effective date, the amount of the lease liability increases to account for interest on the lease liability and decreases to account for payments made. Additionally, the carrying amount of lease payables is restated in the event of any changes in the lease or for a review of the contractual terms for the change in payments; it is also restated when there are changes regarding the valuation of the option to purchase the underlying asset or for changes in future payments that results from a change in the index or rate used to determine such payments. Lease liabilities are presented together with financial liabilities, distinguishing between current and non-current.

1.3.5.1. Short-term leases and low-value asset leases

The Company applies the exemption under IFRS 16 for the recognition of short-term (12-month) and low-value asset leases. For such contracts, payments of related expense are recognized as costs in the Income Statement on a straight-line basis spread over the term of the contract.

2. Income Statement

2.1. Revenue from contracts with customers

Based on the provisions of IFRS 15, revenue from contracts with customers is recognized when the transfer of control of the good or service to the customer takes place, which can occur over time or at a specific point in time.
Contracts related to the sale of projects referring to new production plants (whether photovoltaic, wind or Storage), which meet the requirements for over time revenue recognition, are classified under "Assets arising from contracts”.
Specifically, "Assets arising from contracts" represent the right to consideration for goods or services that have already been transferred to the customer.
The standard is applied using a model consisting of the following five basic steps:

1. identification of customer contract: occurs when the parties approve the contract, having commercial substance, and identify their respective rights and obligations. The contract must be legally binding, identify the right to receive goods and/or services, the consideration, and the terms of payment;
2. identification of the contractual obligations (performance obligations) therein, i.e., promises to transfer distinct goods and services;
3. determination of transaction consideration (transaction price): this is the total amount contracted with the counterparty over the contract term; price allocation to the different contractual obligations in proportion to their respective stand alone selling prices determined from list prices;
4. revenue recognition upon fulfillment of contractual obligations.

Where there is more than one performance obligation within a contract, representing a contractual promise to transfer to the customer a distinct good or service (or a series of distinct goods or services that are essentially the same and are transferred in the same manner), classification among assets is done at the aggregate level and not at the individual performance obligation level.
Assets arising from contracts with customers for which revenue recognition takes place over

time are recognized using an input-based ("cost-to-cost") methodology for measuring progress; under this methodology, costs, revenue, and margin are recognized based on the progress of production activity, determined with regard to the ratio of costs incurred at the measurement date to total costs expected for performance obligation fulfillments.
Conversely, in cases where the requirements for recognition over a period of time are not met, revenue is recognized at a specific point in time; in such cases, production progress under contracts with customers are recognized under the item of assets arising from point-in-time contracts, under “inventory”.
Assets from contracts are shown net of any allowances for impairment. Updates to estimates are made periodically, and any economic effects are accounted for in the year in which the updates are made. In the event that a contract qualifies as "onerous”, the method of accounting is set out later in this note.
Contracts with consideration denominated in currencies other than the functional currency are valued by converting the accrued portion of consideration, determined on the basis of the percentage-of-completion method, at the closing exchange rate for the period. The Company's foreign exchange risk policy requires that all contracts with cash flow exposures to changes in foreign exchange rates be hedged on a timely basis.
Revenue related to maintenance activities, sales of spare parts and provision of services is handled through customer spot orders and is recognized on an accrual basis. Revenue from services is accounted for on a progress basis in the year in which they are rendered.

2.2. Government grants

Government grants related to costs incurred during the year are recognized in the Income Statement for that year as other income when the government grant becomes receivable. Other government grants related to assets recorded in the Statement of Financial Position are initially recognized at fair value as deferred revenue if there is reasonable certainty that they will be received and that the Company will comply with the conditions attached to their receipt, and are then recognized in the Income Statement for the year as other income on a systematic basis over the useful life of the asset to which they relate.

2.3. Cost recognition

Costs are recognized when they relate to goods and services purchased or consumed during the period or by systematic allocation on an accrual basis.

2.4. Financial income and expense

Interest income and expense are recognized in the Income Statement for the year on an accrual basis using the effective interest method. Dividend income is recognized when the Company's right to receive payment is established.
The "effective interest rate" is the rate that exactly discounts estimated future payments or receipts over the expected life of the financial asset:

- at the gross carrying amount of the financial asset or
- at the amortized cost of the financial liability.

When calculating interest income and interest expense, the effective interest rate is applied to the gross carrying amount of the asset (when the asset is not impaired) or the amortized cost of the liability. However, in the case of financial assets that have impaired after initial recognition, interest income is calculated by applying the effective interest rate to the amortized cost of the financial asset. If the asset ceases to be impaired, interest income reverts to a gross basis.

2.5. Income tax

Tax expense for the year includes current and deferred tax recognized in the Income Statement for the year, except for tax related to business combinations or items recognized directly in equity or among other components of the Comprehensive Income Statement. The Company has determined that interest and penalties related to income tax, including accounting treatments to be applied to income tax of an uncertain nature, are accounted for in accordance with IAS 37 - Provisions, Contingent Liabilities and Contingent Assets because they do not meet the definition of income tax.

2.6. Current tax

Current tax includes the estimated amount of income tax due or receivable, calculated on taxable income or tax loss for the year as well as any adjustments to tax from prior years. The amount of tax payable or receivable, determined on the basis of tax rates in effect or substantially in effect at the end of the year, also includes the best estimate of any amount payable or receivable that is subject to uncertainty factors. Current tax also includes any tax related to dividends. Current tax assets and liabilities are offset only when certain criteria are met.

2.7. Impairment losses

Non-financial derivatives

Financial instruments and assets arising from contracts

The Company recognizes allowances for expected credit losses related to:

- financial assets measured at amortized cost;
- debt securities measured at FVOCI;
- assets arising from contracts.

The Company assesses allowances for impairment at an amount equal to the expected losses over the life of the loan, except as noted below, for the following twelve months:

- debt securities with low credit risk as of the balance sheet date;
- other debt securities and bank accounts whose credit risk (i.e., the risk of default occurring over the expected life of the financial instrument) has not significantly increased after initial recognition.

Allowances for impairment of trade receivables and assets arising from contracts are always valued at an amount equal to the expected losses over the life of the receivable.
To determine whether credit risk related to a financial asset has increased significantly since initial recognition for the purpose of estimating expected credit losses, the Company considers reasonable and demonstrable information that is relevant and available without undue cost or effort. Included is quantitative and qualitative information and analysis, based on the Company's historical experience, credit rating as well as information indicative of expected developments ("forward-looking information").
For the Company, the credit risk of a financial asset increases significantly when contractual payments are more than 30 days past due. Lifetime expected credit losses are the expected credit losses arising from all possible defaults over the expected life of a financial instrument. Expected credit losses at 12 months are expected credit losses arising from possible defaults within 12 months of the balance sheet date (or within a shorter period if the expected life

of a financial instrument is less than 12 months). The maximum period to be considered in assessing expected credit losses is the maximum contractual period during which the Company is exposed to credit risk.

Evaluation of expected credit losses

Expected Credit Losses (or "ECL") are a probability-weighted estimate of credit losses. Bad debt losses are the present value of all uncollectibles (i.e., the difference between the cash flows due to the entity in accordance with the contract and the cash flows the Company expects to receive). ECLs are discounted using the effective interest criterion of the financial asset.

Impaired financial assets

At each balance sheet date, the Company assesses whether financial assets measured at amortized cost and debt securities at FVOCI are impaired. A financial asset is credit-impaired when one or more events that have a detrimental impact on the estimated future cash flows of that financial asset have occurred.
Evidence that a financial asset is credit-impaired includes observable data about the following events:

- significant financial difficulty of the issuer or the borrower;
- a breach of contract, such as a default or past due event that has not been met for more than 90 days;
- debt restructuring or an advance by the Company on terms that the Company would not otherwise have considered;
- there is a likelihood that the borrower will file for bankruptcy or other financial restructuring procedures;
- the disappearance of an active market for that financial asset because of financial difficulties.

Presentation of the allowance for expected loan losses in the statement of financial position

Allowances for impairment of financial assets measured at amortized cost are deducted from the gross carrying amount of the assets. For debt securities at FVOCI, the allowance for impairment is accrued in the Income Statement for the year and recognized in other comprehensive income.

Write-down

The gross carrying amount of a financial asset is written down (in part or in full) to the extent that there is no real prospect of recovery.
For private customers, the Company's policy is to write down the gross carrying amount when the financial asset is more than 180 days past due based on historical experience in recovering similar assets. For corporate customers, the Company individually assesses the timing and amount of impairment based on the actual prospect of recovery. The Company does not expect any significant recovery of the written-down amount. However, the written-down financial assets may still be subject to enforcement in order to comply with the Company's debt collection procedures.

2.8. Fair value measurement

Fair value is the price that would be received on the valuation date for the sale of an asset or that would be paid for the transfer of a liability in a regular transaction between market participants in the principal (or most advantageous) market to which the Company has access at that time. The fair value of a liability reflects the effect of a default risk. Several accounting standards and disclosure requirements require the Company to measure the fair value of financial and non-financial assets and liabilities. Fair values are divided into various hierarchical levels based on the inputs used in the measurement techniques, as shown below.

Level 1: where available, the Company assesses the fair value of an instrument using the quoted price of that instrument in an active market. A market is active when transactions for the asset or liability take place with sufficient frequency and volume to provide pricing information on an ongoing basis.

Level 2: in the absence of a quoted price in an active market, input data are used that are observable for the asset or liability, either directly (prices) or indirectly (derived from prices).

Level 3: in the absence of data in Levels 1 and 2, input data related to the asset or liability that are not based on observable market data are used.

The Company uses valuation techniques by maximizing the use of observable input data and minimizing the use of unobservable input data. The chosen valuation technique includes all factors that market participants would consider in estimating the transaction price. If the inputs used to measure the fair value of an asset or liability fall into different levels of the fair value hierarchy, the entire valuation is placed in the same level of the hierarchy as the lowest level input that is significant to the entire valuation.

The Company recognizes transfers between levels of the fair value hierarchy at the end of the period in which the transfer took place. If an asset or liability measured at fair value has a bid and an ask price, the Company values the asset and long positions at the bid price and the liability and short positions at the ask price. The best test of the fair value of a financial instrument at initial recognition is usually the transaction price (i.e., the fair value of consideration given or received). If the Company notices a difference between the fair value at initial recognition and the transaction price, and the fair value is not determined either by using a quoted price in an active market for identical assets or liabilities, or by means of a valuation technique whose unobservable inputs are considered insignificant, the financial instrument is initially measured at fair value, adjusted to defer the difference between the fair value at initial recognition and the transaction price. Thereafter, this difference is recognized in profit/(loss) for the year over the life of the instrument by an appropriate method, but no later than when the valuation is fully supported by observable market data or the transaction is concluded.

Notes to the Separate Financial Statements at 31/12/2024

Assets

Non-current assets

1. Intangible assets

Changes in the item were as follows *(see the next page):*

INTANGIBLE FIXED ASSETS *(Figures in Euro)*	**Industrial patent and intellectual property rights**	**Intangible fixed assets under construction and other**	**Total intangible assets**
Net amount at 01/01/2023	**7,522**	**-**	**7,522**
Increases/(Decreases/Divestments)	-	-	-
Amortization	(2,509)	-	(2,509)
Net amount at 31/12/2023	**5,013**	**-**	**5,013**
Increases/(Decreases/Divestments)	46,060	139,926	185,986
Amortization	(11,178)	-	(11,178)
Net amount at 31/12/2024	**39,895**	**139,926**	**179,821**

"Industrial patent and intellectual property rights" mainly includes the implementation of new proprietary software capitalized in 2024. On the other hand, the change in "Intangible fixed assets under construction and other" versus the prior year is related to the costs incurred for the implementation of the new management software, whose go-live took place on 1 January 2025.

2. Tangible assets

The changes in the item are shown below:

TANGIBLE FIXED ASSETS *(Figures in Euro)*	**Property**	**Plant, machinery and equipment**	**Furniture and fittings**	**Electr. off. machines**	**Cars**	**Tangible fixed assets under construction**	**Total tangible assets**
Net amount at 1/1/2023	**544,077**	**2,661**	**31,118**	**26,776**	**130,345**	**21,000**	**755,977**
of which Rights of Use IFRS16	*544,077*	-	-	-	*130,345*	-	*674,422*
Increases/(Decreases/Divestments)	35,542	900	25,007	18,979	152,354	153,360	386,142
Reclassifications	-	-	-	-	-	-	-
Write-backs/(Write-downs)	-	-	-	-	-	-	-
Depreciation	(48,745)	(750)	(5,782)	(8,499)	(62,111)	-	(125,887)
Net amount at 31/12/2023	**530,874**	**2,811**	**50,343**	**37,256**	**220,588**	**174,360**	**1,016,232**
Increases/(Decreases/Divestments)	(32,626)	1,090	11,273	35,818	27,182	-	42,737
Reclassifications	-	550	-	(550)	-	(174,360)	(174,360)
Write-backs/(Write-downs)	-	-	-	-	-	-	-
Depreciation	(50,001)	(925)	(7,959)	(13,784)	(72,776)	-	(145,445)
Net amount at 31/12/2024	**448,247**	**3,527**	**53,657**	**58,740**	**174,994**	**-**	**739,164**
of which Rights of Use IFRS16							
Net amount at 31/12/2023	*530,874*	-	-	-	*220,588*	-	*751,462*
Increases/(Decreases/Divestments)	*(32,626)*	-	-	-	*27,182*	-	*(5,444)*
Depreciation	*(50,001)*	-	-	-	*(72,776)*	-	*(122,777)*
Net amount at 31/12/2024	***448,247***	-	-	-	***174,994***	-	***623,241***

Increases over the period refer mainly to the signing of new rental contracts for cars for company use, electronic equipment (servers, computers, cell phones, etc.), and furniture and

fittings (desks, tables for meeting rooms, etc.).
Decreases over the period refer to the ISTAT adjustment for 2024 of the Rights of Use on the property as envisaged in the lease agreement and in IFRS 16.
The decrease in "Tangible fixed assets under construction" refers to the reclassification of disbursements incurred for the purchase of land previously recorded under fixed assets and now under "Contract work in progress" in line with the approach adopted at the Company level.
No disposals, divestments, scrapping of any kind were carried out during the period.

3. Deferred tax assets

The value of Deferred Tax Assets is composed mainly of the tax effect calculated as a result of adjustments made at first time adoption (1 January 2022). In detail, the outstanding value at 31 December 2024, amounting to € 93 thousand, refers for € 81 thousand to the previously capitalized listing expense according to the OIC rules released over a period of 5 years.

4. Other non-current assets

Investments in subsidiaries

Details at 31 December 2024 are as follows *(see the next page):*

INVESTMENTS IN ASSOCIATES	Carrying amount 31/12/2023	Acquisition/ Establishment	Sale	Write-down	Carrying amount 31/12/2024
A Mesagne S.r.l.	30,096	-	-	-	30,096
Altea Independent Power Producer S.r.l.	8,463	-	-	-	8,463
Black BESS S.r.l.	11,282	-	-	-	11,282
Blue BESS S.r.l.	302,442	-	(302,442)	-	-
Brindisi Solar Energy S.r.l.	21,111	-	-	-	21,111
Crumiere Energia S.r.l.	30,285	-	-	-	30,285
Green BESS S.r.l.	510,794	-	(510,794)	-	-
IBE Alessandria S.r.l.	29,219	-	-	(29,219)	-
IBE Genzano S.r.l.	24,505	-	-	(24,505)	-
IBE Guglionesi Wind S.r.l.	28,228	-	-	(28,228)	-
IBE Manieri S.r.l.	25,576	-	-	(25,576)	-
IBE Montecilfone S.r.l.	22,672	-	-	(22,672)	-
IBE Orbetello S.r.l.	31,880	-	-	(16,137)	15,743
IBE Venosa S.r.l.	41,773	-	-	(38,002)	3,771
Montenero Green Energy S.r.l.	28,503	-	-	(28,503)	-
Padula Green Energy S.r.l.	26,312	-	-	(21,435)	4,877
Yellow BESS S.r.l.	18,113	-	-	-	18,113
Altea Green Power US Corp.	0	-	-	-	0
Yellow BESS 2 S.r.l.	-	10,000	-	-	10,000
Yellow BESS 1 S.r.l.	-	10,000	-	-	10,000
White BESS 1 S.r.l.	-	10,000	-	-	10,000
White BESS S.r.l.	-	10,000	-	-	10,000
Black BESS 1 S.r.l.	-	10,000	-	-	10,000
OF Green Energy 1 S.r.l.	-	50,000	-	(22,155)	27,845
GF Green Energy 1 S.r.l.	-	10,000	-	(10,000)	-
Green Power Wind 1 S.r.l.	-	10,000	-	-	10,000
Pink BESS 1 S.r.l.	-	10,000	-	-	10,000
Orange BESS 1 S.r.l.	-	10,000	-	-	10,000
Orange BESS 2 S.r.l.	-	10,000	-	-	10,000
Orange BESS 3 S.r.l.	-	10,000	-	-	10,000
Orange BESS 4 S.r.l.	-	10,000	-	-	10,000
Black BESS 2 S.r.l.	-	10,000	-	-	10,000
Pink BESS 2 S.r.l.	-	10,000	-	-	10,000
Total	**1,191,254**	**190,000**	**(813,236)**	**(266,431)**	**301,587**

Investments are initially recorded at acquisition cost including transaction costs and, where necessary, adjusted by comparing the recoverable amount with the relevant carrying amount on an annual basis.

Current assets

5. Inventory and contract work in progress

“Inventory" includes Business Opportunities, which include costs incurred by the Company on Co-Development projects for which contracting with the end customer is still pending completion.

INVENTORY *(Figures in Euro)*	Balance at 31/12/2024			Balance at 31/12/2023		
	Gross stock value	(Prov.for stock write-down)	Total net stock	Gross stock value	(Prov.for stock write-down)	Total net stock
Business Opportunities	3,434,118	-	3,434,118	1,219,608	-	1,219,608
Total	**3,434,118**	**-**	**3,434,118**	**1,219,608**	**-**	**1,219,608**

The significant increase in "Business Opportunities" is attributable to the progress in the authorization process of several Storage projects, following the Company's decision to offer investors projects with higher added value. These projects are more attractive as "mature projects" and enable the Company to secure more remunerative contracts than those in the greenfield project segment.

Contract work in progress refers generally to long-term contracts, related to the Co-Development business, and to short-term contracts related to the Energy Efficiency business, in progress at the end of the period. Progress is determined by the costs incurred added to the recognized margins and net of any expected losses.

CONTRACT WORK IN PROGRESS *(Figures in Euro)*	Balance at 31/12/2024			Balance at 31/12/2023		
	Gross amount	(Allowance for impairm.)	Net total	Gross amount	(Allowance for impairm.)	Net total
Short-term orders	459,954	-	459,954	788,705	-	788,705
Long-term orders	50,352,189	(113,532)	50,238,657	24,555,640	(19,534)	24,536,106
Total	**50,698,611**	**(113,532)**	**50,585,079**	**25,344,345**	**(19,534)**	**25,324,811**

Within the Energy Efficiency business, EPC activities related to the installation of photovoltaic plants on apartment buildings, as well as on industrial or agricultural enterprise facilities, are ongoing.

Within the Co-Development business, activities related to the Battery Energy Storage System (BESS) segment are the main drivers of the sharp increase in long-term orders. Details of the activities of the long-term orders are shown in the table below:

LONG-TERM ORDERS *(Figures in Euro)*	Balance at 31/12/2024	Balance at 31/12/2023	Change
Storage	40.674.381	18.176.711	22.497.670
Photovoltaic	8.502.297	6.148.004	2.354.293
Wind power	1.061.979	1.000.096	61.883
Total	**50.238.657**	**25.324.811**	**24.913.846**

The sharp increase from long-term contracts is related mainly to the progress in the authorization process of the contracted BESS (Storage) projects.
The allowance for impairment on contract work in progress changed as follows:

ALLOWANCE FOR IMPAIRMENT ON CONTRACT WORK IN PROGRESS
(Figures in Euro)

Balance at 01/01/2024	**19,534**
Provisions	93,998
Utilizations	-
Releases	-
Balance at 31/12/2024	**113,532**

The provision for the period, in line with IFRS 15, was recorded with an analysis of the margins of a number of smaller orders.

6. Trade receivables, Tax receivables and Other current assets

Details of receivables by type and maturity are shown in the table below:

RECEIVABLES UNDER CURRENT ASSETS
(Figures in Euro)

	Balance for the Year					
		Due beyond one year				
	Due within one year	Residual maturity less than or equal to five years	Residual maturity of over five years	Balance at 31/12/2024	Balance at 31/12/2023	Change
Receivables from customers	701,399	-	-	701,399	736,681	(35,282)
Receivables from subsidiaries	11,631,385	-	-	11,631,385	6,417,515	5,213,870
Tax receivables	480,643	992,665	403,236	1,876,544	2,493,548	(617,004)
Other assets	850,886	-	-	850,886	436,881	414,005

Receivables from customers

Receivables from customers are recorded net of the allowance for impairment (€ 36 thousand), which includes mainly provisions made in prior years for receivables from two customers. Injunctions were requested and obtained for these receivables during the first months of 2024, and the outcome is currently unknown. The change in the period (€ 7 thousand), on the other hand, is the result of the accounting adjustment required by IFRS 9 (Expected Credit Losses).

TRADE RECEIVABLES
(Figures in Euro)

	Balance at 31/12/2024	Balance at 31/12/2023	Change
Trade receivables - gross amount	737,343	766,113	(28,770)
(Allowance for doubtful trade receivables)	(35,943)	(29,230)	(6,713)
Total - net amount	**701,399**	**736,884**	**(35,485)**

The table below shows the details of overdue by band of receivables from customers:

TRADE RECEIVABLES SCHEDULE *(Figures in Euro)*	**Balance at 31/12/2024**	**Falling due**	**Past due up to 30 days**	**Past due 31-180 days**	**Past due 181-270 days**	**Past due 271-360 days**	**Past due over 360 days**
Trade receivables - gross amount	737,343	29,714	211,485	340,501	530	-	155,112
(Allowance for doubtful trade receivables)	(35,943)	-	-	(10,301)	(530)	-	(25,112)
Total - net amount	**701,399**	**29,714**	**211,485**	**330,200**	**-**	**-**	**130,000**

The amount of past due over 360 days refers to a single lot subject of a broader business negotiation that the Company expects to finalize, with the related receivable settlement, by first half 2025.

Receivables from subsidiaries

Receivables from subsidiaries refer mainly to loans granted by the parent company to subsidiaries for business development. Such transactions are settled at arm's length, that is, on the terms that are or would be applied between two independent parties.
The strong increase versus the prior year is related, in line with the planning process, to the purchase of land made by the Company in the name and on behalf of subsidiaries on a number of contracted photovoltaic contracts.
Please refer to "Related Party Transactions" for more details on the credit positions towards subsidiaries.

Tax receivables

Tax receivables are broken down as follows:

TAX RECEIVABLES *(Figures in Euro)*	**Balance at 31/12/2024**	**Balance at 31/12/2023**	**Change**
Tax receivables from Superbonus and other construction bonuses	1,831,449	2,022,651	(191,202)
VAT receivables	-	388,482	(388,482)
Other tax receivables	45,096	82,415	(37,319)
Total	**1,876,544**	**2,493,548**	**(617,004)**

The decrease in "Tax receivables from Superbonus and other construction bonuses" refers to the offsetting use of the applications submitted to the tax authorities in 2023, related to the "invoice discount" as established by Law Decree 34/2020 and subsequent legislative measures, notably those associated with the 110% Superbonus on activities initiated in 2022.
Other receivables include mainly withholdings incurred by banking institutions on “traditional" building renovation transfers.
Receivables from others include *(see the next page):*

RECEIVABLES FROM OTHERS *(Figures in Euro)*	Balance at 31/12/2024	Balance at 31/12/2023	Change
Advances for land deposits and surface rights (DDS)	748,759	73,412	675,347
Security deposits	-	119,108	(119,108)
Advances to suppliers	4,964	153,497	(148,533)
Accruals and deferrals	61,218	57,303	3,915
Other assets	35,945	33,561	2,384
Total	**850,886**	**436,881**	**414,005**

The increase in "Advances for land deposits and surface rights (DDS)" refers mainly to disbursements incurred in advance on behalf of third-party SPVs with which the Company maintains business relationships in line with business expansion.
Total receivables are due entirely from entities or subjects residing within the territory of Italy.

7. Cash and cash equivalents

Details of this item are as follows:

CASH *(Figures in Euro)*	Balance at 31/12/2024	Balance at 31/12/2023	Change
Bank and postal deposits	1,740,023	500,205	1,239,818
Cash and valuables on hand	8	8	-
Total	**1,740,031**	**500,213**	**1,239,818**

Cash and cash equivalents include no escrow accounts.
Please refer to the Statement of Cash Flows for a quantitative analysis of the cash flows that originated the change for the year.

Liabilities

Equity

8. Equity

Details of this item are as follows *(see next page)*:

EQUITY *(Figures in Euro)*	Balance at 31/12/2024	Eligibility for using reserves (*)	Available portion of reserves	Summary of utilizations for the year and the previous three years: Loss coverage	Dividend Distribution/ Reserves
Share capital	865,650				
Share premium reserve	7,619,020	A, B, C	7,619,020	-	-
Legal reserve	173,130	B	173,130	-	-
Extraordinary reserve	59,832	B	59,832	-	-
FTA reserve	(15,243)				
OCI reserve	(11,552)				
Other reserves and retained earnings	10,259,086	A, B, C	10,259,086	-	-
Profit (loss) for the period	16,464,466				
Total	**35,414,390**		**18,111,069**	**-**	**-**

(*) Key / Notes:
A = for capital increase
B = to cover losses
C = for distribution to shareholders

9. Employee benefits

"Employee benefits" refers to post-employment benefits and to long-term recognized by the Company to its employees.
Details of "Employee benefits" are as follows:

EMPLOYEE BENEFITS *(Figures in Euro)*	31/12/2024	31/12/2023
Post-employment benefits	96.536	61.252
Long-term bonuses	741.779	-
Total	**838.315**	**61.252**

Post-employment benefits

The actuarial valuation of post-employment benefits was performed based on the "accrued benefits" method using the Projected Unit Credit (PUC) criterion as provided in paragraphs 67-69 of IAS 19. The economic technical bases used are shown below:

SUMMARY OF ECONOMIC TECHNICAL BASES	31/12/2024	31/12/2023	31/12/2022
Annual discount rate	3.38%	3.17%	3.77%
Annual inflation rate	2.00%	2.00%	2.30%
Annual increase rate in post-employment benefits	3.00%	3.00%	3.23%
Annual wage increase rate	Executives: 2.50% Middle managers: 1.00% Employees: 1.00% Workers: 1.00%	Executives: 2.50% Middle managers: 1.00% Employees: 1.00% Workers: 1.00%	Executives: 2.50% Middle managers: 1.00% Employees: 1.00% Workers: 1.00%

Specifically:

- the annual discount rate used to determine the present value of the obligation was derived, consistent with paragraph 83 of IAS 19, from the Iboxx Corporate AA index with duration 10+ recognized as of the valuation date. For this purpose, a yield with a duration comparable to that of the collective of workers being evaluated was chosen;
- the annual increase rate in post-employment benefits, under Article 2120 of the Italian Civil Code, is 75% of inflation plus 1.5 percentage points;
- the annual wage increase rate applied exclusively for Companies with an average of less than 50 employees in 2006 was determined based on the Company's historical experience.

The annual advance and turnover frequencies of 0.50% and 7.00%, respectively, stem from the Company's historical experience and frequencies derived from the Actuarial Company's experience on a relevant number of comparables.
The tables below show the reconciliations between the IAS 19 measurement of the post-employment benefits provision for 2023 and the IAS 19 measurement and the post-employment benefits provision at 31 December 2023:

RECONCILIATION IAS 19 VALUATIONS FOR THE PERIOD 01/01/2023-31/12/2023
(Figures in Euro)

	AGP
Defined Benefit Obligation at 01/01/2023	49,121
Service cost	13,811
Interest cost	1,804
Benefits paid	(5,973)
Transfers in / (out)	-
Expected DBO at 31/12/2023	58,762
Actuarial (Gains)/Losses from experience	497
Actuarial (Gains)/Losses from change in demographic assumptions	-
Actuarial (Gains)/Losses from change in financial assumptions	1,993
Defined Benefit Obligation at 31/12/2023	**61,252**

RECONCILIATION OF IAS 19 VALUATIONS AND POST-EMPLOYMENT BENEFITS PROVISION AT 31/12/2023
(Figures in Euro)

	AGP
Defined Benefit Obligation at 31/12/2023	61,252
Post-employment benefits at 31/12/2023	62,188
Surplus/(Deficit)	935

The tables below show the reconciliations between the IAS 19 measurement of the post-employment benefits provision for 2024 and the IAS 19 measurement and the post-employment benefits provision at 31 December 2024 *(see next page)*:

RECONCILIATION IAS 19 VALUATIONS FOR THE PERIOD 01/01/2024-31/12/2024
(Figures in Euro)

	AGP
Defined Benefit Obligation at 01/01/2024	61,148
Adjustment	6,402
Service cost	22,112
Interest cost	2,420
Benefits paid	(835)
Transfers in / (out)	-
Expected DBO at 31/12/2024	91,247
Actuarial (Gains)/Losses from experience	6,594
Actuarial (Gains)/Losses from change in demographic assumptions	19
Actuarial (Gains)/Losses from change in financial assumptions	(1,324)
Defined Benefit Obligation at 31/12/2024	**96,536**

RECONCILIATION OF IAS 19 VALUATIONS AND POST-EMPLOYMENT BENEFITS PROVISION AT 31/12/2024
(Figures in Euro)

	AGP
Defined Benefit Obligation at 31/12/2024	96,536
Post-employment benefits at 31/12/2024	99,095
Surplus/(Deficit)	2,559

Long-term bonuses

During the year, the Company introduced a series of long-term bonuses in the form of Phantom Stock Options and retention bonuses to be paid to employees who hold key positions and/or who have demonstrated outstanding performance during the plan evaluation period, in order to encourage their retention and support for the Company's growth.
Details of the item "Long-term bonuses" are as follows:

EMPLOYEE BENEFITS LONG-TERM BONUSES
(Figures in Euro)

	31/12/2024	31/12/2023
Phantom Stock Options	314,014	-
Retention Bonus	427,765	-
Total	**741,779**	**-**

The Phantom Stock Option plan falls under cash-settled share-based payment transactions and therefore does not generate the granting of new shares at the end of the vesting period as outlined by IFRS 2. Regarding the measurement of Altea Green Power's performance in terms of Total Shareholder Return, this was estimated using stochastic simulation with the "Monte Carlo Method". This approach, based on appropriate assumptions, allowed for the generation of a substantial number of alternative scenarios through the end of the performance period.
The actuarial valuation of the retention bonus plan, on the other hand, was performed based on the "accrued benefits" method using the Projected Unit Credit (PUC) criterion as provided in paragraphs 67-69 of IAS 19.

10. Non-current and current liabilities

Consolidated non-current and current liabilities are broken down by maturity as follows:

PAYABLES *(Figures in Euro)*	Balance for the Year					
		Amounts due beyond one year				
	Due within one year	Due beyond one year and within five years	Due beyond five years	Balance at 31/12/2024	Balance at 31/12/2023	Change
Payables to banks	5,179,064	2,174,748	-	7,353,812	4,079,943	3,273,869
Payables to Dxor Investments S.r.l.	250,000	1,002,364	-	1,252,364	-	1,252,364
Financial derivatives	9,438	-	-	9,438	11,108	(1,670)
Tax payables	3,680,408	464,246	-	4,144,654	4,539,673	(395,019)
Advances from customers	14,872,540	-	-	14,872,540	8,476,205	6,396,335
Payables to suppliers	3,955,114	-	-	3,955,114	1,907,575	2,047,539
Payables to subsidiaries	2,671,621	-	-	2,671,621	1,513,182	1,158,439
Other liabilities	884,722	76,017	-	960,739	450,122	510,617
Deferred tax provision	2,172	-	-	2,172	290	1,882
Financial liabilities arising from the application of IFRS 16	126,230	303,235	228,000	657,464	780,775	(123,311)
Total	**31,631,308**	**4,020,610**	**228,000**	**35,879,917**	**21,758,872**	**14,121,045**

Payables to banks

“Payables to banks" consists of bank loans.

In 2024, the Company obtained additional credit lines, as well as new medium- to long-term loans, required to support the development of the business related mainly to the Battery Energy Storage System segment.

Details of outstanding loans are as follows *(see next page)*:

PAYABLES TO BANKS *(Figures in Euro)*	Type of loan	Interest rate	Disbursem. date	Maturity date	Amount disbursed	Outstanding debt at 31/12/24	of which current portion	of which long-term portion
Istituti di credito								
Banca FinInt	Unsecured	Eur3M + 5.50%	may-17	nov-24	90,000	-	-	-
Banca Progetto	Unsecured	Eur1M + 4.75%	apr-22	apr-26	600,000	212,766	158,307	54,459
Intesa Sanpaolo	Unsecured	Eur1M + 3.15%	jun-22	jun-27	315,000	157,500	63,000	94,500
Banca Sella	Unsecured	Eur3M + 1.75%	apr-23	apr-28	1,500,000	1,038,542	294,697	743,845
Intesa Sanpaolo	Unsecured	Eur1M + 1.80%	may-23	may-26	800,000	377,778	266,667	111,111
Intesa Sanpaolo	Unsecured	Eur1M + 5.21%	jun-23	jun-29	650,000	487,500	108,333	379,167
Banca Sella	Unsecured	Eur3M + 1%	dec-23	jul-24	72,000	-	-	-
Intesa Sanpaolo	Contract advance	5.75%	feb-24	dec-25	500,000	500,000	500,000	-
BNL	Unsecured	Eur3M + 1.90%	apr-24	oct-25	1,500,000	1,500,000	1,500,000	-
Intesa Sanpaolo	Unsecured	Eur1M + 1.95%	jul-24	jul-27	1,500,000	1,291,667	500,000	791,667
BNL	Unsecured	Eur3M + 1.80%	jul-24	nov-24	500,000	-	-	-
Intesa Sanpaolo	Contract advance	5.73%	dec-24	apr-25	1,781,250	1,781,250	1,781,250	-
Total payables to banks for loans						7,347,002	5,172,254	2,174,748
Payables for use of credit cards						6,809	6,809	-
Total						**7,353,812**	**5,179,064**	**2,174,748**

Altea Green Power S.p.A. obtained a SACE / Mediocredito guarantee on the following loans:

- Unsecured loan number 10000173 concluded on 1 March 2017 with Banca Finanziaria Internazionale S.p.A.
- Loan number 0L85010831898 concluded on 20 November 2020 with Banca Intesa Sanpaolo S.p.A.
- Loan number 06/100/27706 concluded on 27 April 2022 with Banca Progetto S.p.A.
- Loan number 0IC1017191315 concluded on 21 June 2022 with Banca Intesa Sanpaolo S.p.A.
- Loan number 0UC2015428553 concluded on 29 June 2023 with Banca Intesa Sanpaolo S.p.A.
- Loan number 0IR1036449708 concluded on 30 July 2024 with Banca Intesa Sanpaolo S.p.A.

Financial derivative liabilities

The current item includes the negative Mark to Market value of the following derivatives at 31 December 2024 (€ 10 thousand).

FINANCIAL INSTRUMENTS *(Figures in Euro)*	**Balance at 31/12/2024**		
	Outstanding capital	**Positive fair value**	**Negative fair value**
Derivative hedging instruments			
IRS Collar - 98592731 (Reference capital € 800K)	377,777	-	(1,142)
IRS Dynamic Rate - 98983526 (Reference capital € 650K)	487,499	-	(8,296)
Fair Value Financial Instruments recorded in the Financial Statements		-	**(9,438)**

The financial derivative matures within 5 years.

Tax payables

The details of "Tax payables" are as follows:

TAX PAYABLES *(Figures in Euro)*	**Balance at 31/12/2024**	**Balance at 31/12/2023**	**Change**
Payables for current IRES/IRAP	3,161,619	3,722,900	(561,281)
Payables for IRES/IRAP in instalments	656,386	688,844	(32,458)
VAT payable	158,444	-	158,444
Payables for withholding tax	168,205	127,929	40,276
Total	**4,144,654**	**4,539,673**	**(395,019)**

Payables to suppliers and other payables

“Payables to suppliers" includes payables mainly arisen for the purchase of services and goods intended directly for the production of services. The amount of trade payables overdue for over 365 days was € 4 thousand at 31 December 2024.

"Other liabilities”, amounting to € 960 thousand at 31 December 2024, includes mainly current salaries and annual bonuses of employees (€ 536 thousand), payables to INPS and supplementary pension funds (€ 411 thousand) and miscellaneous payables (€ 50 thousand).

With the exception of € 469 thousand due to intermediaries residing in the European Union, the amount of payables is due to entities or parties residing in Italy.

There are no payables secured by collateral on corporate assets.

Payables to subsidiaries

Payables to subsidiaries refer mainly to debt positions owed to Group Companies as a result of the benefits received by Altea Green Power S.p.A. from VAT and IRES receivables transferred by subsidiaries within the Tax and VAT Consolidation.

Please refer to "Related Party Transactions" for more details on the debt positions towards subsidiaries.

Income Statement

11. Revenue

The item of Revenue recorded in the Financial Statements is broken down as follows:

BREAKDOWN BY BUSINESS CATEGORY *(Figures in Euro)*	2024	% of Total Revenue and Services	2023	% of Total Revenue and Services	Change
Revenue					
Invoiced revenue	7,086,813	22%	2,985,785	21%	4,101,028
Revenue from contract work in progress	25,259,001	78%	11,246,818	79%	14,012,183
Total	**32,345,814**	**100%**	**14,232,603**	**100%**	**18,113,211**

Invoiced revenue

The breakdown of “Invoiced revenue" by business category is as follows:

BREAKDOWN BY BUSINESS CATEGORY *(Figures in Euro)*	2024	% of Total Revenue and Services	2023	% of Total Revenue and Services	Change
Invoiced revenue					
Service revenue from EPC activities	1,965,444	28%	2,717,832	91%	(752,388)
Service revenue from Co-Development Activities	5,121,369	72%	267,953	9%	4,853,415
Total	**7,086,813**	**100%**	**2,985,785**	**100%**	**4,101,028**

The decrease in "Service revenue from EPC activities”, which includes revenue from the sale of turnkey industrial and residential photovoltaic plants, is attributable to the reduction in orders related to Superbonus 110% procedures and so-called "minor bonuses”.
"Service revenue from Co-Development Activities" increased significantly versus the prior year, due to the closing of the Co-Development contract for 9 BESS Storage plants in Italy, signed in March, for the sale of the subsidiaries Green BESS S.r.l. and Blue BESS S.r.l. (€ 5.7 million net of transferred assets and liabilities amounting to € 1 million).
Net of the above revenue (non-EU), revenue from sales and services was generated entirely in Italy.

Revenue from contract work in progress

Revenue from contract work in progress is recognized over time, in line with the gradual progress of activities. This percentage of completion is then applied to the total contract value agreed with the customer to determine the amount to be recorded as income in the Income Statement.
As already shown in “Inventory and contract work in progress" the significant
increase in the year is largely justified by development in the BESS (Storage) segment.

Other revenue and income

“Other revenue and income”, amounting to € 816 thousand, refers mainly to revenue from reimbursements of advance expense incurred on behalf of SPVs of the AGP Group and/or owned by contracted clients with whom the Company operates.

12. Operating costs

Operating costs are all inherent and related to revenue generation and accrued during the period.

Purchase costs

Details of this item are shown below:

PURCHASE COSTS *(Figures in Euro)*	2024	2023	Change
Purchase of tangible goods for production of services	201,234	283,933	(82,699)
Purchase of electrical and consumable materials	145,882	192,129	(46,247)
Purchase of capital goods <516.46	11,172	11,451	(279)
Total	**358,289**	**487,513**	**(129,224)**

"Purchase costs" generally includes the supply of materials used in the sale of turnkey industrial and residential photovoltaic plants.

Service costs

Details of this item are shown below:

SERVICE COSTS *(Figures in Euro)*	2024	2023	Change
Co-Development consulting	3,123,104	2,340,229	782,875
Administrative and tax consulting	1,415,315	151,434	1,263,881
EPC Consulting	946,450	1,106,453	(160,003)
Expense advanced on behalf of SPVs	621,793	144,869	476,925
Fees to corporate bodies	583,137	534,819	48,318
STMG fee, DDS and State Treasury expense	295,029	124,651	170,378
Advertising, advertisements and billboards	187,565	304,508	(116,943)
Miscellaneous consulting	174,624	117,020	57,604
Legal and notarial consulting	137,992	49,203	88,789
Optional insurance prem.	111,855	90,650	21,205
Other minor, individually negligible items	586,140	533,367	52,773
Total	**8,183,004**	**5,497,203**	**2,685,801**

The change in “Service costs" versus the prior year is directly related to the strong increase in revenue for the period.
Net of costs directly attributable to business development, administrative and financial consulting costs increased versus the prior year, due to consulting services received on the project to list ordinary shares and warrants on Euronext Milan, Euronext STAR Milan segment.

Costs for rentals and leases

Costs for rentals and leases are related mainly to annual fees for the use of the company's IT infrastructure (servers and licenses for management software).

COSTS FOR RENTALS AND LEASES *(Figures in Euro)*	2024	2023	Change
Fees for use of software licenses	45,112	36,447	8,665
Car rental for business trips	12,638	4,514	8,124
Equipment rental	5,269	7,122	(1,853)
Electronic machine rental fees	1,371	1,245	126
Total	**64,389**	**49,328**	**15,061**

The increase in costs versus the prior period is attributable mainly to license fees on new management systems that the Company has and is implementing, and higher costs related to the rental of vehicles used during domestic trips both due to higher unit costs and increased travel in line with the expansion of the business.

Personnel expense

The item includes all employee-related expense, including performance increases, promotions, cost-of-living increases, untaken vacation and leave and accruals made pursuant to the law and collective labour agreements.
The increase versus the prior year is due mainly to the accrual for the period concerning the new long-term bonuses awarded to employees starting in 2024 (see Note 9 for more details), and residually to the higher number of staff currently employed by the Group.

Amortization and depreciation

It is important to note that amortization/depreciation was calculated based on the useful life of the assets and their participation in the production process. Please refer to the notes on Intangible and Tangible Fixed Assets.

Changes in allowances for inventory and trade receivables

In 2024, the Company set aside € 101 thousand, of which € 7 thousand as an allowance for doubtful trade receivables based on expected future losses (ECLs) under IFRS 9, and € 94 thousand as an allowance for impairment of assets from work on contracts (provision recorded in “Revenue from contract work in progress").
During the period, the Directors did not consider it reasonable to show any provisions for risks in the financial statements.

Other operating costs

Details of this item are shown below *(see next page)*:

SUNDRY OPERATING EXPENSE *(Figures in Euro)*	**2024**	**2023**	**Change**
Contingent liabilities	578,198	396,164	182,034
Unrecoverable Co-Development costs	317,997	306,277	11,720
Sanctions, penalties and fines	228,128	76,770	151,358
Miscellaneous tax	18,411	36,926	(18,515)
Other expense	16,696	11,065	5,631
Total	**1,159,430**	**827,202**	**332,228**

Contingent liabilities include mainly reversal of positions related to prior years for renegotiation and settlement of items.
The increase in penalties versus the prior year refers to the recognition of higher penalties on tax from prior years; as explained in the Consolidated Report on Operations, in July 2024, the outstanding tax positions were settled in full.
Unrecoverable Co-Development costs regard start-up projects ("business opportunities") that have been deemed technically and economically unfeasible.

13. Financial income and expense

Net financial expense, amounting to € 547 thousand, is broken down as follows:

NET FINANCIAL EXPENSE *(Figures in Euro)*	**2024**	**2023**	**Change**
Financial income	(647,477)	(59,737)	(587,740)
Bank interest expense	322,111	73,221	248,889
Interest expense on arrears	276,378	96,182	180,196
Sundry financial expense	59,445	96,352	(37,025)
Interest expense from application of IFRS 16	20,394	25,262	(4,869)
Total	**30,850**	**231,281**	**(200,431)**

La voce “Proventi finanziari” è relativa principalmente agli interessi maturati sui finanziamenti nei "Financial income" refers mainly to interest accrued on loans to subsidiaries and the reversal of financial expense, recorded in prior years under "other financial expense”, as a result of offsetting long-term tax receivables and/or transferring them to third parties.
The increase in interest payable on arrears versus the prior year refers to the recognition of higher interest on tax from prior years; as explained in the Consolidated Report on Operations, in July 2024, the outstanding tax positions were settled in full.
“Sundry financial expense" includes interest recognized (€ 52 thousand) on the loan liability concluded in July with the parent company Dxor Investments S.r.l.

14. Income tax for the year, current, deferred and prepaid tax

Details of current, deferred and prepaid tax are shown below *(see next page):*

INCOME TAX *(Figures in Euro)*	2024	2023	Change
IRES	4,481,068	1,676,064	2,805,004
IRAP	754,129	304,738	449,391
Total current tax	**5,235,197**	**1,980,802**	**3,254,395**
IRES	43,056	39,094	3,962
Total deferred and prepaid tax	**43,056**	**39,094**	**3,962**
Total income tax for the year	**5,278,253**	**2,019,896**	**3,258,357**

Deferred tax assets for the period refer mainly to the pro-rata release (€ 42 thousand) of deferred tax assets recorded on the elimination, upon first time adoption, of capitalized listing expense under OIC.
Below is a reconciliation of the theoretical tax charge with the actual tax charge at 31 December 2024 and 31 December 2023:

RECONCILIATION OF THE TAX CHARGE *(Figures in Euro)*	2024	2023
Theoretical IRES rate	**24%**	**24%**
Profit before tax	21,742,719	6,898,689
Theoretical IRES	**5,218,252**	**1,655,685**
Increasing changes	1,558,140	323,102
Decreasing changes	(164,742)	(238,191)
Net taxable income	**23,136,117**	**6,983,600**
IRES 24%	5,552,668	1,676,064
IRAP 3.9%	754,129	304,738
Total current tax	**6,306,797**	**1,980,802**
PEX regime adjustment	(1,071,600)	-
Deferred tax assets and liabilities	43,056	39,094
Total income tax for the year	**5,278,253**	**2,019,896**

15. Earnings per share

Earnings per share are calculated by dividing the net result for the period attributable to ordinary shareholders of Altea Green Power S.p.A. by the weighted average number of ordinary shares outstanding during the period, excluding treasury shares.
Diluted earnings per share are calculated by dividing the net result for the period attributable to ordinary shareholders of the Company by the weighted average number of ordinary shares outstanding during the period, excluding treasury shares, taking account of the effects of all potential ordinary shares with dilutive effect.
The result and number of ordinary shares used for the purpose of calculating basic and diluted earnings per share, determined in accordance with the methodology adopted by IAS 33, are shown below.

EARNINGS PER SHARE *(Figures in Euro)*	31/12/2024	31/12/2023
Earnings/(Loss) per share	0.95	0.29
Earnings/(Loss) per diluted shares	0.95	0.29
Weighted average number of shares outstanding		
Basic	17,293,887	16,547,582
Diluted	17,293,887	16,547,582

16. Fees paid to the Independent Auditors

Pursuant to Article 149-duodecies of the CONSOB Issuer Regulation, the fees for the current year for audit, certification and other services provided by the Independent Auditors BDO Italia S.p.A. for the Company are broken down as follows:

FEES TO THE INDEPENDENT AUDITORS *(Figures in Euro)*	2024 fees
Auditing	53,500
Audit-related services	4,000
Services related to the translisting process	370,000
Other fees	16,300

Other mandatory information

Financial risk management: targets and criteria

The Board of Directors reviews and agrees on policies to manage the main types of financial risks, as outlined below.

Credit risk

Credit risk refers to the Company's potential exposure to counterparties failing to fulfill their obligations. The Company is not particularly exposed to the risk of customers delaying or failing to meet their payment obligations according to the agreed terms and manner, due in part to its operations with leading players of unquestionable creditworthiness.

For business purposes, policies are also adopted to ensure customer creditworthiness and limit exposure to credit risk through principal assessment and monitoring activities. Lastly, all receivables are regularly subject to a detailed evaluation on a customer-by-customer basis, with write-downs applied in cases where impairment is anticipated.

Market risk

Market risk refers to the variability in the value of assets and liabilities due to changes in market prices (primarily exchange rates and interest rates), which, in addition to affecting expected cash flows, can lead to unexpected increases in financial costs and expense.

Exchange risk

The Company is exposed to exchange rate fluctuation risks, due primarily to balance sheet items denominated in currencies other than the Euro. However, the current limited operations of the U.S. subsidiary do not expose the Company to "translational" exchange rate risks (related to fluctuations in exchange rates used to convert financial statement figures of subsidiaries) or "transactional" risks, as the Group primarily conducts its business in Eurozone countries.

Interest rate risk

Interest rate fluctuation risk is related mainly to medium/long-term loans negotiated at variable rates. Any fluctuations in exchange rates could potentially have negative effects on the Company's income and financial position. Interest rate risk management to date has been aimed primarily at minimizing financing costs and stabilizing cash flows. The Company also converted part of its floating-rate loans into fixed-rate loans by entering into financial derivatives for hedging purposes. For this reason, at the balance sheet date, the potential effect on the Income Statement from fluctuations in rising and falling rates (sensitivity analysis) is not considered significant.

Liquidity risk

Liquidity risk represents the potential difficulty that the Company may encounter in meeting its obligations associated with financial liabilities. The Company currently believes that its ability to generate cash - thanks in part to payment of services on a progress basis with chargeback of incurred costs - and the containment of bank exposure represent stable elements, sufficient to guarantee the necessary resources to continue its operations.

Risks associated with the global macroeconomic context

In recent years, the macroeconomic context has been marked by great uncertainty. Geopolitical instability, particularly the Russian-Ukrainian conflict that erupted in February 2022 and the more recent Israeli-Palestinian conflict, has created an extremely complex and unpredictable scenario marked by inflationary pressures and highly speculative dynamics. These phenomena, in particular, have impacted energy and commodity prices, disrupted supply continuity, and, more generally, led to a sharp rise in global inflation. This has resulted in a tightening of central bank monetary policies. While the Company has no significant direct or indirect business interests in the conflict-affected areas, it continues to closely monitor the developments in the macroeconomic context and its impact on business operations.

Cyber security risk

The increasing reliance on IT systems and the spread of digitization processes heighten the Company's exposure to this type of risk, which could lead to data loss, business disruption, or privacy violations. Although not particularly exposed to this risk, the Company is nevertheless engaged in continuous efforts to enhance protection systems and procedures, staff training and strengthen IT infrastructure with dedicated safeguards.

Fair value measurement and related hierarchical levels of measurement

The Directors have confirmed that the fair value of cash, trade receivables and payables, current financial assets and liabilities, and other current liabilities approximates their carrying amount, due to the short-term maturities of these instruments. As explained in Note 2.8, with regard to financial instruments recognized in the statement of financial position at fair value, IFRS 7 requires that these values be classified based on a hierarchy of levels that reflects the significance of the inputs used in determining fair value. All assets and liabilities measured at fair value at 31 December 2024 can be classified in hierarchical level number 2. Lastly, it should be noted that there were no transfers between different levels of measurement during the year.

Related party transactions

Under IAS 24, the following are defined as related parties of the Company: subsidiaries, associates, members of the Board of Directors, Statutory Auditors and key management personnel of the Parent Company and their family members, and certain members of the Board of Directors and key management personnel of other Group companies and their family members.
The Company does not have any dealings with the parent Dxor S.r.l. and affiliates, with the exception of the loan granted on 31 July 2024 by the parent Dxor Investments S.r.l. to Altea Green Power S.p.A. in the amount of € 2.5 million. The transaction was settled at arm's length, that is, on the terms that are or would be applied between two independent parties.
Transactions with related parties consist of fees paid to the Board of Directors, the Board of Statutory Auditors, and key management personnel of the Company for the performance of their duties.
Transactions with subsidiaries, as anticipated in the relevant notes, concern mainly intercompany financing transactions settled at market conditions and transfers of tax positions from subsidiaries to Altea Green Power S.p.A. in line with the regulations of the IRES and VAT Group tax consolidation.
Details of related party transactions in 2024 are shown below *(see next page):*

STATEMENT OF FINANCIAL POSITION
(Figures in Euro)

	31/12/2024		31/12/2023	
	Receivables	Payables	Receivables	Payables
Board of Directors of the Parent Company	-	8,993	-	-
Board of Statutory Auditors of the Parent Company	-	6,500	-	-
Key management personnel	-	7,223	-	-
Dxor Investments S.r.l.	-	1,252,364	-	-
A Mesagne S.r.l.	134,912	35,641	-	29,809
Altea Green Power Corp.	1,750,357	-	1,606,158	-
Altea Independent Power Producer S.r.l.	58,029	18,107	-	5,635
Black BESS 1 S.r.l.	144,710	2,016	-	-
Black BESS 2 S.r.l.	122,308	1,121	-	-
Black BESS S.r.l.	103,233	47,199	3,923	6,205
Brindisi Solar Energy S.r.l.	990,580	421,691	839,930	404,157
Crumiere Energia S.r.l.	7,838	29,094	-	18,880
GF Green Energy Uno S.r.l.	402,409	10,908	-	-
Green Power Wind S.r.l.	5,476	776	-	-
IBE Alessandria S.r.l.	269,600	105,232	253,020	96,538
IBE Genzano S.r.l.	337,278	212,020	321,413	203,871
IBE Guglionesi Wind S.r.l.	759,660	636,079	352,878	268,853
IBE Manieri S.r.l.	272,452	110,157	252,874	104,104
IBE Montecilfone S.r.l.	267,174	109,269	272,931	103,416
IBE Orbetello S.r.l.	318,066	157,005	289,908	149,417
IBE Venosa S.r.l.	141,480	68,530	120,923	63,133
Montenero Green Energy S.r.l.	3,256,187	595,737	1,155,284	59,164
OF Green Energy 1 S.r.l.	435,833	6,501	-	-
Orange BESS 1 S.r.l.	59,715	907	-	-
Orange BESS 2 S.r.l.	43,322	853	-	-
Orange BESS 3 S.r.l.	95,476	1,026	-	-
Orange BESS 4 S.r.l.	36,301	829	-	-
Padula Green Energy S.r.l.	305,550	16,627	205,840	-
Pink BESS 1 S.r.l.	122,634	1,414	-	-
Pink BESS 2 S.r.l.	5,839	728	-	-
White BESS 1 S.r.l.	148,490	2,047	-	-
White BESS S.r.l.	130,068	1,894	-	-
Yellow BESS 1 S.r.l.	133,719	1,924	-	-
Yellow BESS 2 S.r.l.	424,505	4,342	-	-
Yellow BESS S.r.l.	348,184	71,945	450,835	-

INCOME STATEMENT *(Figures in Euro)*	2024		2023	
	Costs	Revenue	Costs	Revenue
Board of Directors of the Parent Company	647,004	-	531,021	-
Board of Statutory Auditors of the Parent Company	49,493	-	35,000	-
Key management personnel	144,233	-	82,652	-
Dxor Investments S.r.l.	52,364	-	-	-
A Mesagne S.r.l.	6,073	-	-	-
Altea Green Power Corp.	-	87,784	-	-
Altea Independent Power Producer S.r.l.	-	2,612	-	-
Black BESS 1 S.r.l.	-	5,016	-	-
Black BESS 2 S.r.l.	-	1,698	-	-
Black BESS S.r.l.	-	4,647	-	-
Brindisi Solar Energy S.r.l.	-	44,594	-	-
Crumiere Energia S.r.l.	-	353	-	-
GF Green Energy Uno S.r.l.	-	14,232	-	-
Green Power Wind S.r.l.	-	116	-	-
IBE Alessandria S.r.l.	-	12,633	-	-
IBE Genzano S.r.l.	-	16,123	-	-
IBE Guglionesi Wind S.r.l.	-	35,339	-	-
IBE Manieri S.r.l.	-	12,488	-	-
IBE Montecilfone S.r.l.	-	12,428	-	-
IBE Orbetello S.r.l.	-	14,319	-	-
IBE Venosa S.r.l.	-	6,369	-	-
Montenero Green Energy S.r.l.	-	151,393	-	-
OF Green Energy 1 S.r.l.	-	12,094	-	-
Orange BESS 1 S.r.l.	-	829	-	-
Orange BESS 2 S.r.l.	-	601	-	-
Orange BESS 3 S.r.l.	-	1,325	-	-
Orange BESS 4 S.r.l.	-	504	-	-
Padula Green Energy S.r.l.	-	13,755	-	-
Pink BESS 1 S.r.l.	-	2,695	-	-
Pink BESS 2 S.r.l.	-	81	-	-
White BESS 1 S.r.l.	-	5,147	-	-
White BESS S.r.l.	-	4,508	-	-
Yellow BESS 1 S.r.l.	-	4,635	-	-
Yellow BESS 2 S.r.l.	-	14,713	-	-
Yellow BESS S.r.l.	-	15,675	-	-

Financial debt

Details of the financial debt as defined by the new ESMA Guidelines of 4 March 2021 (see CONSOB Warning Notice no. 5/21 of 29 April 2021) are given below.

NET FINANCIAL DEBT *(Figures in Euro)*	31/12/2024	31/12/2023
A. Cash	(1,740,031)	(500,213)
B. Cash and cash equivalents	-	-
C. Other current financial assets	-	-
D. Liquid assets (A + B + C)	**(1,740,031)**	**(500,213)**
E. Current financial debt (including debt instruments, but excluding the current portion of non-current financial debt)	2,288,059	881,350
F. Current portion of non-current debt	3,276,670	1,058,614
G. Current financial debt (E+F)	**5,564,730**	**1,939,964**
H. Net current financial debt (G+D)	**3,824,699**	**1,439,751**
I. Non-current financial debt (excluding current portion and debt instruments)	3,708,347	2,931,819
J. Debt instruments	-	-
K. Trade and other non-current payables	4,007	9,078
L. Non-current financial debt (I+J+K)	**3,712,354**	**2,940,897**
M. Total financial debt (H+L)	**7,537,053**	**4,380,647**

Significant events after 31 December 2024

Please refer to the Consolidated Report on Operations for more information on significant events after 31 December 2024.

Approval of the Separate Financial Statements and related resolutions

Shareholders,
in inviting you to approve the draft separate financial statements of your Company at 31 December 2024, we propose that you allocate profit for the year of € 16,464,466 to increase the "Retained Earnings" reserve.

Rivoli (Turin), 20 February 2025

For the Board of Directors
Chairman
Giovanni Di Pascale

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Certification of the annual Separate Financial Statements

pursuant to Article 81-ter of CONSOB Regulation 11971/1999 193

Certification of the annual Consolidated Financial Statements pursuant to Article 81-ter of CONSOB Regulation 11971/1999 193

1. The undersigned Giovanni Di Pascale, as Chief Executive Officer, and Salvatore Guarino, as Financial Reporting Manager of Altea Green Power S.p.A., certify, also taking into account the provisions of Article 154-bis, paragraphs 3 and 4, of Legislative Decree no. 58 of 24 February 1998:
   - the adequacy of the characteristics of the Company and
   - the effective application of administrative and accounting procedures in preparing the Separate Financial Statements in 2024.
2. No major issues arose in this respect.
3. Moreover, the following is certified:
   - 3.1. The annual Separate Financial Statements for the year ended 31 December 2024 of Altea Green Power Group:
     - were prepared in accordance with the International Financial Reporting Standards endorsed by the European Union pursuant to EC Regulation no. 1606/2002 of the European Parliament and Council of 19 July 2002;
     - are consistent with the accounting records and books;
     - give a true and fair view of the financial position, results of operations and cash flows of the Issuer.
   - 3.2. The Report on Operations contains a reliable analysis of performance and the results of operations, and of the situation of the Issuer, together with a description of the main risks and uncertainties it is exposed to.

Rivoli (Turin), 20 February 2025

Giovanni Di Pascale
Chief Executive Officer

Salvatore Guarino
Financial Reporting Manager

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Board of Statutory Auditors' Report

ALTEA GREEN POWER SPA

Sede in Torino, Corso Re Umberto n° 8

Capitale sociale € 830.663,00 interamente versato

Registro Imprese di Torino n. 08013190015

Codice fiscale e Partita IVA n. 08013190015

*****

Relazione del Collegio Sindacale all'assemblea degli Azionisti ai sensi dell'art. 153 del T.U.F. e dell'artt. 2429, comma 2, del codice civile

All'Assemblea degli Azionisti

della Altea Green Power S.p.A.

Premessa: fonti normative, regolamentari e deontologiche

Il Collegio Sindacale in carica alla data della presente Relazione è stato nominato dall'Assemblea degli Azionisti del 17 luglio 2024 nelle persone di Fabrizio Morra (Presidente), Chiara Grandi (Sindaco Effettivo), Fabrizio Bava (Sindaco Effettivo), nonché di Rosa Chirico e Franco Cattaneo (Sindaci Supplenti). L'organo di controllo resterà in carica per tre esercizi e scadrà alla data dell'assemblea convocata per l'approvazione del Bilancio relativo all'esercizio 2026.

Nel corso dell'esercizio chiuso al 31 dicembre 2024 il Collegio Sindacale ha svolto l'attività di vigilanza prevista dalla legge, in particolare ai sensi del combinato disposto dell'art. 149, comma 1 del D.Lgs. 24 febbraio 1998 n. 58 e dell'art. 19, comma 1 del D.Lgs. 27 gennaio 2010, n. 39 e successive modificazioni, tenendo altresì conto delle Norme di comportamento del Collegio Sindacale di società quotate emanate dal

Consiglio Nazionale dei Dottori Commercialisti e degli Esperti Contabili, delle disposizioni CONSOB in materia di controlli societari e delle indicazioni contenute nel Codice di Corporate Governance di Borsa Italiana, a cui la Società ha aderito.

La relazione finanziaria annuale al 31 dicembre 2024 della Società è la prima redatta dopo il processo di *translisting* sul segmento Euronext STAR Milan avvenuto il 18 novembre 2024.

Il Collegio Sindacale, all'atto della nomina e successivamente, ha verificato la sussistenza del requisito di indipendenza nell'ambito del più ampio processo di autovalutazione dell'organo di controllo ai sensi della Norma Q.1.1. delle Norme di comportamento delle società quotate.

Il Collegio Sindacale precisa che nel corso dell'esercizio nessuno dei suoi membri ha avuto, per conto proprio o di terzi, interessi in nessuna operazione societaria.

La medesima assemblea degli Azionisti ha conferito, con efficacia subordinata e a partire dalla data di inizio delle negoziazioni delle azioni ordinarie e dei warrant di Altea Green Power S.p.A. sul mercato regolamentato Euronext Milan, ricorrendone i presupposti, segmento Euronext STAR Milan, alla società di revisione BDO Italia S.p.A. l'incarico di revisore legale dei conti per la durata di nove esercizi e, precisamente, sino alla data dell'Assemblea convocata per l'approvazione del bilancio al 31 dicembre 2032.

Attività di vigilanza sull'osservanza della legge e dello statuto

Abbiamo vigilato sull'osservanza della legge e dello statuto e sul rispetto dei principi di corretta amministrazione.

Il collegio sindacale si è riunito sei volte, di cui tre volte in occasione delle verifiche periodiche, una volta con l'Organismo di Vigilanza, due volte con la società di revisione.

Nel corso dell'esercizio, abbiamo partecipato a n. 6 riunioni del Consiglio di Amministrazione e alle riunioni dei comitati istituiti in seno al Consiglio di Amministrazione e, sulla base delle informazioni acquisite e disponibili, non abbiamo rilevato violazioni della legge e dello statuto, né operazioni manifestamente imprudenti, azzardate, in potenziale conflitto di interesse o tali da compromettere l'integrità del patrimonio sociale.

Abbiamo ottenuto dall'Organo Amministrativo, anche durante le riunioni svolte, informazioni sul generale andamento della gestione e sulla sua prevedibile evoluzione, nonché sulle operazioni di maggiore rilievo, per le loro dimensioni o caratteristiche, effettuate dalla società e dalle sue controllate e, in base alle informazioni acquisite, non abbiamo osservazioni particolari da riferire.

Abbiamo accertato che non sono state poste in essere operazioni, comprese quelle infragruppo e con parti correlate atipiche e/o inusuali.

Abbiamo vigilato sull'adeguatezza del flusso reciproco di informazioni tra Altea Green Power SpA e le sue controllate (nella quasi totalità società veicolo (*Special Purpose Vehicle*) funzionali ai progetti di Co-Sviluppo) ai sensi dell'articolo 114, comma 2, del D. Lgs. n. 58 del 1998, assicurato dalle istruzioni emanate dalla direzione della Società nei confronti delle Società del Gruppo.

Attività di vigilanza sull'adeguatezza dell'assetto organizzativo

Abbiamo valutato e vigilato sull'adeguatezza dell'assetto organizzativo della Società anche ai sensi dell'art. 2086 c.c. tramite l'acquisizione di informazioni dai responsabili delle competenti funzioni aziendali; l'acquisizione di informazioni in merito alle variazioni della struttura organizzativa, vigilando su esistenza, aggiornamento ed effettiva diffusione delle direttive e delle procedure aziendali.

Attività di vigilanza sull'adeguatezza del sistema di controllo interno

Abbiamo valutato e vigilato sull'adeguatezza e sul funzionamento del sistema di controllo interno della Società, mediante l'ottenimento di informazioni dall'Organo Amministrativo, dai responsabili delle funzioni interessate, dall'internal auditor e dall'Organismo di Vigilanza, e a tale riguardo, non abbiamo osservazioni particolari da riferire.

Abbiamo incontrato nel corso dell'esercizio la società di revisione che ci ha illustrato – tra gli altri - il piano di *audit*, dal cui scambio di informazioni non sono emersi dati o fatti rilevanti da segnalare nella presente relazione.

Abbiamo altresì incontrato l'Organismo di Vigilanza monocratico, acquisendo le necessarie informazioni sull'adeguatezza e sulla corretta attuazione del *"Modello di Organizzazione, Gestione e Controllo"* ai sensi del D. Lgs. 8 giugno 2001 n. 231.

I Sindaci, inoltre, attestano che nel corso dell'esercizio 2024:

- non sono pervenute denunzie dai soci *ex* art. 2408 c.c.;
- non sono stati notificati alla Società ricorsi relativi a denunzie al Tribunale ai sensi dell'art. 2409 del Codice Civile;
- non è stato presentato al Collegio Sindacale alcun esposto.

Nel corso dell'esercizio è stato rilasciato dal collegio sindacale il parere in materia di nomina del dirigente preposto e l'attestazione ai sensi della sezione IA.1.1, articolo 1.05, delle Istruzioni al Regolamento dei Mercati Organizzati e Gestiti da Borsa Italiana S.p.A.

Il Collegio Sindacale, nella sua precedente composizione, ha espresso parere favorevole alla nomina di BDO Italia Spa quale soggetto incaricato all'attività di revisione legale dei conti.

Nel corso dell'attività di vigilanza, come sopra descritta, non sono emersi altri fatti significativi tali da richiederne la menzione nella presente relazione.

Attività di vigilanza sull'adeguatezza del sistema amministrativo contabile e sull'attività di revisione legale dei conti

Abbiamo valutato e vigilato sull'adeguatezza dell'assetto amministrativo e contabile, nonché sull'affidabilità di quest'ultimo a rappresentare correttamente i fatti di gestione, mediante l'ottenimento delle necessarie informazioni dall'Organo Amministrativo, dai responsabili delle funzioni interessate, dall'Organismo di Vigilanza, dal soggetto incaricato della revisione legale dei conti ed attraverso l'esame dei documenti aziendali ed, a tale riguardo, non abbiamo osservazioni particolari da riferire, se non ribadire l'importanza di presidiare adeguatamente la funzione amministrativa e contabile alla luce dello sviluppo di business avuto dalla società nell'ultimo esercizio e di quanto previsto nel *business* plan.

Abbiamo preso atto che la relazione emessa dalla società di revisione in data odierna ai sensi dell'art. 14 del D.Lgs. 27 gennaio 2010 n. 39 e dell'art. 10 del Regolamento UE n. 537/2014, riporta il giudizio sul bilancio d'esercizio e consolidato al 31 dicembre 2024 senza rilievi e richiami di informativa, attestando che fornisce una rappresentazione veritiera e corretta della situazione patrimoniale e finanziaria della Società al 31 dicembre 2024, del risultato economico e dei flussi di cassa per l'esercizio chiuso a tale data in conformità agli

International Financial Reporting Standards adottati dall'Unione Europea, nonché ai provvedimenti emanati in attuazione dell'art. 9 del D.Lgs. 38/05.

La società di revisione, inoltre, ha affermato che, a suo giudizio, la relazione sulla gestione e le specifiche informazioni contenute nella relazione sul governo societario e gli assetti proprietari indicate nell'art. 123-*bis*, co. 4, del D.Lgs. 58/1998 sono coerenti con il bilancio d'esercizio e consolidato della Altea Green Power S.p.A. al 31 dicembre 2024 e redatte in conformità alle norme di legge.

Infine, hanno dichiarato che con riferimento alla dichiarazione di cui all'art. 14, co. 2, lettera e-*ter*) del D.Lgs. n. 39/2010, rilasciata sulla base delle conoscenze e della comprensione dell'impresa e del relativo contesto acquisite nel corso dell'attività di revisione non hanno nulla da riportare.

Si dà atto che, nella nostra veste di Comitato per il controllo interno e la revisione contabile, abbiamo inoltre ricevuto dalla Società di Revisione la Relazione Aggiuntiva sui risultati dell'attività di revisione emessa in data odierna, redatta ai sensi dell'art. 11 del Regolamento UE n. 537/2014, dalla quale non risultano aspetti significativi da riportare nella presente relazione. La società di revisione ha altresì trasmesso la dichiarazione di cui all'art. 6, paragrafo 2), lett. a) del Regolamento UE 537/2014.

Nell'ambito del reciproco scambio di dati e informazioni rilevanti con la società di revisione legale non sono emerse criticità.

Le Note al bilancio riportano il prospetto dei corrispettivi di competenza riconosciuti al Revisore e alle società del relativo *network*, inclusi gli altri servizi forniti alla Società ed alle società controllate.

Il Collegio Sindacale ha preso atto dell'attestazione sottoscritta dall'amministratore delegato e dal dirigente preposto alla redazione dei documenti contabili societari.

Attività di vigilanza sulla concreta attuazione delle regole di governo societario

Il Collegio Sindacale ha vigilato sulle modalità di concreta attuazione del Codice di Corporate Governance delle società quotate cui la Società ha aderito.

Una dettagliata informativa sul sistema di corporate governance della Società è contenuta nella Relazione sul Governo Societario e gli Assetti Proprietari per l'esercizio 2024, approvata dal Consiglio di Amministrazione nella riunione del 20 febbraio 2025, redatta ai sensi di legge e conformemente allo schema predisposto da Borsa Italiana.

In particolare, il Collegio ha verificato la corretta applicazione dei criteri e delle procedure di accertamento adottati.

Attività di vigilanza sui rapporti con Società controllate

Il Collegio ha vigilato sull'adeguatezza delle disposizioni impartite dalla Società alle controllate, ai sensi dell'art. 114, comma 2, del D. Lgs. n. 58 del 1998.

Dagli incontri periodici con il *management* non sono emersi elementi di criticità da segnalare nella presente relazione.

Attività di vigilanza sulle operazioni con parti correlate

In relazione a quanto disposto dall'art. 2391-*bis* del Codice Civile, il Collegio Sindacale dà atto che il Consiglio di Amministrazione ha adottato una procedura per la disciplina delle Operazioni con Parti Correlate, il cui obiettivo principale è quello di definire le linee guida e i criteri per l'identificazione delle operazioni con parti correlate e declinarne ruoli, responsabilità e modalità operative atte a garantire, per tali operazioni, un'adeguata trasparenza informativa e la relativa correttezza procedurale e sostanziale.

In ossequio alla "Procedura relativa alla disciplina delle Operazioni con Parti Correlate" adottata dalla Società il Consiglio di Amministrazione il 20 settembre 2024 ha proceduto alla nomina di un Comitato Parti Correlate, composto dalla Dott.ssa Laura Guazzoni (quale Presidente), dalla Dott.ssa Anna Chiara Invernizzi e dal Dott. Francesco Bavagnoli.

Come anche ricordato nella Nota Integrativa al bilancio, la società non ha intrattenuto nel corso del 2024 rapporti né con le società consociate né con la società controllante Dxor Investments S.r.l., ad eccezione del finanziamento erogato in data 31 luglio 2024 da parte di quest'ultima nei confronti della Capogruppo Altea Green Power S.p.A.

Osservazioni e proposte in ordine alla approvazione del bilancio

Considerando le risultanze dell'attività da noi svolta, invitiamo gli azionisti ad approvare il bilancio d'esercizio chiuso al 31 dicembre 2024, così come redatto dall'Organo di Amministrazione.

Il collegio concorda con la proposta di destinazione del risultato d'esercizio fatta dal Consiglio di Amministrazione nella Relazione sulla Gestione.

Torino, 6 marzo 2025

Il Collegio Sindacale

Fabrizio Morra (Presidente)

Fabrizio Bava

Chiara Grandi

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Independent Auditors' Report

ALTEA GREEN POWER S.P.A.

Independent auditor’s report
pursuant to article 14 of
Legislative Decree no. 39, dated
January 27, 2010 and article 10 of
Regulation (EU) 537/2014

Separate Financial statements
as of December 31, 2024

As disclosed by the Directors on page 1, the accompanying financial statements of Altea Green Power S.p.A. constitute a non-official version which is not compliant with the provisions of the Commission Delegated Regulation (EU) 2019/815. This independent auditor’s report has been translated into the English language solely for the convenience of international readers. Accordingly, only the original text in Italian language is authoritative

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C.so Re Umberto 9/Bis
10121 - Torino

Independent auditor's Report

pursuant to article 14 of Legislative Decree no. 39, dated January 27, 2010 and article 10 of Regulation (EU) 537/2014

To the Shareholders of
Altea Green Power S.p.A.

Report on the separate financial statements

Opinion

We have audited the separate financial statements of Altea Green Power S.p.A. (the Company), which comprise the statement of financial position as at December 31, 2024, the income statement, the statement of comprehensive income, statement of changes in equity and statement of cash flows for the year then ended, and notes to the separate financial statements, including material accounting policy information.

In our opinion the separate financial statements give a true and fair view of the financial position of the Company as at December 31, 2024 and of its financial performance and its cash flows for the year then ended in accordance with IFRS Accounting Standards as issued by the International Accounting Standards Board (IASB) as adopted by the European Union, as well as the regulation issued to implement article 9 of Legislative Decree no. 38/05.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (ISA Italia). Our responsibilities under those standards are further described in the *Auditor's Responsibilities for the Audit of the financial statements* section of our report. We are independent of the Company in accordance with the ethical and independence requirements applicable in Italy to the audit of financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Key audit matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the separate financial statements of the current period. These matters were addressed in the context of our audit of the separate financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

Bari, Bologna, Brescia, Cagliari, Firenze, Genova, Milano, Napoli, Padova, Roma, Torino, Verona

BDO Italia S.p.A. – Sede Legale: Viale Abruzzi, 94 – 20131 Milano – Capitale Sociale Euro 1.000.000 i.v.
Codice Fiscale, Partita IVA e Registro Imprese di Milano n. 07722780967 - R.E.A. Milano 1977842
Iscritta al Registro dei Revisori Legali al n. 167911 con D.M. del 15/03/2013 G.U. n. 26 del 02/04/2013
BDO Italia S.p.A., società per azioni italiana, è membro di BDO International Limited, società di diritto inglese (company limited by guarantee), e fa parte della rete internazionale BDO, network di società indipendenti.

Key audit matters	Audit response

Measurement of revenue and assets arising from contracts
 	
We refer to Note 2.1 "Revenue from contracts with customers" and Note 5 "Inventory and contract work in progress" of the notes to the separate financial statements.
 	
The separate financial statements include in income statement revenues from contracts for Euro 32 million, including revenues for contract work in progress for Euro 25 million, and in the Statement of Financial Position contract work in progress for Euro 51 million.
 	
Revenues from contracts with customers are recognized when the transfer of control of the good or service to the customer takes place, which occurs over the time.
 	
Contracts related to the sale of projects referring to new production plants which meet the requirements for over time revenue recognition, are classified under "Assets arising from contracts", that represent the right to consideration for goods or services that have already been transferred to the customer.
 	
Assets arising from contracts with customers for which revenue recognition takes place over time are recognized using an input-based ("cost-to-cost") methodology for measuring progress; under this methodology, costs, revenue, and margin are recognized based on the progress of production activity, determined with regard to the ratio of costs incurred at the measurement date to total costs expected for performance obligation fulfillments.
 	
The application of this methodology requires prior estimation of the total lifetime costs of individual projects, which are updated at each balance sheet date based on assumptions made by the Directors. These facts and circumstances make it challenging to estimate the costs of completing projects and, consequently, to determine the value of contract assets or ongoing liabilities at the balance sheet date. For these reasons the item has been considered relevant for the purpose of the audit.
	Our audit procedures in response to the key audit matter related to the measurement of revenues and Assets arising from contracts, included the following:
	▪ the understanding of the internal control system relating to the initial estimation of the results of the work in progress from contracts and the subsequent adjustment of contract revenues and costs in the financial statements, including the verification of the valuation assumptions;
	▪ the verification of the criteria for recognition of revenues and the methodology adopted, and in particular, for the purpose of determining the percentage of completion, the understanding of the process of planning and controlling contracts, on the basis of which the Directors have determined revenue and measured contract assets by:
	  ▪ analysis of the reasonableness of the assumptions underlying the budget of the most significant projects through interviews with those responsible for management control, examining the documentation supporting the evaluations carried out and the major deviations from the estimates made in previous years and the costs incurred;
	  ▪ verification of final costs through analysis of the budget of total contract costs and verification of estimates updates at the balance sheet date;
	  ▪ carrying out specific procedures to verify the correct allocation of costs to individual contracts;
	  ▪ verification of the percentage of progress of contracts calculated as the ratio between the costs incurred at the balance sheet date and the estimated total costs;
	▪ the verification of final revenues through the analysis of a significant sample of contracts;
	▪ the verification of the completeness of the information provided in the notes to the financial statements.

Responsibilities of the Directors and the Board of Statutory Auditors for the separate financial statements

The Directors are responsible for the preparation and fair presentation of the separate financial statements in accordance with IFRS Accounting Standards as issued by the International Accounting Standards Board (IASB) as adopted by the European Union, as well as the regulation issued to implement article 9 of Legislative Decree no. 38/05 and, in the terms prescribed by law, for such internal control as they determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the separate financial statements, the directors are responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless they either intend to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

The board of statutory auditors is responsible for overseeing, in the terms prescribed by law, the Company's financial reporting process.

Auditor's Responsibilities for the audit of the separate financial statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance but is not a guarantee that an audit conducted in accordance with ISA Italia will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these separate financial statements.

As part of an audit in accordance with ISA Italia, we exercise professional judgment and maintain professional skepticism throughout the audit. We also have:

- Identified and assessed the risks of material misstatement of the financial statements, whether due to fraud or error, designed and performed audit procedures responsive to those risks, and obtained audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtained an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Company's internal control.
- Evaluated the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the directors.
- Concluded on the appropriateness of the directors' use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- Evaluated the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

We have communicated with those charged with governance, as properly identified in accordance with ISA Italia, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We have also provided those charged with governance with a statement that we have complied with ethical and independence requirements applicable in Italy, and we have communicated all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, actions taken to eliminate relevant risks or the safeguards measures applied.

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the financial statements of the current period and are therefore the key audit matters. We described those matters in the auditor's report.

Other information communicated pursuant to article 10 of Regulation (EU) 537/2014

We were initially engaged by the shareholders meeting of Altea Green Power S.p.A. on July 17, 2024, to perform the audits of the financial statements of the holding and the consolidated financial statements of the Altea Green Power Group of each fiscal year starting from December 31, 2024, to December 31, 2032.

We declare that we did not provide prohibited non audit services, referred to article 5, paragraph 1, of Regulation (EU) 537/2014, and that we remained independent of the company in conducting the audit.

We confirm that the opinion on the financial statements included in this audit report is consistent with the content of the additional report prepared in accordance with article 11 of Regulation (EU) 537/2014, submitted to those charged with governance.

Reports on other legal and regulatory requirements

Opinion on the compliance to the requirements of Delegated Regulation (EU) 2019/815

The directors of Altea Green Power S.p.A. are responsible for the application of the requirements of Delegated Regulation (EU) 2019/815 of European Commission regarding the regulatory technical standards pertaining the electronic reporting format specifications (ESEF – European Single Electronic Format) (hereinafter the "Delegated Regulation") to the financial statements as at December 31 2024, to be included in the Annual Financial Report.

We have performed the procedures required under Auditing Standard (SA Italia) no. 700B in order to express an opinion on the compliance of the financial statements to the requirements of the Delegated Regulation.

In our opinion, the separate financial statements as at December 31, 2024 have been prepared in XHTML format in compliance to the requirements of Delegated Regulation.

Opinion pursuant to article 14, paragraph 2, (e),e-bis) and e-ter) of Legislative Decree no. 39/10 and of article 123-bis paragraph 4 of Legislative Decree no. 58/98.

The directors of Altea Green Power S.p.A. are responsible for the preparation of the report on operations and of the corporate governance report of Altea Green Power S.p.A. as at December 31, 2024, including their consistency with the separate financial statements and their compliance with the applicable laws and regulations.

We have performed the procedures required under Auditing Standard (SA Italia) no. 720B in order to:

- express an opinion on the consistency of the report on operations and of specific information of the corporate governance report as provided by article 123-bis, paragraph 4, of Legislative Decree no. 58/98, with the separate financial statements;
- express an opinion on the compliance of the report on operations and of the specific information of the corporate governance report as provided by article 123-bis, paragraph 4, of Legislative Decree no. 58/98, with the applicable laws and regulations;
- issue a statement on whether the report on operations and of specific information of the corporate governance report as provided by article 123-bis, paragraph 4, of Legislative Decree no. 58/98 contain material misstatements.

In our opinion, the report on operations and the specific information of the corporate governance report as provided by article 123-bis, paragraph 4, of Legislative Decree no. 58/98, are consistent with the separate financial statements of Altea Green Power S.p.A. as at December 31, 2024.

Furthermore, in our opinion the report on operations and of the specific information of the corporate governance report as provided by article 123-bis, paragraph 4, of Legislative Decree no. 58/98, are compliant with applicable laws and regulations.

With reference to the assessment pursuant to article 14, paragraph. 2, e-ter), of Legislative Decree no. 39/10 based on our knowledge and understanding of the entity and its environment obtained through our audit, we have nothing to report.

Turin, March 6, 2025

BDO Italia S.p.A.
Signed by

Massimo Siccardi
Partner

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Altea
Green Power

Altea Green Power S.p.A.

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