iren

PRESS RELEASE

Iren, the Board of Directors approves the fiscal year results at 31 December 2023: Strong EBITDA growth of EUR 1.2 billion (+14%) and investments of almost EUR 1 billion, 80% of which were sustainable. Proposed dividend of 11.88 euro cents/share with an 8% increase over the previous year and 60% pay-out.

Main indicators

- **Gross Operating Margin (EBITDA) in the amount of EUR 1,197 million** (+13.5% compared to EUR 1,055 million as at 31/12/2022). The EUR 142 million increase in EBITDA is mainly driven by the full recovery of the Market BU, hydroelectric generation, and the full contribution of the integrated companies (SEI Toscana and Acquaenna), despite a substantial inflationary scenario and high volatility in the energy scenario.

- **Group net profit attributable to shareholders of EUR 255 million** (up 12.8% compared to EUR 226 million as at 31/12/2022). The result for 2023 includes EUR 41 million in provisions for risks related to the Sostegni Ter Decree-Law. It is also recalled that the 2022 result included the negative impact of the Solidarity Contribution of an estimated EUR 27 million.

- **Net financial debt at EUR 3,932 million** (+18% compared to EUR 3,347 million as at 31/12/2022). The increase in debt, as a result of investments in the period, occurred in proportion to the growth in EBITDA, confirming the net debt/EBITDA ratio at 3.3x.

- **Investments amounted to EUR 934 million**, of which EUR 867 million were technical investments to improve the efficiency of distribution networks, develop waste treatment plants and increase renewable generation capacity, and EUR 67 million were M&A investments.

- **Dividend** of 11.88 euro cents/share, up 8% on the 2022 dividend and with a pay-out of 60%.

- **ESG performance** was positive, with waste sorting increasing to more than 71%, water losses decreasing to 30%, and electricity production from renewable sources increasing by 35% by 2022.

- The total number of Iren **employees** at the end of 2023 is more than 11,000 (+420 during the year).

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Reggio Emilia, 28 March 2024 - The Board of Directors of IREN S.p.A. today approved the consolidated financial statements as at 31 December 2023.

Luca Dal Fabbro, Chair of the Group, said: *"We today approve important results with EBITDA up by 14% and a net profit increase of 13%: this once again highlights the validity of Iren's business model and its ability to rapidly adapt to changes in the macroeconomic, climate and energy scenario, providing customers and citizens with increasingly high-quality services. This attitude reinforces Iren's role as a reliable partner in the energy transition and in creating value for the territory and communities as well as for its shareholders: the results just approved allow us to propose a dividend with a strong growth of 8% and equal to 11.88 euro cents/share, with a pay-out of 60%. Despite important investments, which have allowed us to achieve the renewable capacity target of 800MW and the start-up of new plants in circular economy, we managed, thanks to the cash flows generated and the excellent management of net working capital, to limit the increase in debt by maintaining the NFI/EBITDA ratio at 3.3x. Finally, we proudly announce that we have recruited over 1,100 people in the year just ended."*

"We will close 2023 with several ESG indicators ahead of the targets set in the Business Plan" ***said Iren's Deputy Chairman, Moris Ferretti****. "I refer, for example, to exceeding 71% separate waste collection in historical territories, a 15% increase in renewable energy sold to end customers, and a reduction in water losses of around 30%. It was also an important year thanks to the strengthening of activities in Tuscany, which will follow in 2024 with the consolidation of Sienambiente activities. These results are the fruit of the work of more than 11,000 people, an increase of 420 compared to 2022, who devote themselves daily to the development of the territories, supporting them concretely and demonstrating how Iren can be the partner of reference for administrations for major projects."*

Paolo Signorini, Chief Executive Officer and General Manager of the Group, said: *"In the year just ended, Iren hit all the main targets of the Business Plan and Budget for 2023 in terms of investments, EBITDA, NFI/EBITDA ratio and net profit. The Group confirms its position as one of the leading players in terms of investments, achieving an increase in Net Invested Capital of EUR 635 million (10% over CIN 2022) in the financial year, which is essential to ensure an adequate and stable Return On Investment."*

IREN GROUP: CONSOLIDATED RESULTS AT 31 December 2023

Consolidated **revenues** as at 31 December 2023 amounted to EUR 6,490.4 million, down -17.5% compared to EUR 7,863 million in 2022. The main factors contributing to the decline in sales were energy revenues, which were affected for more than 1,229 million euro by lower commodity prices and for about 286 million euro by a reduction in volumes due to the climatic effect, with a very mild winter, and a reduction in energy demand. Instead, contributing to the positive change in turnover are energy efficiency activities such as energy upgrading and the renovation of buildings, favoured by tax breaks (approximately +115 million). Finally, changes in the scope of consolidation affect revenues by approximately 140 million euro and refer to the consolidation of Valle Dora Energia (from June 2022), SEI Toscana (from July 2022) and AcquaEnna (from June 2023).

Gross operating profit (EBITDA) amounted to EUR 1,196.9 million, up +13.5% compared to EUR 1,054.7 million in 2022. The margin for the period was positively impacted by the change in consolidation scope for approximately 25 million euro (mainly referring to the company SEI Toscana), organic growth

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related to increases in tariff revenues in distribution services and the commissioning of the Reggio Emilia organic waste fraction (OFMSW) treatment plant. Marketing activities for both electricity and gas benefited from the full recovery of margins (EUR +189 million), which had been particularly penalised by the dynamics of the energy scenario in FY 2022. A substantial improvement was also achieved with regard to the generation scenario (around +61 million euro), in which the trend in hydroelectric sales prices and the electrical cogeneration margin made it possible to absorb the sharp drop in opportunities on the MSD dispatching market, which was also sharply reduced at national level. On the other hand, FY 2023 was characterised by a contrasting trend in energy volumes, where an important increase in volumes of electricity generation from thermoelectric and hydroelectric sources, the latter resulting from good hydraulicity of the period, is contrasted by a sustained reduction in heat volumes sold as a consequence of the mild climate trend and a reduction in unitary consumption as a consequence of the "high bills" measure. Also negatively affecting the margin for the period were higher costs due to inflationary effects that will be recovered, in the regulated sectors, in the coming tariff periods, and the reduced availability of some waste treatment plants for maintenance activities. Overall, the margin with reference to the individual business units is broken down as follows: the Market business unit improved strongly (with an increase of more than 100%), Energy +4.2%, Environment -7.1%, Networks -9.3%.

Operating profit (EBIT) amounted to 464.6 million euros, essentially in line (+0.2%) with the 463.7 million euros in FY 2022. During the period, there was higher depreciation and amortisation of approximately 78 million euro related to the commissioning of new investments and the expansion of the scope of consolidation, greater provisions made to the provision for doubtful debt for approximately EUR 8 million, lower release of provisions of about EUR 16 million, and higher provisions for risks of about EUR 55 million, of which EUR 37 million related to the compensation mechanisms provided for in the Decree-Law "Sostegni Ter". Without these extraordinary provisions, EBIT would have amounted to approximately EUR 506 million, a considerable improvement compared to the pro forma EUR 468 million in 2022 (+8.1%).

Group net profit attributable to shareholders amounted to EUR 254.8 million, an increase (+12.8%) from the result recorded at 31/12/2022. The 2023 figure is affected by an increase of approximately EUR 31 million in financial expenses, due to higher interest expenses from borrowing and charges for the assignment of tax credits from Superbonus, partially offset by higher financial income of EUR 14 million. Income taxes of EUR 97 million, down from 2022, benefit from the positive effect of the non-taxability of tax credits, which counteract the energy costs of energy-intensive companies. In addition, the 2023 figure is compared with the 2022 result, which included higher financial expenses on derivatives in the amount of EUR 21 million, as a result of the unexpected regulatory change in the ARERA index for gas and heat (from Pfor to PSV) and the full negative impact of the Solidarity Contribution estimated at EUR 27 million, of which EUR 3 million related to the 2023 Budget Law.

Net financial debt stood at EUR 3,931.8 million as of 31 December 2023, an increase (+17.5%) compared to the 31 December 2022 figure. In this regard, the investments made in the period contributed to the growth of net debt, which remained contained thanks to actions to optimise working capital, including better payment terms for gas supply, and the assignment of credits related to energy efficiency works (Superbonus 110%). The increase in debt is proportional to the growth in the Group's

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operating results, confirming the NFI/EBITDA ratio of about 3.3x, in line with the financial sustainability targets set in the Plan.

Gross investments for the period amounted to EUR 933.5 million, down (-22.7%) compared to 2022, of which EUR 867 million was technical investments and EUR 67 million investments related to M&A transactions. Last year's figure was higher mainly due to the inorganic investment component, which had included the acquisition of Puglia Holding's photovoltaic parks.

IREN GROUP: MAIN RESULTS BY BUSINESS AREA

(EUR millions)	31/12/2023	31/12/2022	Change %
Revenue	**6,490**	**7,863**	**-17.5 %**
Networks BU (energy and water infrastructures)	1,151	1,130	1.8 %
Waste Management BU	1,193	1,089	9.5 %
Energy BU (Generation, TLR, Energy Efficiency)	3,216	4,394	-26.8 %
Market BU	4,090	5,396	-24.2 %
Services and other	32	30	7.1 %
Netting and adjustments	-3,192	-4,176	-23.6 %
Gross Operating Profit (EBITDA)	**1,197**	**1,055**	**13.5 %**
Networks BU (energy and water infrastructures)	375	413	-9.3 %
Electrical infrastructure	*73*	*79*	*-7.7 %*
Gas infrastructures	*82*	*86*	*-5.2 %*
Water infrastructures	*220*	*248*	*-11.2 %*
Waste Management BU	245	264	-7.1 %
Energy BU (Generation, TLR, Energy Efficiency)	374	359	4.2 %
Market BU	198	14	(*)
Electricity	*64*	*-103*	*(*)*
Gas and other services	*134*	*117*	*14.5 %*
Services and Other	5	5	6.6 %
Operating Result (EBIT)	**465**	**464**	**0.2 %**
Networks BU (energy and water infrastructures)	153	210	-27.1 %
Waste Management BU	75	123	-39.4 %
Energy BU (Generation, TLR, Energy Efficiency)	161	224	-28.2 %
Market BU	74	-95	(*)
Services and Other	3	2	43.4 %

(*) Change of more than 100%

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NETWORKS (ENERGY AND WATER INFRASTRUCTURES)

Revenues from the segment amounted to EUR 1,150.5 million, an increase of +1.8% from EUR 1,130.4 million in 2022. The increase, which was mainly attributable to positive changes in tariff revenue constraints and higher revenue related to the construction of assets under concession falling under IFRIC 12 was partly absorbed by the absence of contingencies arising in 2022 that could no longer be repeated.

The **Gross Operating Margin** amounted to EUR 374.8 million, down by -9.3% compared to the EUR 413.2 million of the previous year, mainly due to the lack of contingent assets that had characterised FY 2022, while the operating result amounted to EUR 152.9 million, down by -27.1% compared to EUR 209.8 million in FY 2022, due to higher amortisation for approximately EUR 17 million and higher other provisions for approximately EUR 4 million, only partially offset by a higher release of provisions of around EUR 3 million. The overall margin is generated by:

- a downturn to the **integrated water service** margin, where the increase in the tariff revenue constraint (VRG), mainly due to the increase in invested capital (RAB), was more than absorbed by the increase, also inflationary, in operating costs and by the elimination of the tariff adjustments of previous years determined by the relevant Council of State ruling and the recognition of green certificates, both recorded in 2022 and no longer repeatable. Net of these extraordinary effects, the margin would have been aligned to 2022.

- constant **electricity distribution** margins, where the increase in the revenue constraint, generated mainly by the positive effect of the higher capital expenditure realised, has been offset by the higher operating costs.

- a downturn to the **gas distribution** margin, where the increase in the revenue constraint generated mainly by the positive effect of higher investments has been more than offset by the increase in costs related to energy efficiency certificates (EEC) and operating costs.

In 2023, the Group distributed 3,556 GWh of **electricity**, 1,031 million cubic metres of **gas** and sold 179 million cubic metres of **water**.

As at 31 December 2023, **gross investments** in the sector amounted to EUR 356 million, up (+8.7%) compared to the previous year, allocated to the construction of the infrastructure envisaged by the Integrated Water Cycle Sector Plans, the modernisation of the gas and electricity networks, the digitalisation of activities and the development of electric mobility.

WASTE MANAGEMENT

In the Waste Management segment, **revenues** came to EUR 1,193.1 million, up +9.5% from EUR 1,089.3 million in 2022. The increase is mainly attributable to the change in the scope of consolidation related to the consolidation as of 1 July 2022 of SEI Toscana (for about 103 million euro), a company operating in the integrated cycle of municipal waste in the entire provinces of Arezzo, Grosseto, Siena, and 5 municipalities in the province of Livorno.

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Gross operating profit (EBITDA) amounted to EUR 245.3 million, down -7.1% compared to EUR 264 million in 2022. The worsening trend in the margin can be attributed to the decline in brokerage activities and the disposal business, which, although benefiting from higher revenues from the sale of electricity and energy subsidies, recorded a drop generated by a contraction in revenues related to the sale of thermal energy, biomethane, the reduction in incentives related to green certificates and a reduction in volumes of waste disposed of in a landfill, due to the partial saturation of sites. Although funding was characterised by an increase in operating costs, also due to inflationary effects, it nevertheless improved thanks to the inclusion of Sei Toscana in the scope of consolidation.

In 2023, the **waste managed** amounted to approximately 3,842 thousand tonnes.

As at 31 December 2023, **gross investments** in the sector amounted to EUR 202 million, up +4.8% compared to EUR 193 million in 2022. Investments relate to the purchase of collection vehicles and equipment and the construction of plants; in particular, among the latter, we highlight the organic fraction treatment plant (OFMSW) of Reggio Emilia and the plastic treatment plant of Borgaro Torinese (TO) and the plant for the recovery of wood in the production of pallets (Vercelli).

ENERGY (GENERATION, DISTRICT HEATING AND ENERGY EFFICIENCY)

Revenues from the Energy segment amounted to EUR 3,215.5 million, a decrease of -26.8% from EUR 4,394.4 million in 2022.
The reduction in revenues is mainly attributable to the decline in electricity sales prices, partially offset by the greater quantities produced. Revenues from heat sales also recorded a decline, both due to the reduction in sales prices and the lower volumes sold.
On the other hand, revenues from activities related to energy requalification and building renovation favoured by tax breaks and energy service management activities increased (about +115 million euro).

Gross operating profit (EBITDA) of the segment stood at EUR 373.9 million, an increase of +4.2% compared to EUR 358.9 million in 2022. The trend in the energy scenario was characterised by a downward trend in commodity prices, mainly due to the contraction in demand for gas generated by a series of factors such as the climatic effect of a milder winter season, lower consumption related to the effect of "high utility bills", a contraction in demand from manufacturing activities, particularly industrial ones, and last but not least, the high level of gas stocks. These effects had a particularly strong impact on photovoltaic production penalised by lower sales prices only partially offset by the higher quantities produced. As far as Thermoelectric Power Generation and Heat Cogeneration are concerned, the improvement in the unit margin was more than absorbed by the strong contraction in volumes produced. In addition, we recall that last year, Calore's result was penalised by about EUR 33 million by the unexpected switch of the Pfor gas index to the PSV index, generating a non-recurring negative effect on existing derivatives. During 2023, a recovery in unit margins net of Pfor is reported, partially offset by lower volumes sold during Q1 2023 due to high temperatures and energy-saving actions by customers. Instead, the hydroelectric production margin has improved considerably, mainly as a result of the improved wind levels during the period, which allowed for a sharp increase in production and, at the same time, allowed for the full absorption of higher water derivation fees (EUR +18 million). In the period, there was also a significant contraction in the MSD dispatching market, which also fell sharply at national level. The activities related to Energy Efficiency were also down, recording a decline

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of EUR -9 million compared to FY 2022, due to the small margins on energy requalification works of buildings (Superbonus 110) and electricity management.

During the period, **electricity** generated by the Energy BU totalled 8,426 GWh, up +11% from 7,593 GWh in 2022. Electricity production from cogeneration sources amounted to 4,691.7 GWh, down (-5.3%) compared to 4,954.9 GWh in the corresponding period of 2022 mainly due to the lower demand for thermal energy related to a particularly mild climate trend, while thermoelectric production amounted to 2,451.2 GWh, up by +47.8% compared to 1,658.1 GWh in 2022, also thanks to the entry into operation of the new production unit of the Turbigo plant and the return to full operation of the existing production unit. Production from renewable sources amounted to 1,320.1 GWh, up +34.8% from 979.5 GWh in FY 2022. The increase concerns both hydroelectric production, which amounted to 1,093.9 GWh compared to 772.3 GWh (+41.6%) in the corresponding period of 2022, thanks to the improved hydraulicity of the period, and photovoltaic production, of 226.2 GWh compared to 207.2 GWh in the corresponding period of 2022 (+9.2%).

The **heat** produced amounted to 2,316.1 GWht, a decrease of -8.6% compared to 2,534.3 GWht in the previous year due to milder temperatures and energy-saving behaviour in the use of domestic heating, as well as energy efficiency measures in buildings.

Gross investments of EUR 129.8 million were made as at 31 December 2023, down -42.2% compared to EUR 224.6 million in FY 2022. The main ones include the repowering of the Turbigo thermoelectric plant, the new combined cycle of 430 MW, new heat accumulators, the development of district heating networks and the photovoltaic plants.

MARKET

Revenues from the Market segment amounted to 4,090.4 million euros, down -24.2% from 5,396 million euros in 2022. The decrease in turnover is attributable to the lower quantities sold and the drop in prices for both electricity and gas.

The sector's **Gross Operating Profit (EBITDA)** amounted to EUR 197.9 million, rising sharply compared to EUR 13.9 million of FY 2022, which was characterised by an extraordinarily negative margin. The improvement in margins is mainly attributable to electricity sales with a positive result of 64.2 million euro, compared to the -102.7 million euro in FY 2022.

Directly marketed **electricity** in the period amounted to 7,590 GWh, down (-13.9%) compared to 2022, due to all the different clients' segments.
In addition, 2,500 million cubic metres of **gas** were purchased, down 9.1% compared to 2022, mainly following the change in supply that does not envisage storing gas with Iren.

Gross investments of EUR 86.3 million were made as at 31 December 2023, up +8.7% from EUR 79.4 million in 2022.

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BUSINESS OUTLOOK

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

2024 will be characterised by the continuation of the investments envisaged in the Business Plan and primarily intended for the efficiency upgrading of distribution networks, the development of waste collection and treatment plants, and the development of renewable capacity. To support these investments, in January 2024 Iren issued the fifth Green Bond for a total of EUR 500 million and signed two credit lines for a further EUR 200 million. These instruments further strengthen the Group's financial structure, improving liquidity ratios, and at the same time confirm its strong commitment to expanding its sustainable financing portfolio.

The economic results are expected to grow compared to those of 2023 due to the improvement of the regulatory parameters for distribution activities, the development of plants and the consolidation of Siena Ambiente in the waste sector, and the maintenance of a solid profitability of the customer portfolio. As far as the energy generation business is concerned, a decrease in prices and an increase in renewable generation volumes are expected compared to FY 2023.

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

2023 SUSTAINABILITY REPORT APPROVAL

The Board of Directors of Iren approved today, at the same time as the Economic Report, the 2023 Sustainability Report, which also takes the form of a Consolidated Non-Financial Statement (NFS), pursuant to Legislative Decree no. 254/2016. The Report, which reports on the Group's economic, environmental and social performance, is a tool for monitoring the objectives of the 2030 Business Plan, which integrates sustainability among the strategic pillars of development. It is also an opportunity for discussion with the territory and all stakeholders.

During 2023, almost 80% of the investments incurred by the Group were allocated to sustainable projects or activities in line with the pillars of the Business Plan, allowing for the continued pursuit of sustainable growth, as outlined by the Business Plan.

As far as the **ecological transition** is concerned, at the end of 2023 Iren had exceeded 71% separate waste collection in its historical territories, increased by 12% the material recovered in its waste treatment plants, and kept its carbon intensity constant, as envisaged in the Business Plan.

Local presence was also strengthened during the year, through the increase in the number of municipalities in which the Group is active in waste collection, the extension of the district heating network and the increase in the number of inhabitants served by the integrated water service. In addition, again in 2023, the strategic guidelines of the Business Plan, oriented towards the local area, found concrete expression in the amount of investments made to increase the efficiency of

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infrastructures and services and to maximise the opportunities for business development at the service of the reference territories. This amounts to EUR 1,254 million gross (including works for customers in the area carried out by Iren Smart Solutions and about EUR 67 million in financial investments aimed at development through M&A transactions), representing about 96% of the gross total invested. Finally, also with regard to **service quality**, the year just ended saw a 15% increase in renewable energy sold to customers, the achievement of 69% of the districtised water network with the consequent reduction in network water losses of 30.4%, perfectly in line with the 2030 target of 20%.

DIVIDEND

The Board of Directors resolved to propose to the Shareholders' Meeting, which will be held on 27 June 2024, the payment of a dividend of 11.88 euro cents/share, up by 8% compared to last year. Ex-dividend date 22 July 2024, record date 23 July 2024 and payment date 24 July 2024.

CONFERENCE CALL

The results for the year ended on 31 December 2023 will be explained today, 28 March, at 3:30 p.m. (Italian time) during a conference call with the financial community, which will also be webcast in listen-only mode on the website www.gruppoiren.it in the Investors section.

ALTERNATIVE PERFORMANCE MEASURES

This press release uses some alternative performance measures (APM) that are not included in the international accounting principles adopted by the European Union (IFRS-EU) to allow for a better assessment of the performance of the IREN Group's operating and financial performance. In accordance with the recommendations of the Guidelines published in October 2015 by ESMA, the meaning, content and basis of calculation of these indicators are set out below:

- Net invested capital (NIC): determined by the algebraic sum of non-current assets, other non-current assets (liabilities), net working capital, deferred tax assets (liabilities), provisions for risks, and employee benefits and assets (liabilities) held for sale. This APM is used by the Group in the context of internal and external documents and is a useful measure for the purpose of measuring total net assets, both current and non-current, also through comparison between the reporting period and previous periods or financial years. This indicator also makes it possible to carry out the analyses of operating trends and to measure performance in terms of operating efficiency over time.

- Net financial debt: calculated as the sum of non-current financial liabilities at net of non-current financial assets and current financial liabilities at net of current financial assets and cash and cash equivalents. This APM is used by the Group in the context of documents both internal to the Group and external and represents a useful tool to assess the Group's financial structure, including by comparing the reporting period with those related to the previous periods or fiscal years.

- Net Working Capital (NWC): determined as the algebraic sum of current and non-current assets and liabilities from contracts with customer, current and non-current trade receivables, inventories, current tax assets and liabilities, sundry receivables and other current assets, trade payables and sundry payables and other current liabilities. This APM is used by the Group in the context of both internal and external documents and represents a useful tool to assess the Group's operational efficiency, including by comparing the reporting period with those related to the previous periods or years.

- Gross operating profit (EBITDA): calculated as the sum of income before tax, income from equity-accounted investments, adjustments to the value of investments, financial income and expense, and amortisation, depreciation, provisions and write-downs. EBITDA is explicitly shown as a subtotal in the financial statements. This APM is used by the Group in the context of documents both internal to the Group and external and is a useful tool for assessing the Group's operating performance (both as a whole and at the individual Business Units level), including by comparing the operating results for the reporting period with those for previous periods or fiscal years. This indicator also makes it possible to carry out the analyses of operating trends and to measure performance in terms of operating efficiency over time.

- Operating income (EBIT): calculated as the sum of income before tax, income from equity-accounted investments, adjustments to the value of investments and finance income and costs. Operating Profit is explicitly shown as a subtotal in the financial statements.

- Free cash flow: determined as the sum of operating cash flow and cash flow from investing activities.

- Investments: represents the sum of investments in property, plant and equipment, intangible assets and financial assets (equity investments), presented gross of capital grants. This APM is used by the Group in the context of internal documents of the Group and external documents, and measures the financial resources absorbed in purchases of consumer durable goods in the period.

As required by Article 154 bis, paragraph 2, of the Consolidated Finance Act, Giovanni Gazza, in his capacity of Corporate Accounting Documents Officer, states that the accounting information provided in this press release is consistent with the information in the supporting documents and in the Company's accounting books and other accounting records.
The financial report at 31 December 2023 will be filed according to the law at the Company's registered office (Via Nubi di Magellano, 30 - Reggio Emilia) at Borsa Italiana S.p.A. and shall be available to anyone who requests it and will also be available on the Company's website at www.gruppoiren.it.
The financial statements of the IREN Group are provided below.

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INCOME STATEMENT

EUR thousands

	FY 2023	FY 2022	Change %
Revenue			
Revenue from goods and services	6,301,581	7,627,961	(17.4)
Other income	188,800	235,082	(19.7)
Total revenue	**6,490,381**	**7,863,043**	**(17.5)**
Operating costs			
Raw materials, consumables, supplies and goods	(2,763,473)	(4,582,060)	(39.7)
Services and use of third-party assets	(1,876,663)	(1,669,325)	12.4
Other operating expenses	(113,865)	(81,582)	39.6
Capitalised costs for internal works	56,907	55,655	2.2
Personnel expense	(596,391)	(531,060)	12.3
Total operating costs	**(5,293,485)**	**(6,808,372)**	**(22.3)**
GROSS OPERATING PROFIT (EBITDA)	**1,196,896**	**1,054,671**	**13.5**
Depreciation, amortisation, provisions and impairment losses			
Depreciation and amortisation	(600,677)	(522,591)	14.9
Impairment losses on loans and receivables	(71,471)	(63,465)	12.6
Other provisions and impairment losses	(60,108)	(4,880)	(*)
Total depreciation, amortisation, provisions and impairment losses	**(732,256)**	**(590,936)**	**23.9**
OPERATING PROFIT (EBIT)	**464,640**	**463,735**	**0.2**
Financial management			
Financial income	37,148	23,201	60.1
Financial expense	(135,781)	(105,108)	29.2
Net financial income	**(98,633)**	**(81,907)**	**20.4**
Gains on equity-accounted investments	6,263	5,211	20.2
Share of profit of equity-accounted investees, net of tax effects	6,836	11,758	(41.9)
Pre-tax result	**379,106**	**398,797**	**(4.9)**
Income taxes	(97,095)	(128,851)	(24.6)
Net result from continuing operations	**282,011**	**269,946**	**4.5**
Net result from discontinued operations	-	-	-
Net result for the period	**282,011**	**269,946**	**4.5**
attributable to:			
- Profit (loss) for the period attributable to shareholders	254,845	226,017	12.8
- Profit (loss) for the period attributable to non-controlling interests	27,166	43,929	(38.2)

(*) Change of more than 100%

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RECLASSIFIED STATEMENT OF FINANCIAL POSITION

EUR thousands

	31.12.2023	31.12.2022	Change %
Non-current assets	8,064,718	7,654,903	5.4
Other non-current assets (liabilities)	(418,064)	(416,214)	0.4
Net Working Capital	68,430	(223,927)	(*)
Deferred tax assets (liabilities)	271,906	198,645	36.9
Provisions for risks and employee benefits	(814,902)	(692,301)	17.7
Assets (Liabilities) held for sale	1,144	16,802	(93.2)
Net invested capital	**7,173,232**	**6,537,908**	**9.7**
Equity	3,241,453	3,191,154	1.6
Non-current financial assets	*(128,937)*	*(169,057)*	*(23.7)*
Non-current financial debt	*4,046,764*	*4,266,014*	*(5.1)*
Non-current net financial debt	3,917,827	4,096,957	(4.4)
Current financial assets	*(639,279)*	*(1,044,778)*	*(38.8)*
Current financial debt	*653,231*	*294,575*	*(*)*
Current net financial debt	13,952	(750,203)	(*)
Net financial debt	3,931,779	3,346,754	17.5
Own funds and net financial debt	**7,173,232**	**6,537,908**	**9.7**

(*) Change of more than 100%

STATEMENT OF CASH FLOWS

			thousands of euro
	FY 2023	FY 2022	Change %
Opening net financial debt	**(3,346,754)**	**(2,906,401)**	**15.2**
Result for the period	282,011	269,946	4.5
Adjustments for non-financial movements	1,191,967	936,269	27.3
Payment of employee benefits	(9,526)	(9,624)	(1.0)
Utilisations of provisions for risks and other charges	(183,755)	(33,955)	(*)
Change in other non-current assets and liabilities	23,822	(29,642)	(*)
Taxes paid	(72,371)	(194,274)	(62.7)
Cash flows for transactions on commodities derivatives markets	(15,013)	65,915	(*)
Other changes in equity	48	752	(93.6)
Cash flows from changes in NWC	(536,888)	77,670	(*)
Operating cash flow	**680,295**	**1,083,057**	**(37.2)**
Investments in property, plant and equipment and intangible assets	(866,605)	(897,565)	(3.4)
Investments in financial assets	(3,309)	(39,455)	(91.6)
Proceeds from the sale of investments and changes in assets held for sale	18,317	5,959	(*)
Acquisition of subsidiaries	(79,330)	(270,534)	(70.7)
Dividends received	4,545	2,941	54.5
Total cash flows from investing activities	**(926,382)**	**(1,198,654)**	**(22.7)**
Free cash flow	**(246,087)**	**(115,597)**	**(*)**
Cash flows from own capital	(184,148)	(164,710)	11.8
Other changes	(154,790)	(160,046)	(3.3)
Change in net financial debt	**(585,025)**	**(440,353)**	**32.9**
Closing Net financial (debt)	**(3,931,779)**	**(3,346,754)**	**17.5**

(*) Change of more than 100%

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