



Consolidated Financial Statements

30 June 2024

REN – Redes Energéticas Nacionais, SGPS, S.A.

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1. FINANCIAL PERFORMANCE

1.1 RESULTS FOR THE FIRST 6 MONTHS OF 2024

In the first 6 months of 2024, net income reached 48.6 million euros, a 14.4 million euros decrease (-22.9%) over the same period of the previous year. Net income decreased reflecting mainly the i) decrease of 7.1 million euros in the Group EBITDA (-7.8 million euros in EBIT), and ii) the decrease of 11.0 million euros in financial results (-65.7%), partially offset by the decrease of 4.4 million euros in taxes.

Similarly to the previous years, the results for 2024 reflect the continuation of the Extraordinary Levy on the Energy Sector (28.3 million euros in 2024 and 28.1 million euros in 2023¹).

Investment was 135.4 million euros, a 21.1% y.o.y increase (+23.6 million euros) and transfers to RAB decreased 3.2 million euros (-9.6%) to 29.9 million euros. Average RAB decreased by 55.8 million euros (-1.6%), to 3,477.4 million euros.

The average cost of debt was 2.8%, an increase of 0.4 p.p. over the previous year, and net debt reached 2,679.8 million euros, a 12.0% increase (+286.1 million euros) over the same period of the previous year driven by the evolution of REN Trading's tariff deviations. Excluding the effect of tariff deviations, net debt increased 3.8%.

MAIN INDICATORS (MILLIONS OF EUROS)	June 2024	June 2023	VAR. %
EBITDA	257.8	264.9	-2.7%
Financial results ²	-27.7	-16.7	-65.7%
Net income ¹	48.6	63.0	-22.9%
Recurrent net income	47.5	61.5	-22.6%
Total Capex	135.4	111.8	21.1%
Transfers to RAB ³ (at historic costs)	29.9	33.1	-9.6%
Average RAB (at reference costs)	3,477.4	3,533.2	-1.6%
Net debt	2,679.8	2,393.7	12.0%
Net debt (without tariff deviations)	2,426.9	2,339.1	3.8%
Average cost of debt	2.8%	2.4%	+0.4p.p.

¹ The full amount of the levy was recorded in the 1st quarter of 2024 and 2023, according to the Portuguese Securities Market Commission (CMVM) recommendations.

² The net costs of 2.7 million euros in June 2024 and a net revenue of 2.3 million euros in June 2023 from electricity interconnection capacity auctions between Spain and Portugal – referred to as FTR (Financial Transaction Rights) were reclassified from Financial Results to Operational Revenues.

³ Includes direct acquisitions (RAB related).

Operational results – EBITDA

Domestic Power Transmission and Distribution Business

EBITDA for the domestic business reached 245.9 million euros in the first 6 months of 2024, a 1.0% (-2.4 million euros) decrease over the same period of the previous year.

EBITDA - TRANSMISSION (MILLIONS OF EUROS)	June 2024	June 2023	VAR.%
1) Revenues from assets	104.3	102.6	1.7%
RAB remuneration	37.4	40.3	-7.3%
Lease revenues from hydro protection zone	0.3	0.3	-1.3%
Incentive for improvement of the TSO's technical performance	7.5	5	50.0%
Solar Agreements revenues	3.2	0.0	n.m.
Recovery of amortizations (net of investment subsidies)	46.7	47.9	-2.4%
Amortization of investment subsidies	9.1	9.1	0.8%
2) Revenues from Totex	142.7	141.3	1.0%
3) Revenues from Opex	66.6	78.2	-14.8%
4) Other revenues	8.1	6.8	18.5%
5) Own works (capitalised in investment)	14.9	12.3	20.8%
6) Earnings on Construction (excl. own works) – Concession assets	114.8	96.4	19.1%
7) OPEX	91.5	92.5	-1.1%
Personnel costs ⁴	33.5	30.9	8.4%
External costs	58.0	61.6	-5.9%
8) Construction costs – Concession assets	114.8	96.4	19.1%
9) Provisions / (reversal)	0.0	0.2	n.m.
10) Impairments	-0.8	0.1	-884.8%
11) EBITDA (1+2+3+4+5+6-7-8-9-10)	245.9	248.3	-1.0%

The decrease in EBITDA resulted mainly from:

- The decrease of 2.9 million euros in RAB remuneration⁵ (-7.3%) arising mostly from:
 - Decrease of 2.7 million euros in the remuneration of natural gas transmission regulated assets reflecting the decrease in the rate of return from 5.7% in June 2023 to 5.3% in June 2024 – as a result of the negative evolution of the yields of the Portuguese Republic 10Y Treasury Bills, as well the reduction of 37.2 million euros (-4.4%) in natural gas transmission average RAB; and
 - Decrease of 0.3 million euros in the remuneration of natural gas distribution regulated assets reflecting (i) the decrease in the rate of return from 5.9% in June 2023 to 5.7% in June 2024 – as a result of the negative evolution of the yields of the Portuguese Republic 10Y Treasury Bills, partially offset by the increase of 5.2 million euros in natural gas distribution average RAB (+1.1%).
- The decrease in Revenues from Opex of 11.6 million euros (-14.8%), reflecting the new regulatory period in gas and the decrease of 2.0 million euros in pass-through costs, of which -6.5 million euros in Cross Boarder cost and + 3.5 million euros in costs with Turbogás resulting from the end of PPA at end of March 2024.

⁴ Includes training and seminars costs

⁵ Excludes Electricity Transmission activity (TEE). Includes TEE assets accepted by the regulator as extra Totex model

These effects were partially offset by:

- Revenues recognition of 3.2 million euros arising from bilateral agreements to connect solar plants to the grid. In 2024, REN started to recognize in EBITDA the revenues related to Solar Agreements. REN has currently two waves of solar agreements underway. The revenues of these contracts will be reflected in two different captions: (i) Revenues with "Subsidies amortizations" (neutral impact as they are fully offset by asset depreciation), and ii) "Solar agreements revenues" with positive impact in net income;
- The increase in Electricity Transmission Activity regulated revenues (+1.4 million euros), which is remunerated through a Totex model since 2022, reflecting the increase in the volume drivers, unitary prices evolution and annual change inflation; and
- The decrease of 1.0 million euros in Opex, of which -2.0 million euros in pass-through costs (costs not controllable by REN and fully recovered in the regulated tariff). Excluding pass-through costs, the Group domestic Core Opex increased 0.9 million euros.

With respect to domestic business, it is also important to note that the natural gas distribution business contributed with EBITDA of 24.9 million euros

International Business

The EBITDA for international businesses reached 11.9 million euros in the first 6 months of 2024, a 4.7 million euros (-28.5%) decrease over the same period of the previous year, resulting mainly from:

- The decrease of 1.0 million euros (-14.4%) in the recognized income from the 42.5% stake held by REN in the Chilean company Electrogas;
- The decrease of 3.8 million euros (-38.4%) in EBITDA of Transmel – an electrical power transmission company in Chile. It should be noted that, in 2023, the Chilean regulator published the decree with the Valuation of Transmission Systems for the period from 2020 to 2023, with Transmel recording in that same year an income of 4.0 million Euros referring to the adjustment of revenues from 2020 to 2022.

EBITDA - INTERNATIONAL (MILLIONS OF EUROS)	June 2024	June 2023	VAR.%
1) Revenues from the Transmission of Electrical Power	7.7	11.8	-34.5%
2) Other revenues	5.9	6.8	-14.4%
3) Own works (capitalized in investment)	0.5	0.5	0.2%
4) OPEX	2.3	2.5	-10.2%
Personnel costs ⁶	0.5	0.5	5.7%
External costs	1.7	2.0	-14.3%
5) Provisions / (reversal)	0.0	0.1	n.m.
6) EBITDA (1+2+3-4-5)	11.9	16.6	-28.5%

⁶ Includes costs with training and seminars

Net income

Overall, the Group's net income for the first 6 months of 2024 reached 48.6 million euros, a 14.4 million euros y.o.y. decrease (-22.9%).

This decrease reflect mostly the following effects:

- i) decrease of 7.1 million euros in the Group EBITDA (-7.8 million euros in EBIT), impacted by the decrease of 2.4 million euros in the domestic business (-3.4 million euros in EBIT) and -4.7 million euros in the contribution of international businesses (-4.4 million euros in EBIT);
- ii) decrease of 11.0 million euros in financial results (-65.7%) reflecting the increase in the average cost of debt from 2.4% to 2.8% and unfavourable evolution of exchange rate differences. Net debt reached 2,679.8 million euros, a 12.0% increase (+286.1 million euros), over the same period of the previous year driven by the evolution of REN Trading's tariff deviations. Excluding the effect of tariff deviations, net debt increased 3.8%.

NET INCOME			
(MILLIONS OF EUROS)	June 2024	June 2023	VAR. %
EBITDA	257.8	264.9	-2.7%
Depreciations and amortizations	126.5	125.8	0.6%
Financial results	-27.7	-16.7	-65.7%
Income tax expenses	26.7	31.3	-14.6%
Extraordinary levy on the energy sector ⁷	28.3	28.1	0.7%
Net income	48.6	63.0	-22.9%
Non-recurring items	-1.1	-1.6	-33.2%
Recurrent net income	47.5	61.5	-22.6%

⁷ The full amount of the levy was recorded in the 1st quarter of 2024 and 2023, according to the Portuguese securities market commission (CMVM) recommendations.

1.2 AVERAGE RAB AND CAPEX

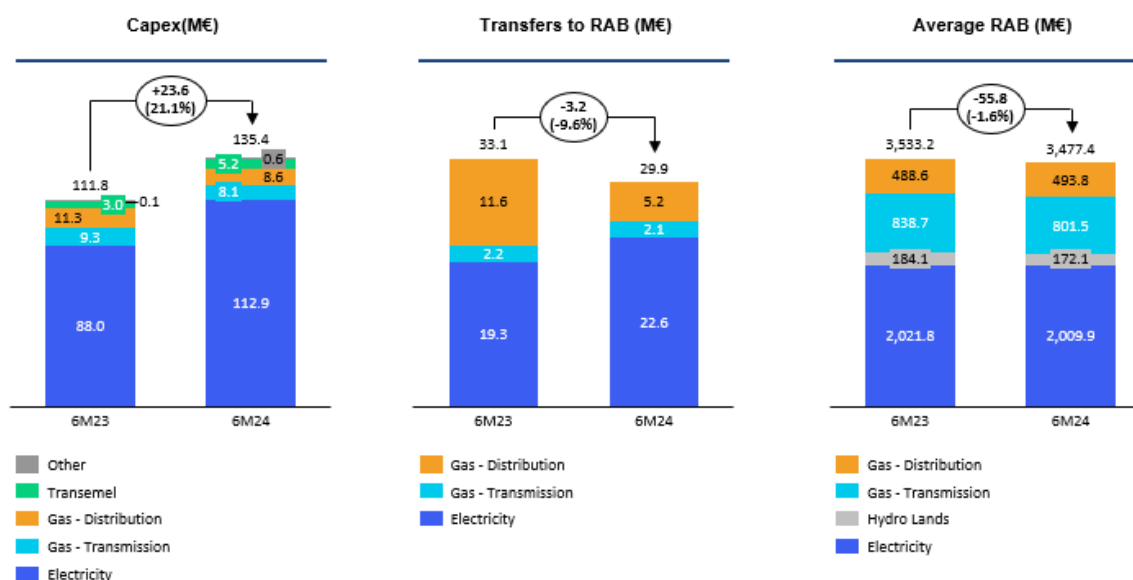
In the first 6 months of 2024, Capex reached 135.4 million euros, a 21.1% y.o.y. increase (+23.6 million euros), while transfers to RAB decreased 3.2 million euros (-9.6%) to 29.9 million euros.

In electricity, investment was 112.9 million euros, a 28.3% increase (+24.9 million euros) over the first 6 months of 2023, and Transfers to RAB were 22.6 million euros, a y.o.y. increase of 3.3 million euros. It should be highlighted the investments in the 400kV Ferreira do Alentejo - Ourique - Tavira connection (19.9 million euros), the interconnection Minho-Galiza (15.1 million euros), Lisboa-Divor-Elvas axis (6.8 million euros), the power lines 220kV Pocinho-Chafariz 1 and 2 (6.7 million euros) and 400kV Batalha-Ribatejo (5.3 million euros).

In natural gas transmission, investment reached 8.1 million euros, a decrease of 1.3 million euros, and Transfers to RAB were 2.1 million euros (-0.1 million euros, -4.1%).

In natural gas distribution, investment was 8.6 million euros, 30% for new supply points and 59% with the expansion of the distribution network, a 2.7 million euros decrease, and transfers to RAB decreased 6.4 million euros (-55.3%) to stand at 5.2 million euros.

Average RAB was 3,477.4 million euros, a 55.8 million euros (-1.6%) y.o.y decrease. In electricity, the average RAB (excluding lands) reached 2,009.9 million euros (-11.8 million euros, -0.6%), of which 918.1 million euros in assets remunerated at a premium rate of return, while lands amounted to 172.1 million euros (-12.0 million euros, -6.5%). In natural gas transmission, the average RAB was 801.5 million euros (-37.2 million euros, -4.4%), while in natural gas distribution the average RAB reached 493.8 million euros (+5.2 million euros, +1.1%).



1.3 MAIN GROUP EVENTS

January	<ul style="list-style-type: none">• Gold medal for reducing methane emissions by the Oil and Gas Methane Partnership (OGMP 2.0)• REN renews commitment to protect, promote, and restore biodiversity until 2025
February	<ul style="list-style-type: none">• Green financing of amount of 300 million euros
April	<ul style="list-style-type: none">• Renewables reach historic peak in Portugal, being responsible for supplying 94,9% of electricity consumption
May	<ul style="list-style-type: none">• Strategic Plan 2024-2027 focused on enabling the Energy Transition, increasing investment and reinforcing its sustainability commitments, maintaining the financial solidity and operational excellence
June	<ul style="list-style-type: none">• REN Portgás Contact Centre wins awards from the Portuguese association of contact centers

1.4 QUARTERLY STATEMENTS OF PROFIT AND LOSS AND COMPREHENSIVE INCOME FOR THE PERIODS FROM 1 APRIL TO 30 JUNE 2024 AND 2023

Consolidated statements of profit and loss (unaudited information)

(Amounts expressed in thousands of euros – teuros)

	01.04.2024 to 30.06.2024	01.04.2023 to 30.06.2023
Sales	-	15
Services rendered	156,051	169,026
Revenue from construction of concession assets	82,817	63,270
Gains from associates and joint ventures	3,025	3,164
Other operating income	9,785	7,640
Operating income	251,678	243,114
Cost of goods sold	(137)	(225)
Cost with construction of concession assets	(74,827)	(56,837)
External supplies and services	(26,919)	(28,848)
Employee compensation and benefit expense	(17,952)	(16,122)
Depreciation and amortizations	(63,241)	(62,949)
Provisions	(2)	(232)
Impairments	888	(94)
Other expenses	(5,344)	(5,621)
Operating costs	(187,535)	(170,928)
Operating results	64,143	72,186
Financial costs	(22,600)	(19,250)
Financial income	5,744	4,828
Investment income - dividends	11,999	8,524
Financial results	(4,858)	(5,898)
Profit before income taxes and ESEC	59,285	66,288
Income tax expense	(14,591)	(16,043)
Extraordinary contribution on energy sector (ESEC)	206	-
Net profit for the period	44,900	50,246
Attributable to:		
Equity holders of the Company	44,900	50,246
Non-controlled interest	-	-
Consolidated profit for the period	44,900	50,246
Earnings per share (expressed in euro per share)	0.07	0.08

Consolidated statements of comprehensive income (unaudited information)

(Amounts expressed in thousands of euros - teuros)

	01.04.2024 to 30.06.2024	01.04.2023 to 30.06.2023
Net Profit for the year	44,900	50,246
Items that will not be reclassified subsequently to profit or loss:		
Actuarial gains / (losses)	(771)	869
Tax effect on actuarial gains / (losses)	231	(261)
Other changes in equity	(26)	-
Items that will be reclassified subsequently to profit or loss:		
Exchange differences on translating foreign operations	8,797	(2,351)
Increase/(decrease) in hedging reserves - cash flow derivatives	(1,985)	(727)
Tax effect on hedging reserves	447	175
Gain/(loss) in fair value reserve - Investments in equity instruments at fair value through other comprehensive income	(4,355)	(7,913)
Tax effect on items recorded directly in equity	924	1,869
Other changes in equity	44	(31)
Comprehensive income for the year	48,206	41,875
Attributable to:		
Equity holders of the Company	48,206	41,875
Non-controlling interests	-	-
	48,206	41,875

2. CONSOLIDATED FINANCIAL STATEMENTS

CONSOLIDATED STATEMENTS OF FINANCIAL POSITION AS OF 30 JUNE 2024 AND 31 DECEMBER 2023

(Amounts expressed in thousands of euros – teuros)
(Translation of statements of financial position originally issued in Portuguese - Note 34)

	Notes	Jun 2024	Dec 2023
ASSETS			
Non-current assets			
Property, plant and equipment	5	119,834	121,110
Intangible assets	5	4,123,463	4,120,617
Goodwill	6	2,497	2,770
Investments in associates and joint ventures	7	176,658	171,879
Investments in equity instruments at fair value through other comprehensive income	9 and 10	136,233	135,741
Derivative financial instruments	9 and 12	39,838	45,745
Other financial assets	9	6,164	6,164
Trade and other receivables	9 and 11	140,065	93,211
Deferred tax assets	8	52,651	53,437
		4,797,403	4,750,674
Current assets			
Inventories		2,429	7,193
Trade and other receivables	9 and 11	519,724	721,129
Income tax recoverable	8 and 9	2,575	25,419
Derivative financial instruments	9 and 12	11,844	8,619
Asset related to the transitional gas price stabilization regime - Decree-Law 84-D/2022	32	213,904	228,789
Cash and cash equivalents	9 and 13	36,125	40,145
		786,602	1,031,294
Total assets	4	5,584,005	5,781,968
EQUITY			
Shareholders' equity			
Share capital	14	667,191	667,191
Own shares	14	(10,728)	(10,728)
Share premium	14	116,809	116,809
Reserves	15	353,824	356,691
Retained earnings	15	285,355	238,478
Other changes in equity	14	(5,561)	(5,561)
Net profit for the period		48,597	149,236
Total equity		1,455,488	1,512,116
LIABILITIES			
Non-current liabilities			
Borrowings	9 and 16	1,730,742	2,022,701
Liability for retirement benefits and others	17	76,966	75,855
Derivative financial instruments	9 and 12	41,875	52,006
Provisions	18	9,801	10,016
Trade and other payables	9 and 19	469,355	480,077
Deferred tax liabilities	8	107,513	107,905
		2,436,252	2,748,560
Current liabilities			
Borrowings	9 and 16	940,275	710,941
Trade and other payables	9 and 19	528,666	572,961
Liability related to the transitional gas price stabilization regime - Decree-Law 84-D/2022	32	213,904	228,789
Derivative financial instruments	9 and 12	9,420	8,601
		1,692,265	1,521,292
Total liabilities	4	4,128,517	4,269,852
Total equity and liabilities		5,584,005	5,781,968

The accompanying notes form an integral part of the consolidated statement of financial position as of 30 June 2024.

The Accountant

The Board of Directors

CONSOLIDATED STATEMENTS OF PROFIT AND LOSS FOR THE SIX-MONTH PERIODS ENDED 30 JUNE 2024 AND 2023

(Amounts expressed in thousands of euros – teuros)
(Translation of statements of profit and loss originally issued in Portuguese - Note 34)

	Notes	Jun 2024	Jun 2023
Sales	20	364	74
Services rendered	20	307,691	327,010
Revenue from construction of concession assets	21	129,634	108,674
Gains/(losses) from associates and joint ventures	7	5,856	7,025
Other operating income	22	19,240	16,237
Operating income		462,785	459,021
Cost of goods sold		(445)	(465)
Costs with construction of concession assets	21	(114,773)	(96,370)
External supplies and services	23	(46,480)	(50,459)
Personnel costs	24	(33,669)	(31,226)
Depreciation and amortizations	5	(126,463)	(125,765)
Provisions	18	(2)	(232)
Impairments	6 and 11	793	(189)
Other expenses	25	(13,159)	(12,910)
Operating costs		(334,199)	(317,615)
Operating results		128,586	141,406
Financial costs	26	(47,902)	(36,433)
Financial income	26	10,924	8,916
Investment income - dividends	10	11,999	8,524
Financial results		(24,980)	(18,994)
Profit before income tax and ESEC		103,605	122,412
Income tax expense	8	(26,698)	(31,280)
Energy sector extraordinary contribution (ESEC)	27	(28,310)	(28,101)
Consolidated profit for the period		48,597	63,031
Attributable to:			
Equity holders of the Company		48,597	63,031
Non-controlled interest		-	-
Consolidated profit for the period		48,597	63,031
Earnings per share (expressed in euro per share)	28	0.07	0.09

The accompanying notes form an integral part of the consolidated statement of profit and loss for the six-month period ended 30 June 2024.

The Accountant

The Board of Directors

CONSOLIDATED STATEMENTS OF OTHER COMPREHENSIVE INCOME FOR THE SIX-MONTH PERIODS ENDED 30 JUNE 2024 AND 2023

(Amounts expressed in thousands of euros – teuros)
(Translation of statements of other comprehensive income originally issued in Portuguese - Note 34)

	Notes	Jun 2024	Jun 2023
Consolidated Profit for the period		48,597	63,031
Items that will not be reclassified subsequently to profit or loss:			
Actuarial gains/(losses) - gross of tax	17	(363)	2,048
Tax effect on actuarial gains/(losses)	8	109	(614)
Items that may be reclassified subsequently to profit or loss:			
Exchange differences on translating foreign operations		(1,805)	3,349
Increase/(decrease) in hedging reserves - cash flow derivatives	12	(1,664)	(6,167)
Tax effect on hedging reserves	8 and 12	374	1,348
Gain/(loss) in fair value reserve - Investments in equity instruments at fair value through other comprehensive income	10	491	(8,238)
Tax effect on items recorded directly in equity	8 and 10	(263)	1,948
Other changes in equity		44	139
Comprehensive income for the period		45,520	56,843
Attributable to:			
Equity holders of the company		45,520	56,843
Non-controlled interest		-	-
		45,520	56,843

The accompanying notes form an integral part of the consolidated statement of comprehensive income for the six-month period ended 30 June 2024.

The Accountant

The Board of Directors

CONSOLIDATED STATEMENTS OF CHANGES IN EQUITY FOR THE SIX-MONTH PERIODS ENDED 30 JUNE 2024 AND 2023

(Amounts expressed in thousands of euros – teuros)
(Translation of statements of changes in equity originally issued in Portuguese - Note 34)

		Attributable to shareholders										
		Share capital (Note 14)	Own shares (Note 14)	Share premium (Note 14)	Legal Reserve (Note 15)	Fair Value reserve (Note 15)	Hedging reserve (Note 15)	Other reserves (Note 15)	Other changes in equity (Note 14)	Retained earnings (Note 15)	Profit for the year	Total
Changes in the year	Notes											
At 1 January 2023		667,191	(10,728)	116,809	135,702	45,117	59,518	155,729	(5,561)	241,987	111,771	1,517,534
Net profit of the period and other comprehensive income		-	-	-	-	(6,290)	(4,818)	3,306	-	1,614	63,031	56,843
Transfer to other reserves		-	-	-	5,676	-	-	-	-	106,095	(111,771)	-
Distribution of dividends	29	-	-	-	-	-	-	-	-	(102,150)	-	(102,150)
At 30 June 2023		667,191	(10,728)	116,809	141,378	38,827	54,700	159,035	(5,561)	247,545	63,031	1,472,227
At 1 January 2024		667,191	(10,728)	116,809	141,378	39,461	37,071	138,781	(5,561)	238,478	149,236	1,512,116
Net profit of the period and other comprehensive income		-	-	-	-	228	(1,291)	(1,805)	-	(210)	48,597	45,520
Transfer to other reserves		-	-	-	-	-	-	-	-	149,236	(149,236)	-
Distribution of dividends	29	-	-	-	-	-	-	-	-	(102,150)	-	(102,150)
At 30 June 2024		667,191	(10,728)	116,809	141,378	39,689	35,781	136,976	(5,561)	285,355	48,597	1,455,488

The accompanying notes form an integral part of the consolidated statement of changes in equity for the six-month period ended 30 June 2024.

The Accountant

The Board of Directors

CONSOLIDATED STATEMENTS OF CASH FLOW FOR THE SIX-MONTH PERIODS ENDED 30 JUNE 2024 AND 2023

(Amounts expressed in thousands of euros – teuros)
(Translation of statements of cash flow originally issued in Portuguese - Note 34)

	Notes	Jun 2024	Jun 2023
<u>Cash flow from operating activities:</u>			
Cash receipts from customers		1,226,530 a)	979,926 a)
Cash paid to suppliers		(878,880) a)	(1,214,296) a)
Cash paid to employees		(42,443)	(41,007)
Income tax received/paid		(5,566)	(698)
Other receipts / (payments) relating to operating activities		(11,904)	58,417
Net cash flows from operating activities (1)		287,737	(217,658)
<u>Cash flow from investing activities:</u>			
Receipts related to:			
Investments in associates	7	400	-
Investment grants		20,089	44,262
Dividends		7,410	7,480
Payments related to:			
Property, plant and equipment		(5,364)	(3,055)
Intangible assets		(145,300)	(101,387)
Net cash flow used in investing activities (2)		(122,765)	(52,699)
<u>Cash flow from financing activities:</u>			
Receipts related to:			
Borrowings		3,361,000	969,000
Interests and other similar income		610	2,577
Payments related to:			
Borrowings		(3,417,849)	(930,654)
Interests and other similar expense		(50,096)	(43,120)
Leasings		(1,190)	(1,098)
Interests of leasings		(112)	(31)
Dividends	29	(59,698)	(59,698)
Net cash from / (used in) financing activities (3)		(167,336)	(63,023)
Net (decrease) / increase in cash and cash equivalents (1)+(2)+(3)		(2,364)	(333,382)
Effect of exchange rates		(1,657)	641
Cash and cash equivalents at the beginning of the year	13	40,145	365,292
Cash and cash equivalents at the end of the period	13	36,125	32,551
<u>Detail of cash and cash equivalents</u>			
Cash	13	21	22
Bank deposits	13	36,104	32,529
The transitional gas price stabilization regime - Decree-Law 84-D/2022	13	-	-
		36,125	32,551

a) These amounts include payments and receipts relating to activities in which the Group acts as agent, income and costs being reversed in the consolidated statement of profit and loss.

The accompanying notes form an integral part of the consolidated statement of cash flow for the six-month period ended 30 June 2024.

The Accountant

The Board of Directors

3. NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS AS OF 30 JUNE 2024

(Translation of notes originally issued in Portuguese - Note 34)

1 GENERAL INFORMATION

REN – Redes Energéticas Nacionais, SGPS, S.A. (referred to in this document as “REN”, “REN SGPS” or “the Company” together with its subsidiaries, referred to as “the Group” or “the REN Group”), with head office in Avenida Estados Unidos da América, 55 – Lisbon, Portugal, resulted from the spin-off of the EDP Group, in accordance with Decree-Law no. 7/91 of 8 January and 131/94 of 19 May, approved by the Shareholders’ General Meeting held on 18 August 1994, with the objective of ensuring the overall management of the Public Electric Supply System (PES).

Up to 26 September 2006 the REN Group’s operations were concentrated on the electricity business through REN – Rede Eléctrica Nacional, S.A. On 26 September 2006, as a result of the unbundling transaction of the gas business, the Group went through a significant change with the purchase of assets and financial participations relating to the transport, storage and re-gasification of gas activities, comprising a new business.

In the beginning of 2007, the Company was transformed into a holding company and, renamed, after the transfer of the electricity business to a new company incorporated on 26 September 2006, REN – Serviços de Rede, S.A., which was simultaneously renamed to REN – Rede Eléctrica Nacional, S.A..

The Group presently has two main business segments, Electricity and Gas, and a secondary business of Telecommunications.

The Electricity business includes the following companies:

a) REN – Rede Eléctrica Nacional, S.A., incorporated on 26 September 2006, whose activities are carried out under a concession contract for a period of 50 years as from 2007 which establishes the overall management of the Public Electricity Supply System (Sistema Eléctrico de Abastecimento Público - SEP);

b) REN Trading, S.A., was incorporated on 13 June 2007, whose main function is the management of Power Purchase Agreements (“PPA”) from Turbogás, S.A. and Tejo Energia, S.A., which did not terminate on 30 June 2007, date of the entry into force of the new Contracts for the Maintenance of the Contractual Equilibrium (Contratos para a Manutenção do Equilíbrio Contratual – CMEC). The operations of this company include the trading of electricity produced and of the installed production capacity, to domestic and international distributors. The PPA with Tejo Energia ceased on 30 November 2021 and, at the end of the first quarter of 2024, ceased the PPA with Turbogás, with the consequent cessation of operational activity associated with it. Notwithstanding the expiry of the aforementioned PPA, REN Trading will continue to operate and ensure the monitoring of developments in the disputes arising from the PPA signed with Tejo Energia and Turbogás, to settle the administrative obligations relating to the greenhouse gas emission trading as well as the financial guarantees relating to MIBEL, OMIP and SEN, and to operationalise the reporting obligations resulting from the last years of activity with the technical and sectoral regulators;

c) Enondas, Energia das Ondas, S.A. was incorporated on 14 October 2010, its capital being fully owned by REN - Redes Energéticas Nacionais, SGPS, S.A., and has as its activity the management of the concession for the exploration of a pilot area for the production of electric energy from sea waves; and

d) Empresa de Transmisión Eléctrica Transemel, S.A. (“Transemel”), was incorporated on 1 October 2019, following the expansion of the electricity business in Chile. The company’s activity consists of providing electricity transmission and transformation services and the development, operation and commercialization of transmission systems, allowing free access to the different players in the electricity market in Chile.

The Gas business includes the following companies:

a) REN Gás, S.A. was incorporated on 29 March 2011, with the corporate purpose of promoting, developing and carrying out projects and developments in the gas sector, as well as defining the overall strategy and coordination of the companies in which it has direct interests;

b) REN Gasodutos, S.A., was incorporated on 26 September 2006, whose the capital was paid up through the integration of the gas transport infrastructures (network, connections and compression);

c) REN Armazenagem, S.A., was incorporated on 26 September 2006, whose the capital was paid up through integration into the company of the gas underground storage assets;

d) REN Atlântico, Terminal de GNL, S.A., acquired under the acquisition of the gas business, previously designated as "SGNL – Sociedade Portuguesa de Gás Natural Liquefeito". The operations of this company comprise the supply, reception, storage and re-gasification of liquefied gas through the GNL marine terminal, being responsible for the construction, utilization and maintenance of the necessary infrastructures; and

e) REN Portgás Distribuição, S.A. ("REN Portgás"), acquired as part of the expansion of the gas business on 4 October 2017. The company's object is the public service operation of the regional distribution network for natural gas and its substitute gases in 29 municipalities in the northern coastal area of Portugal, in the districts of Porto, Braga, and Viana do Castelo, as well as the construction and maintenance of the respective infrastructures.

The operations of the companies indicated in b) to d) above are developed in accordance with the three concession contracts separately granted for periods of 40 years starting 2006. The company indicated in e) above develops its activities in accordance with one concession contract granted for 40 years starting in 2008.

The telecommunications business is managed by RENTELECOM – Comunicações, S.A. ("RENTELECOM") whose activity is the establishment, management and operation of telecommunications infrastructures and systems, the rendering of telecommunications services and optimizing the optical fibre excess capacity of the installations owned by REN Group.

REN SGPS fully owns REN Serviços, S.A., a company whose purpose is the rendering of services in the energetic area and the general services of business development support to group companies and third parties, receiving a fee for the services rendered, as well as the management of financial participations in other companies.

On 10 May 2013, REN Finance, B.V. was incorporated, a company wholly owned by REN SGPS, headquartered in the Netherlands, whose corporate purpose is to participate, finance, collaborate and conduct the management of related companies.

Additionally, on 24 May 2013, together with China Electric Power Research Institute, a State Grid Group company, Centro de Investigação em Energia REN – State Grid, S.A. ("Centro de Investigação") was incorporated under a Joint Venture Agreement on which REN holds 1,500,000 shares representing 50% of the total share capital.

The purpose of this company is to implement a Research and Development centre in Portugal, dedicated to the research, development, innovation and demonstration in the areas of electricity transmission and systems management, the rendering of advisory services and education and training services as part of these activities, as well as performing all related activities and complementary services to its object.

On 14 December 2016, Aéreo Chile SPA was incorporated, a company fully owned by REN Serviços, S.A., headquartered in Santiago, Chile, whose purpose is to realize investments in assets, shares and rights of companies and associations.

In addition, on 21 November 2018, REN PRO, S.A. was incorporated, a company fully owned by REN, headquartered in Lisbon, whose purpose is to provide support services, namely administrative, logistical, communication and development support of the business, as well as business consulting, in a remunerated manner, either to companies that are in a group relation or to any third party, and IT consulting.

On 17 July 2019, Apolo Chile SPA was incorporated, a company fully owned by REN Serviços, S.A., headquartered in Santiago, Chile, whose purpose is to realize investments in assets, shares and rights of companies and associations of entities essentially related to the electric transmission sector.

As of 30 June 2024, REN also holds:

a) 42.5% interest in the share capital of the Chilean company, Electrogas, S.A., a provider of gas and other fuels transportation. The participation was acquired on 7 February 2017;

b) 40% interest in the share capital of OMIP - Operador do Mercado Ibérico (Portugal), S.A. ("OMIP S.A."), being its purpose the management of participations in other companies as an indirect way of exercising economic activities;

c) 10% interest in the share capital of OMEL - Operador do Mercado Ibérico de Energia, S.A., the Spanish pole of the Sole Operator;

d) 1% interest in the share capital of Redeia Corporación, S.A., entity in charge of the electricity network management in Spain;

e) 7.9% interest in the share capital of Coreso, S.A. ("Coreso"), entity that assists the European transmission system operators ("TSO"), in coordination and safety activities to ensure the reliability of Europe's electricity supply; and

f) Participations in the share capital of: (i) Hidroeléctrica de Cahora Bassa, S.A. ("HCB"), participation of 7.5%; (ii) MIBGÁS, S.A., participation of 6.67%; and (iii) MIBGÁS Derivatives, S.A., participation of 9.7%.

1.1. Consolidation perimeter

The following companies were included in the consolidation perimeter as of 30 June 2024 and 31 December 2023:

Designation / adress	Country	Activity	Jun 2024		Dec 2023	
			% Owned		% Owned	
			Group	Individual	Group	Individual
Parent company:						
REN - Redes Energéticas Nacionais, SGP5, S.A.	Portugal	Holding company	-	-	-	-
Subsidiaries:						
REN - Rede Eléctrica Nacional, S.A. Av. Estados Unidos da América, 55 - Lisboa	Portugal	National electricity transmission network operator (high and very high tension)	100%	100%	100%	100%
REN Trading, S.A. Praça de Alvalade, n.º 7 - 12.º Dto, Lisboa	Portugal	Purchase and sale, import and export of electricity and natural gas	100%	100%	100%	100%
Enondas-Energia das Ondas, S.A. Mata do Urso - Guarda Norte - Carriço - Pombal	Portugal	Management of the concession to operate a pilot area for the production of electric energy from ocean waves	100%	100%	100%	100%
RENTELECOM - Comunicações S.A. Av. Estados Unidos da América, 55 - Lisboa	Portugal	Telecommunications network operation	100%	100%	100%	100%
REN - Serviços, S.A. Av. Estados Unidos da América, 55 - Lisboa	Portugal	Back office and management of participations	100%	100%	100%	100%
REN Finance, B.V. De Cuserstraat, 93, 1081 CN Amsterdam	Netherlands	Participate, finance, collaborate, conduct management of companies related to REN Group	100%	100%	100%	100%
REN PRO, S.A. Av. Estados Unidos da América, 55 - Lisboa	Portugal	Communication and Sustainability, Marketing, Business Management, Business Development and Consulting and IT Projects	100%	100%	100%	100%
REN Atlântico, Terminal de GNL, S.A. Terminal de GNL - Sines	Portugal	Liquefied Natural Gas Terminal maintenance and regasification operation	100%	100%	100%	100%
Owned by REN Serviços, S.A.:						
REN Gás, S.A. Av. Estados Unidos da América, 55 - 12.º - Lisboa	Portugal	Management of projects and ventures in the natural gas sector	100%	-	100%	-
Aério Chile SPA Santiago do Chile	Chile	Investments in assets, shares, companies and associations	100%	-	100%	-
Apolo Chile SPA Santiago do Chile	Chile	Investments in assets, shares, companies and associations	100%	-	100%	-
Owned by REN Gás, S.A.:						
REN - Armazenagem, S.A. Mata do Urso - Guarda Norte - Carriço - Pombal	Portugal	Underground storage development, maintenance and operation	100%	-	100%	-
REN - Gasodutos, S.A. Estrada Nacional 116, km 32,25 - Vila de Rei - Bucelas	Portugal	National Natural Gas Transport operator and natural gas overall manager	100%	-	100%	-
REN Portgás Distribuição, S.A. Rua Linhas de Torres, 41 - Porto	Portugal	Distribution of natural gas	100%	-	100%	-
Owned by Apolo Chile SPA (99.99%) and Aério Chile SPA (<0.001%):						
Empresa de Transmisión Eléctrica Transemel, S.A. Santiago do Chile	Chile	Transmission and transformation of electricity, allowing free access to different players in the electricity market in Chile	100%	-	100%	-

Changes in the consolidation perimeter

- June 2024

There were no changes to the consolidation perimeter in 2024 compared to that reported on 31 December 2023 and to 30 June 2023.

- December 2023

There were no changes to the consolidation perimeter in 2023 compared to that reported on 31 December 2022.

1.2. Approval of quarterly consolidated financial statements

These interim consolidated financial statements were approved by the Board of Directors at a meeting held on 25 July 2024. The Board of Directors believes that the consolidated financial statements fairly present the financial position of the companies included in the consolidation, the consolidated results of their operations, their consolidated comprehensive income, the consolidated changes in their equity and their consolidated cash flows in accordance with the International Financial Reporting Standards for interim financial statements as endorsed by the European Union (IAS 34).

2 BASIS OF PRESENTATION

The consolidated financial statements for the six-month period ended 30 June 2024 were prepared in accordance with IAS 34 - Interim Financial Reporting Standards, therefore do not include all information required for annual financial statements so should be read in conjunction with the annual financial statements issued for the year ended 31 December 2023.

The Board of Directors evaluated the Group's going concern capability, based on all the relevant information, facts and circumstances, of financial, commercial and other natures, including subsequent events occurred after the financial statement report date.

In result of this assessment, the Board concludes that the Group has the adequate resources to proceed its activity, not intending to cease its operations in short term, and therefore considers adequate the use of a going concern basis in the preparation of the financial statements.

The consolidated financial statements are presented in thousands of euros – teuros, rounded to the thousand closer.

On the present date, and taking into account the above and Note 5 - Main Estimates and Judgments, disclosed in the annex to the 2023 consolidated financial statements, the Group does not foresee any changes in the most relevant estimates, in the case of Provisions, Assumptions Actuarial, Tangible and Intangible Fixed Assets, Impairment, Fair Value of Financial Instruments, Impairment of Goodwill and Tariff deviations.

There were no significant changes in the long-term expectation of recovery of the Group's investments and financial holdings.

3 MAIN ACCOUNTING POLICIES

The consolidated financial statements were prepared for interim financial reporting purposes (IAS 34), on a going concern basis from the books and accounting records of the companies included in the consolidation, maintained in accordance with the accounting standards in force in Portugal, adjusted in the consolidation process so that the financial statements are presented in accordance with interim Financial Reporting Standards as endorsed by the European Union in force for the years beginning as from 1 January 2024.

Such Financial Reporting standards include International Financial Reporting Standards (IFRS), issued by the International Accounting Standards Board ("IASB"), International Accounting Standards (IAS), issued by the International Accounting Standards Committee ("IASC") and respective IFRIC and SIC interpretations, issued by the International Financial Reporting Interpretation Committee ("IFRIC") and Standard Interpretation Committee ("SIC"), that have been endorsed by the European Union. The standards and interpretations are hereinafter referred generically to as IFRS.

The accounting policies used to prepare these consolidated financial statements are consistent, in all material respects, with the policies used to prepare the consolidated financial statements for the year ended 31 December 2023, as explained in the notes to the consolidated financial statements for 2023, except for the adoption of new effective standards for periods beginning on or after 1 January 2024.

The Group has not previously adopted any standard, interpretation or amendment that is not yet in force.

The estimates and assumptions with impact on REN's consolidated financial statements are continuously evaluated, representing at each reporting date the Board of Directors best estimates, considering historical performance, past accumulated experience and expectations about future events that, under the circumstances, are believed to be reasonable. There were no changes in the main estimates and judgments presented in relation to the six-month period ended on 30 June 2023 and compared to the year ended on 31 December 2023.

Adoption of new standards, interpretations, amendments and revisions

The following standards, interpretations, amendments and revisions have been endorsed by the European Union with mandatory application in effective for annual periods beginning on or after 1 January 2024:

- **Amendments to IFRS 16 – Leases: Lease Liability in a sale and leaseback**

These amendments included requirements for seller-lessees to measure the lease liability in a sale and leaseback transaction, in order to not recognizing any gain or loss on the right of use retained. The future adoption of this standard is not expected to have significant impacts on REN's consolidated financial statements.

- **Amendments to IAS 1 – Presentation of Financial Statements: Classification of Liabilities as Current or Non-Current**

These amendments aim to promote consistency in applying the requirements by helping companies determine whether, in the statement of financial position, debt and other liabilities with an uncertain settlement date should be classified as current (due or potentially due to be settled within one year) or non-current, and include clarifying the classification requirements for debt a company might settle by converting it into equity. These amendments clarify, not change, existing requirements, and so are not expected to affect companies' financial statements significantly. However, they could result in companies reclassifying some liabilities from current to non-current, and vice versa. The future adoption of this standard is not expected to have significant impacts on REN's consolidated financial statements.

- **Amendments to IAS 7 – Statement of Cash Flows and IFRS 7 Financial Instruments: Disclosures: Supplier financing agreements**

These amendments require companies to make additional disclosures about their supplier financing arrangements. The future adoption of this standard is not expected to have significant impacts on REN's consolidated financial statements.

Standards and interpretations, amended or revised, not endorsed by the European Union

The following standards, interpretations, amendments and revisions, with mandatory application in future years, have not, until the date of preparation of these consolidated financial statements, been endorsed by the European Union:

Standard	Applicable for financial years beginning	Resume
Amendments to IFRS 9 and IFRS 7 - Classification and Measurement of Financial Instruments	01/jan/26	The Amendments to IFRS 9 come from the post-implementation review process of the "Classification and measurement" chapter, in which the IASB identified some aspects to clarify for better understanding them.
Amendments to IAS 21 - The Effects of Changes in Foreign Exchange Rates: Lack of Exchangeability	01/jan/25	The Amendments to IAS 21 The Effects of Changes in Foreign Exchange Rates that will require companies to provide more useful information in their financial statements when a currency cannot be exchanged into another currency.
IFRS 18 - Presentation and Disclosure in Financial Statements	01/jan/27	The objective of IFRS 18 is to set out requirements for the presentation and disclosure of information in general purpose financial statements (financial statements) to help ensure they provide relevant information that faithfully represents an entity's assets, liabilities, equity, income and expenses.
IFRS 19 - Subsidiaries without Public Accountability: Disclosures	01/jan/27	The objective of IFRS 19 is to allow those in charge of the preparation of IFRS financial information without public exposure, but which are group subsidiaries reporting in IFRS and with listed securities, a reduction of the disclosures made while still complying with IFRS.

These standards have not yet been endorsed by the European Union and, as such, have not been applied by the Group for the six-month period ended 30 June 2024.

4 SEGMENT REPORTING

The Group is organised in two main business segments, Electricity and Gas and one secondary segment. The electricity segment includes the transmission of electricity in very high voltage, overall management of the public electricity system and management of the power purchase agreements (PPA) not terminated on 30 June 2007, the pilot zone for electricity production from sea wave and the transmission and transportation of electricity in Chile. The gas segment includes high pressure gas transmission and overall management of the national natural gas supply system, as well as the operation of regasification at the LNG Terminal, the distribution of natural gas in low and medium pressure and the underground storage of natural gas.

Although the activities of the LNG Terminal and underground storage can be seen as separate from the transport of gas and overall management of the national natural gas supply system, since these operations provide services to the same users and they are complementary services, it was considered that it is subject to the same risks and benefits.

The telecommunications segment is presented separately although it does not qualify for disclosure.

The results by segment for the six-month period ended 30 June 2024 were as follows:

	Electricity	Gas	Telecommunications	Others	Eliminations	Consolidated
Sales and services provided	208,680	99,545	4,006	23,437	(27,613)	308,055
Inter-segments	641	3,835	-	23,136	(27,613)	-
Revenues from external customers	208,039	95,710	4,006	301	-	308,056
Revenue from construction of concession assets	112,939	16,695	-	-	-	129,634
Cost with construction of concession assets	(102,429)	(12,344)	-	-	-	(114,773)
Gains / (losses) from associates and joint ventures	-	-	-	5,856	-	5,856
External supplies and services	(45,121)	(23,343)	(1,307)	(7,266)	30,556	(46,480)
Personnel costs	(10,788)	(6,563)	(200)	(16,119)	-	(33,669)
Other expenses and operating income	10,172	(1,244)	(118)	(230)	(2,944)	5,636
Operating cash flow	173,453	72,745	2,382	5,678	-	254,258
Investment income - dividends	-	64	-	11,935	-	11,999
Non reimbursable expenses						
Depreciation and amortizations	(85,452)	(40,920)	-	(91)	-	(126,463)
Provisions	(2)	-	-	-	-	(2)
Impairments	-	982	-	(189)	-	793
Financial results						
Financial income	7,552	1,111	265	62,060	(60,065)	10,924
Financial costs	(9,839)	(12,214)	(2)	(85,913)	60,065	(47,902)
Profit before income tax and ESEC	85,712	21,769	2,645	(6,520)	-	103,605
Income tax expense	(22,835)	(5,587)	(618)	2,341	-	(26,698)
Energy sector extraordinary contribution (ESEC)	(18,173)	(10,137)	-	-	-	(28,310)
Profit for the period	44,703	6,045	2,027	(4,178)	-	48,597

The results by segment for the six-month period ended 30 June 2023 were as follows:

	Electricity	Gas	Telecommunications	Others	Eliminations	Consolidated
Sales and services provided	215,038	109,619	3,957	19,891	(21,421)	327,084
Inter-segments	598	1,054	-	19,770	(21,421)	-
Revenues from external customers	214,440	108,565	3,957	121	-	327,084
Revenue from construction of concession assets	88,004	20,671	-	-	-	108,674
Cost with construction of concession assets	(79,170)	(17,200)	-	-	-	(96,370)
Gains / (losses) from associates and joint ventures	-	-	-	7,025	-	7,025
External supplies and services	(47,146)	(19,980)	(1,216)	(5,947)	23,831	(50,459)
Personnel costs	(10,488)	(6,573)	(164)	(14,001)	-	(31,226)
Other expenses and operating income	5,768	(496)	(29)	30	(2,410)	2,863
Operating cash flow	172,005	86,040	2,548	6,998	-	267,592
Investment income - dividends	-	-	-	8,524	-	8,524
Non reimbursable expenses						
Depreciation and amortizations	(83,500)	(42,165)	-	(99)	-	(125,765)
Provisions	(232)	-	-	-	-	(232)
Impairments	-	-	-	(189)	-	(189)
Financial results						
Financial income	8,394	3,271	180	70,694	(73,624)	8,916
Financial costs	(18,445)	(13,419)	(2)	(78,191)	73,624	(36,433)
Profit before income tax and ESEC	78,222	33,727	2,726	7,738	-	122,413
Income tax expense	(22,244)	(9,478)	(652)	1,093	-	(31,280)
Energy sector extraordinary contribution (ESEC)	(17,817)	(10,284)	-	-	-	(28,101)
Profit for the period	38,161	13,965	2,074	8,831	-	63,031

Inter-segment transactions are carried out under normal market conditions, equivalent to transactions with third parties.

Revenue included in the segment "Others" is essentially related to the services provided by the management and back office to Group entities as well as third parties.

Assets and liabilities by segment as well as capital expenditures for the six-month period ended 30 June 2024 were as follows:

	Electricity	Gas	Telecommunications	Others	Eliminations	Consolidated
Segment assets						
Group investments held	-	1,107,174	-	3,498,949	(4,606,123)	-
Property, plant and equipment and intangible assets	2,807,122	1,435,739	1	435	-	4,243,297
Other assets	677,767	386,642	18,147	4,513,559	(4,255,407)	1,340,708
Total assets	3,484,889	2,929,555	18,148	8,012,943	(8,861,531)	5,584,005
Total liabilities	1,362,884	1,176,747	10,874	5,833,419	(4,255,407)	4,128,517
Capital expenditure - total	118,131	17,184	-	93	-	135,408
Capital expenditure - property, plant and equipment (Note 5)	5,192	489	-	93	-	5,774
Capital expenditure - intangible assets (Note 5)	112,939	16,695	-	-	-	129,634
Investments in associates (Note 7)	-	-	-	174,045	-	174,045
Investments in joint ventures (Note 7)	-	-	-	2,613	-	2,613

Assets and liabilities by segment on 31 December 2023 as well as investments on tangible assets and intangible assets were as follows:

	Electricity	Gas	Telecommunications	Others	Eliminations	Consolidated
Segment assets						
Group investments held	-	1,131,743	-	3,590,473	(4,722,216)	-
Property, plant and equipment and intangible assets	2,781,803	1,459,489	1	433	-	4,241,727
Other assets	866,759	401,621	18,732	4,326,114	(4,072,985)	1,540,242
Total assets	3,648,563	2,992,853	18,734	7,917,020	(8,795,201)	5,781,968
Total liabilities	1,484,205	1,189,521	10,486	5,658,625	(4,072,985)	4,269,852
Capital expenditure - total	248,449	52,787	-	277	-	301,512
Capital expenditure - property, plant and equipment (Note 5)	5,113	-	-	277	-	5,390
Capital expenditure - intangible assets (Note 5)	243,336	52,787	-	-	-	296,123
Investments in associates (Note 7)	-	-	-	169,157	-	169,157
Investments in joint ventures (Note 7)	-	-	-	2,721	-	2,721

The liabilities included in the segment "Others" are essentially related to external borrowings obtained directly by REN SGPS, S.A. and REN Finance, BV for financing the several activities of the Group.

The captions of the statement of financial position and profit and loss for each segment result of the amounts considered directly in the individual financial statements of each company that belongs to the Group included in the perimeter of each segment, corrected with the eliminations of the inter-segment transactions.

5 TANGIBLE AND INTANGIBLE ASSETS

During the six-month period ended 30 June 2024, the changes in tangible and intangible assets were as follows:

	Property, plant and equipment						Intangible assets			
	Transmission and electronic equipment	Transport equipment	Office equipment	Property, plant and equipment	Assets in progress	Total	Concession assets	Concession assets in progress	Other intangible assets	Total
Cost:										
At 1 January 2024	114,246	910	862	1,372	17,161	134,552	9,003,292	225,324	55,433	9,284,050
Additions	-	89	11	-	5,674	5,774	1,132	128,502	-	129,634
Disposals, write-offs, impairments and other reclassifications	-	(152)	(27)	-	-	(179)	(2,562)	-	-	(2,562)
Transfers	-	-	-	-	-	-	29,135	(29,135)	-	-
Exchange rate differences	(5,438)	-	(11)	(7)	(682)	(6,138)	-	-	(2,334)	(2,334)
At 30 June 2024	108,808	847	835	1,365	22,153	134,008	9,030,998	324,690	53,099	9,408,787
Accumulated depreciation:										
At 1 January 2024	(12,402)	(498)	(523)	(17)	-	(13,441)	(5,162,478)	-	(954)	(5,163,432)
Depreciation charge	(1,906)	(85)	(26)	(5)	-	(2,021)	(124,261)	-	(181)	(124,442)
Depreciation of disposals, impairments, write-offs and other reclassifications	-	152	26	-	-	178	2,499	-	-	2,499
Exchange rate differences	1,101	-	10	-	-	1,111	-	-	51	51
At 30 June 2024	(13,207)	(430)	(513)	(22)	-	(14,174)	(5,284,239)	-	(1,084)	(5,285,325)
Net book value:										
At 1 January 2024	101,843	413	339	1,355	17,161	121,110	3,840,814	225,324	54,479	4,120,617
At 30 June 2024	95,601	417	323	1,343	22,153	119,834	3,746,759	324,690	52,015	4,123,463

The changes in tangible and intangible assets in the in the year ended 31 December 2023 were as follows:

	Property, plant and equipment						Intangible assets			
	Transmission and electronic equipment	Transport equipment	Office equipment	Property, plant and equipment in progress	Assets in progress	Total	Concession assets	Concession assets in progress	Other intangible assets	Total
Cost:										
At 1 January 2023	121,130	802	846	1,212	14,784	138,775	8,783,321	155,175	59,078	8,997,573
Additions	117	314	21	-	4,938	5,390	27,227	268,895	-	296,123
Disposals, write-offs and impairments	-	(205)	(7)	-	-	(212)	(6,003)	-	-	(6,003)
Transfers	1,421	-	18	160	(1,612)	(13)	198,746	(198,746)	13	13
Exchange rate differences	(8,422)	(1)	(16)	-	(949)	(9,388)	-	-	(3,657)	(3,657)
At 31 December 2023	114,246	910	862	1,372	17,161	134,552	9,003,292	225,324	55,433	9,284,050
Accumulated depreciation:										
At 1 January 2023	(9,939)	(516)	(488)	(13)	-	(10,957)	(4,919,468)	-	(634)	(4,920,103)
Depreciation charge	(4,206)	(170)	(57)	(4)	-	(4,436)	(248,365)	-	(401)	(248,766)
Depreciation of disposals, impairments, write-offs and other reclassifications	-	187	7	-	-	194	5,355	-	-	5,355
Exchange rate differences	1,743	1	15	-	-	1,759	-	-	81	81
At 31 December 2023	(12,402)	(498)	(523)	(17)	-	(13,441)	(5,162,478)	-	(954)	(5,163,432)
Net book value:										
At 1 January 2023	111,190	286	358	1,199	14,784	127,816	3,863,853	155,175	58,443	4,077,471
At 31 December 2023	101,843	413	339	1,355	17,161	121,110	3,840,814	225,324	54,479	4,120,617

The main additions verified in the periods ended 30 June 2024 and 31 December 2023 are made up as follows:

	Jun 2024	Dec 2023
Electricity segment:		
Power line construction (220 KV, 150 KV and others)	17,296	31,015
Power line construction (400 KV)	54,751	90,789
Construction of new substations	8,922	10,632
Substation Expansion	22,012	60,859
Other renovations in substations	2,313	4,058
Telecommunications and information system	3,720	7,530
Pilot zone construction - wave energy	99	190
Buildings related to concession	1,919	5,188
Transmission and transformation of electricity in Chile	5,192	5,061
Other assets	1,908	33,075
Gas segment:		
Expansion and improvements to gas transmission network	4,878	17,094
Construction project of cavity underground storage of gas in Pombal	798	1,406
Construction project and operating upgrade - LNG facilities	2,385	9,655
Gas distribution projects	8,633	24,632
Others segments:		
Other assets	582	329
Total of additions	135,408	301,512

The main transfers that were concluded and began activity during the periods ended 30 June 2024 and 31 December 2023 are made up as follows:

	Jun 2024	Dec 2023
<i>Electricity segment:</i>		
Power line construction (220 KV, 150 KV and others)	11,055	25,502
Power line construction (400 KV)	171	46,214
Substation Expansion	10,514	53,839
Other renovations in substations	64	3,036
Telecommunications and information system	-	5,698
Buildings related to concession	-	6,291
Transmission and transformation of electricity in Chile	-	1,612
Other assets under concession	-	6,875
<i>Gas segment:</i>		
Expansion and improvements to gas transmission network	1,585	16,502
Construction project of cavity underground storage of gas in Pombal	324	1,541
Construction project and operating upgrade - LNG facilities	176	5,211
Gas distribution projects	5,246	28,039
Total of transfers	29,135	200,358

The tangible and intangible assets in progress at 30 June 2024 and 31 December 2023 are as follows:

	Jun 2024	Dec 2023
<i>Electricity segment:</i>		
Power line construction (400 KV, 220 KV, 150 KV and others)	197,362	136,611
Substation Expansion	58,063	43,372
New substations projects	23,626	14,704
Buildings related to concession	5,436	3,647
Transmission and transformation of electricity in Chile	21,662	17,002
Other projects	9,701	5,264
<i>Gas segment:</i>		
Expansion and improvements to natural gas transmission network	13,157	9,905
Construction project of cavity underground storage of gas in Pombal	3,423	2,949
Construction project and operating upgrade - LNG facilities	7,871	5,702
Gas distribution projects	6,542	3,328
Total of assets in progress	346,843	242,485

Borrowing costs capitalized on intangible assets in progress in the period ended 30 June 2024 amounted to 3,114 thousand euros (5,575 thousand euros as of 31 December 2023), while overhead and management costs capitalized amounted to 11,746 thousand euros (22,738 thousand euros as of 31 December 2023) (Note 21). The average rate of the financial costs capitalized was of 0.24%.

The net book value of the property, plant and equipment and intangible assets, related with transport equipments, acquired through finance lease contracts at 30 June 2024 and 31 December 2023 was as follows:

	Jun 2024			Dec 2023		
	Cost	Accumulated depreciation and amortization	Net book value	Cost	Accumulated depreciation and amortization	Net book value
Initial value	9,247	(4,366)	4,881	8,195	(4,519)	3,677
Additions	724	-	724	3,350	-	3,350
Disposals and write-offs	(986)	860	(126)	(2,298)	2,142	(156)
Depreciation charge	-	(1,088)	(1,088)	-	(1,989)	(1,989)
Final value	8,985	(4,594)	4,391	9,247	(4,366)	4,881

6 GOODWILL

Goodwill represents the difference between the amount paid for the acquisition and the net assets fair value of the companies acquired, with reference to the acquisition date, and at 30 June 2024 and 31 December 2023 is detailed as follows:

Subsidiaries	Year of acquisition	Acquisition cost	%	Jun 2024	Dec 2023
REN Atlântico, Terminal de GNL, S.A.	2006	32,580	100%	566	755
REN Portgás Distribuição, S.A.	2017	503,015	100%	-	-
Empresa de Transmisión Eléctrica Transemel, S.A.	2019	155,482	100%	1,931	2,015
				2,497	2,770

The movement for the periods ended on 30 June 2024 and 31 December 2023 was:

Subsidiaries	At 1 January 2023	Increases	Decreases	Exchange rate differences	At 31 December 2023	Increases	Decreases	Exchange rate differences	At 30 June 2024
REN Atlântico, Terminal de GNL, S.A.	1,133	-	(377)	-	755	-	(189)	-	566
REN Portgás Distribuição, S.A.	1,235	-	(1,235)	-	-	-	-	-	-
Empresa de Transmisión Eléctrica Transemel, S.A.	2,147	-	-	(132)	2,015	-	-	(84)	1,931
	4,515	-	(1,612)	(132)	2,770	-	(189)	(84)	2,497

7 INVESTMENTS IN ASSOCIATES AND JOIN VENTURES

At 30 June 2024 and 31 December 2023, the financial information regarding the financial interest held is as follows:

30 June 2024													
	Activity	Head office	Share capital	Current assets	Non-current assets	Current liabilities	Non-current liabilities	Revenues	Net profit/(loss)	Share capital	%	Carrying amount	Group share of profit / (loss)
Equity method:													
Associate:													
OMIP - Operador do Mercado Ibérico (Portugal), S.A.	Holding company	Lisbon	2,610	305	30,453	1,238	-	470	236	29,520	40	11,601	99
Electrogas, S.A.	Gas transportation	Chile	19,866	11,421	25,235	3,673	5,340	23,876	13,795	27,644	42.5	162,444	5,863
												174,045	5,962
Joint venture:													
Centro de Investigação em Energia REN - STATE GRID, S.A.	Research & development	Lisbon	3,000	6,042	45	847	8	658	(213)	5,233	50	2,613	(106)
												176,658	5,856

31 December 2023													
	Activity	Head office	Share capital	Current assets	Non-current assets	Current liabilities	Non-current liabilities	Revenues	Net profit/(loss)	Share capital	%	Carrying amount	Group share of profit / (loss)
Equity method:													
Associate:													
OMIP - Operador do Mercado Ibérico (Portugal), S.A.	Holding company	Lisbon	2,610	438	30,040	206	-	1,996	1,603	30,272	40	11,902	692
Electrogas, S.A.	Gas transportation	Chile	19,245	10,198	26,714	4,829	5,576	48,875	28,598	26,507	42.5	157,256	12,154
												169,157	12,846
Joint venture:													
Centro de Investigação em Energia REN - STATE GRID, S.A.	Research & development	Lisbon	3,000	6,046	57	642	12	1,721	8	5,449	50	2,721	4
												171,879	12,850

Associates

The changes in the caption "Investments in associates" during the periods ended 30 June 2024 and 31 December 2023 was as follows:

Investments in associates	
At 1 de January de 2023	178,048
Effect of applying the equity method	12,846
Currency translation reserves	(5,828)
Dividends of Electrogas	(15,729)
Receipt of supplementary obligations of OMIP	(231)
Other changes in equity	51
At 31 December 2023	169,157
Effect of applying the equity method	5,962
Currency translation reserves	5,126
Dividends of Electrogas	(5,801)
Receipt of supplementary obligations of OMIP	(400)
At 30 June 2024	174,045

The proportional value of the OMIP S.A., includes the effect of the adjustment resulting of changes to the Financial Statement of the previous year, made after the equity method application.

Joint ventures

The movement in the caption "Investments in joint ventures" during the periods ended 30 June 2024 and 31 December 2023 was as follows:

Investments in joint ventures	
At 1 January 2023	2,722
Effect of applying the equity method	4
Dividends distribution	(5)
At 31 December 2023	2,721
Effect of applying the equity method	(106)
Dividends distribution	(2)
At 30 June 2024	2,613

Following a joint agreement of technology partnership between REN – Redes Energéticas Nacionais and the State Grid International Development (SGID), in May 2013 an R&D centre in Portugal dedicated to power systems designed – Centro de Investigação em Energia REN – STATE GRID, S.A. ("Centro de Investigação") was incorporated, being jointly controlled by the above mentioned two entities.

The Research Centre aims to become a platform for international knowledge, a catalyst for innovative solutions and tools, applied to the planning and operation of transmission power.

At 30 June 2024 and 31 December 2023, the financial information of the joint venture was as follows:

	30 June 2024						
	Cash and cash equivalents	Current financial liabilities	Non-current financial liabilities	Depreciations and amortizations	Financial income	Financial costs	Income tax- (cost) / income
Joint venture:							
Centro de Investigação em Energia REN - STATE GRID, S.A.	5,054	7	8	(18)	16	(2)	(2)

	31 December 2023						
	Cash and cash equivalents	Current financial liabilities	Non-current financial liabilities	Depreciations and amortizations	Financial income	Financial costs	Income tax- (cost) / income
Joint venture:							
Centro de Investigação em Energia REN - STATE GRID, S.A.	5,357	7	12	(41)	12	(3)	(2)

8 INCOME TAX

REN is taxed based on the special regime for the taxation of group companies, which includes all companies located in Portugal that REN detains directly or indirectly at least 75% of the share capital, which should give at more than 50% of the voting rights, and comply with the conditions of the article 69º of the Corporate Income Tax law.

In accordance with current legislation, tax returns are subject to review and correction by the tax authorities for a period of four years (five years for social security), except when there are tax losses, tax benefits granted or tax inspections, claims or appeals in progress, in which case the period can be extended or suspended, depending on the circumstances. Consequently, the Company's tax returns for the years from 2020 to 2023 are still subject to review.

The Company's Board of Directors understands that possible corrections to the tax returns resulting from tax reviews /inspections carried out by the tax authorities will not have a significant effect on the financial statements as of 30 June 2024 and 31 December 2023.

In the six-month period ended 30 June 2024, the Group is subject to Corporate Income Tax, at an average rate, taking into account the base rate of 21%, which will be increased by a municipal surcharge of up to a maximum of 1.5% on taxable income, and a state surcharge of (i) 3% of taxable profit between 1,500 thousand euros and 7,500 thousand euros; (ii) of 5% over the taxable profit in excess of 7,500 thousand euros and up to 35,000 thousand euros; and (iii) 9% for taxable profits in excess of 35,000 thousand euros, which results in a maximum aggregate tax rate of 31.5%.

The tax rate used in the valuation of temporary taxable and deductible differences as of 30 June 2024, was updated for each Company included in the consolidation perimeter, using the average tax rate expected in accordance with future perspective of taxable profits of each company recoverable in the next periods.

Income tax registered in the periods ended 30 June 2024 and 30 June 2023 was as follows:

	Jun 2024	Jun 2023
Current income tax	26,782	21,093
Adjustments of income tax from previous years	(1,130)	(2,140)
Deferred income tax	1,046	12,327
Income tax	26,698	31,280

Reconciliation between tax calculated at the nominal tax rate and tax recorded in the consolidated statement of profit and loss is as follows:

	Jun 2024	Jun 2023
Consolidated profit before income tax	103,605	122,412
<u>Permanent differences:</u>		
Non deductible/taxable costs/income	16,591	420
<u>Timing differences:</u>		
Tariff deviations	(3,871)	(51,478)
Provisions and impairment	(245)	(17)
Revaluations	(4,730)	(2,436)
Pension, helthcare assistance and life insurance plans	(135)	340
Derivative financial instruments	97	489
Others	892	675
Taxable income	112,203	70,406
Income tax	20,706	14,665
State surcharge tax	3,937	5,842
Municipal surcharge	1,829	254
Autonomous taxation	309	331
Current income tax	26,782	21,093
Deferred income tax	1,046	12,327
Adjustments of income tax from previous years	(1,130)	(2,140)
Income tax	26,698	31,280
Effective tax rate	25.8%	25.6%

Income tax

The caption "Income tax" payable and receivable at 30 June 2024 and 31 December 2023 is made up as follows:

	Jun 2024	Dec 2023
Income tax:		
Corporate income tax - estimated tax	(26,782)	(20,179)
Corporate income tax - payments on account	1,304	42,441
Income withholding tax by third parties	1,208	3,009
Income recoverable /(payable)	26,845	147
Income tax recoverable/(payable)	2,575	25,419

Deferred taxes

The effect of the changes in the deferred tax captions in the years presented was as follows:

	Jun 2024	Dec 2023
Impact on the statement of profit and loss:		
Deferred tax assets	(944)	(19,950)
Deferred tax liabilities	(102)	(4,206)
	(1,046)	(24,156)
Impact on equity:		
Deferred tax assets	159	3,584
Deferred tax liabilities	494	11,365
	653	14,949
Net impact of deferred taxes	(393)	(9,207)

The changes in deferred tax by nature were as follows:

Change in deferred tax assets – June 2024

	Provisions and Impairments	Pensions	Tariff deviations	Derivative financial instruments	Revalued assets	Others	Total
At 1 January 2024	2,355	22,726	16,683	(2,516)	10,814	3,374	53,437
Increase/decrease through reserves	-	109	-	-	-	50	159
Reversal through profit and loss	(42)	-	-	(1)	(977)	(388)	(1,408)
Increase through profit and loss	-	229	235	-	-	-	464
Change in the period	(42)	338	235	(1)	(977)	(338)	(785)
At 30 June 2024	2,313	23,064	16,918	(2,517)	9,837	3,036	52,651

Change in deferred tax assets – December 2023

	Provisions and Impairments	Pensions	Tariff deviations	Derivative financial instruments	Revalued assets	Others	Total
At 1 January 2023	3,130	19,454	32,587	(2,457)	12,986	4,100	69,803
Increase/decrease through reserves	-	3,289	-	-	-	295	3,584
Reversal through profit and loss	(932)	(18)	(16,301)	(67)	(2,172)	(1,022)	(20,512)
Increase through profit and loss	156	-	397	9	-	-	562
Change in the period	(776)	3,271	(15,904)	(58)	(2,172)	(727)	(16,366)
At 31 December 2023	2,355	22,726	16,683	(2,516)	10,814	3,374	53,437

Deferred tax assets at 30 June 2024 correspond essentially to: (i) to liabilities for benefit plans granted to employees; (ii) tariff deviations liabilities to be settled in subsequent years; and (iii) revalued assets.

Evolution of deferred tax liabilities – June 2024

	Tariff deviations	Revaluations	Fair value	Investments in equity instruments at fair value through other comprehensive income	Derivative financial instruments	Others	Total
At 1 January 2024	35,885	14,605	44,862	4,350	10,687	(2,484)	107,905
Increase/decrease through equity	-	-	-	263	(374)	-	(111)
Reversal through profit and loss	-	(580)	(954)	-	-	-	(1,534)
Increase through profit and loss	1,216	-	-	-	-	420	1,636
Exchange rate differences	-	-	-	-	-	(383)	(383)
Change in the period	1,216	(580)	(954)	263	(374)	37	(392)
At 30 June 2024	37,101	14,025	43,908	4,613	10,313	(2,447)	107,513

Evolution of deferred tax liabilities – December 2023

	Tariff deviations	Revaluations	Fair value	Investments in equity instruments at fair value through other comprehensive income	Derivative financial instruments	Others	Total
At 1 January 2023	27,775	15,937	46,860	8,669	17,179	(1,355)	115,064
Increase/decrease through equity	-	-	-	(4,319)	(6,492)	14	(10,797)
Reversal through profit and loss	-	(1,332)	(1,998)	-	-	(575)	(3,905)
Increase through profit and loss	8,111	-	-	-	-	-	8,111
Exchange rate differences	-	-	-	-	-	(568)	(568)
Change in the period	8,111	(1,332)	(1,998)	(4,319)	(6,492)	(1,129)	(7,159)
At 31 December 2023	35,885	14,605	44,862	4,350	10,687	(2,484)	107,905

Deferred tax liabilities relating to revaluations result from revaluations made in preceding years under legislation. The effect of these deferred taxes reflects the non-tax deductibility of 40% of future depreciation of the revaluation component (included in the assets considered cost at the time of the transition to IFRS).

The legal documents that establish these revaluations were the following:

Legislation (revaluation)	
Electricity segment	Gas segment
Decree-Law n° 430/78	Decree-Law n° 140/2006
Decree-Law n° 399-G/81	Decree-Law n° 66/2016
Decree-Law n° 219/82	
Decree-Law n° 171/85	
Decree-Law n° 118-B/86	
Decree-Law n° 111/88	
Decree-Law n° 7/91	
Decree-Law n° 49/91	
Decree-Law n° 264/92	

9 FINANCIAL ASSETS AND LIABILITIES

The accounting policies for financial instruments in accordance with the IFRS 9 categories have been applied to the following financial assets and liabilities:

- June 2024

	Notes	Financial assets at amortized cost	Financial assets at fair value - Equity instruments through other comprehensive income	Financial assets/liabilities at fair value - Profit for the year	Other financial assets/liabilities	Total carrying amount	Fair value
Assets							
Cash and cash equivalents	13	-	-	-	36,125	36,125	36,125
Trade and other receivables	11	659,790	-	-	-	659,790	659,790
Other financial assets		-	-	6,000	164	6,164	6,164
Investments in equity instruments at fair value through other comprehensive income	10	-	136,233	-	-	136,233	136,233
Income tax receivable	8	2,575	-	-	-	2,575	2,575
Derivative financial instruments	12	-	-	51,683	-	51,683	51,683
Assets related to the transitional gas price stabilization regime - Decree-Law 84-D/2022	32	-	-	-	213,904	213,904	213,904
		662,365	136,233	57,683	250,193	1,106,473	1,106,473
Liabilities							
Borrowings	16	-	-	-	2,671,017	2,671,017	2,634,310
Trade and other payables	19	-	-	-	545,963	545,963	545,963
Derivative financial instruments	12	-	51,295	-	-	51,295	51,295
Liability related to the transitional gas price stabilization regime - Decree-Law 84-D/2022	32	-	-	-	213,904	213,904	213,904
		-	51,295	-	3,430,884	3,482,180	3,445,472

- December 2023

	Notes	Financial assets at amortized cost	Financial assets at fair value - Equity instruments through other comprehensive income	Financial assets/liabilities at fair value - Profit for the year	Other financial assets/liabilities	Total carrying amount	Fair value
Assets							
Cash and cash equivalents	13	-	-	-	40,145	40,145	40,145
Trade and other receivables	11	814,341	-	-	-	814,341	814,341
Other financial assets		-	-	6,000	164	6,164	6,164
Investments in equity instruments at fair value through other comprehensive income	10	-	135,741	-	-	135,741	135,741
Income tax receivable		25,419	-	-	-	25,419	25,419
Derivative financial instruments	12	-	-	54,363	-	54,363	54,363
Assets related to the transitional gas price stabilization regime - Decree-Law 84-D/2022	32	-	-	-	228,789	228,789	228,789
		839,760	135,741	60,363	269,098	1,304,962	1,304,962
Liabilities							
Borrowings	16	-	-	-	2,733,642	2,733,642	2,716,843
Trade and other payables	19	-	-	-	606,136	606,136	606,136
Derivative financial instruments	12	-	60,607	-	-	60,607	60,607
Liability related to the transitional gas price stabilization regime - Decree-Law 84-D/2022	32	-	-	-	228,789	228,789	228,789
		-	60,607	-	3,568,567	3,629,174	3,612,375

Loans obtained, as referred to in Note 3.6 of the annual consolidated financial statements, for the year ended 31 December 2023, are measured upon initial recognition at fair value and subsequently at amortized cost, except those for which a derivative has been contracted fair value coverage (Note 12), in which case they are revalued at fair value. Nevertheless, REN proceeds to the disclosure of the fair value of the caption Borrowings, based on a set of relevant observable data, which fall within Level 2 of the fair value hierarchy.

The fair value of borrowings and derivatives are calculated by the method of discounted cash flows, using the curve of interest rate on the date of the statement of financial position in accordance with the characteristics of each loan.

The range of market rates used to calculate the fair value ranges between 3.6560% and 2.8077% (maturities of seven days and twelve years, respectively).

The fair value of borrowings contracted by the Group at 30 June 2024 is 2,634,310 thousand euros (at 31 December 2023 was 2,716,843 thousand euros), of which 555,072 thousand euros are partially recorded at amortized cost, and contains an element recorded at fair value resulting from movements in the interest rate (at 31 December 2023 the amount recorded was 553,727 thousand euros).

Estimated fair value – assets and liabilities measured at fair value

The following table presents the Group's assets and liabilities measured at fair value at 30 June 2024 in accordance with the following hierarchy levels of fair value:

- **Level 1:** the fair value of financial instruments is based on net market prices as of the date of the statement of financial position;
- **Level 2:** the fair value of financial instruments is not determined based on active market quotes but using valuation models. The main inputs of the models are observable in the market, in relation to derivative financial instruments;
- **Level 3:** the fair value of financial instruments is not determined based on active market quotes, but using valuation models, whose main inputs are not observable in the market.

During the six-month period ended 30 June 2024, there was no transfer of financial assets and liabilities between fair value hierarchy levels.

		Jun 2024				Dec 2023			
		Level 1	Level 2	Level 3	Total	Level 2	Level 3	Total	
Assets:									
Investments in equity instruments at fair value through other comprehensive income	Shares	88,370	-	44,267	132,636	80,735	-	51,410	132,145
Financial assets at fair value	Cash flow hedge derivatives	-	51,683	-	51,683	-	53,492	-	53,492
Financial assets at fair value through profit and loss	Negotiable derivatives	-	-	-	-	-	871	-	871
Other financial assets	Treasury funds	-	-	-	-	6,000	-	-	6,000
		88,370	51,683	44,267	184,319	86,735	54,363	51,410	192,508
Liabilities:									
Financial liabilities at fair value	Loans	-	555,072	-	555,072	-	553,727	-	553,727
Financial liabilities at fair value	Cash flow hedge derivatives	-	-	-	-	-	8,601	-	8,601
Financial liabilities at fair value	Fair value hedge derivatives	-	51,295	-	51,295	-	52,006	-	52,006
		-	606,367	-	606,367	-	614,334	-	614,334

During the six-month period ended 30 June 2024, REN proceeded to a valuation of the financial interests held Hidroeléctrica de Cahora Bassa, S.A., which is classified as Investments in equity instruments at fair value through other comprehensive income (Note 10). The fair value of this asset reflects the price at which the asset would be sold in an orderly transaction.

For this purpose, REN has opted for a revenue approach, which reflects current market expectations regarding future amounts. The fair value of the investment amounted to 44,267 thousand euros for the six-month period ended on 30 June 2024.

With respect to the current receivables and payables balances, its carrying amount corresponds to a reasonable approximation of its fair value.

The non-current accounts receivable and accounts payable refers, essentially, to tariff deviations which amounts are communicated by ERSE, being its carrying amount a reasonable approximation of its fair value, given that they include the time value of money, being incorporated in the next two years tariffs.

Financial risk management

Up until 30 June 2024, there were no significant changes regarding the financial risk management of the Company compared to the risks disclosed in the consolidated financial statements as of 31 December 2023. A description of the risks can be found in Section 4 - Financial Risk Management of the consolidated financial statements for the year ended 31 December 2023.

10 INVESTMENTS IN EQUITY INSTRUMENTS AT FAIR VALUE THROUGH OTHER COMPREHENSIVE INCOME

The assets recognised in this caption at 30 June 2024 and 31 December 2023 corresponds to equity interests held on strategic entities for the Group, which can be detailed as follows:

	Head office			Book value	
	City	Country	% owned	Jun 2024	Dec 2023
OMEL - Operador del Mercado Ibérico de Energía (Pólo Espanhol)	Madrid	Spain	10.00%	3,167	3,167
Redeia Corporación S.A.	Madrid	Spain	1.00%	88,370	80,735
Hidroeléctrica de Cahora Bassa ("HCB")	Maputo	Mozambique	7.50%	44,267	51,410
Coreso, S.A.	Brussels	Belgium	7.90%	164	164
MIBGÁS, S.A.	Madrid	Spain	6.67%	202	202
MIBGÁS Derivatives, S.A.	Madrid	Spain	9.70%	49	49
Association HyLab - Green Hydrogen Collaborative Laboratory	Sines	Portugal	15.00%	15	15
				136,233	135,741

The changes in this caption were as follows:

	MIBGÁS							Total
	OMEL	HCB	Redeia	Coreso	MIBGÁS	Derivatives	HyLab	
At 1 January 2023	3,167	54,074	88,045	164	202	49	15	145,715
Fair value adjustments	-	(2,664)	(7,310)	-	-	-	-	(9,974)
At 31 December 2023	3,167	51,410	80,735	164	202	49	15	135,741
At 1 January 2024	3,167	51,410	80,735	164	202	49	15	135,741
Fair value adjustments	-	(7,144)	7,635	-	-	-	-	491
At 30 June 2024	3,167	44,267	88,370	164	202	49	15	136,233

Redeia Corporación S.A. is the transmission system operator of electricity in Spain. The Group acquired 1% of equity interests in Redeia Corporación S.A. as part of the agreement signed by the Portuguese and Spanish Governments. Redeia Corporación S.A. is a listed company in Madrid's index IBEX 35– Spain and the financial asset was recorded on the statement of financial position at the market price on 30 June 2024.

REN holds 2,060,661,943 shares representing 7.5% of the stock capital and voting rights of Hidroeléctrica de Cahora Bassa, SA, a company incorporated under Mozambican law, at the HCB, as a result of fulfilling the conditions of the contract entered into on April 9, 2012, between REN, Parpública - Participações Públicas, SGPS, SA, CEZA - Companhia Eléctrica do Zambeze, SA and EDM - Electricidade de Moçambique, EP. This participation was initially recorded at its acquisition cost (38,400 thousand euros) and subsequently adjusted to its fair value (Note 9).

REN Company holds a financial stake in the Coreso's share capital, a Company which is also hold by other important European TSO's which, as initiative of the Coordination of Regional Security (CRS), assists the TSO's in the safely supply of electricity in Europe. In this context, Coreso develops and executes operational planning activities that involve the analysis and coordination of the European regional electricity network, with a focus on the coordination of services, ranging from coordination several days in advance to close to real time.

On 30 June 2024, REN also holds a 6.67% financial interest in the share capital of MIBGÁS, SA, acquired during the first half of 2016, a company in charge of the development of the natural gas wholesale market operator in the Iberian Peninsula.

As part of the process of creating the Single Operator of the Iberian Electricity Market (Operador Único do Mercado Ibérico de Eletricidade – OMI) in 2011 and in accordance with the provisions of the agreement between the Portuguese Republic and the Kingdom of Spain on the establishment of an Iberian electricity market, the Company acquired 10% of the capital stock of OMEL, Operador del Mercado Ibérico de Energía, SA, a Spanish operator of the sole operator, for a total value of 3,167 thousand euros.

On 30 June 2024, REN also holds a 9.7% financial interest, acquired for the amount of 48 thousand euros, of the share capital of MIBGÁS Derivatives, SA, the management company of the organized futures market natural gas, spot products of liquefied natural gas and spot products in underground storage in the Iberian Peninsula.

On 30 June 2024, REN also holds 15 Founder Participation Units in the HyLab – Green Hydrogen Collaborative Laboratory Association, acquired for the amount of 15 thousand euros. This is a non-profit association governed by private law, whose object is the scientific and technological development of Green Hydrogen, covering the various components of the value chain, namely production, transport, distribution, storage and end uses.

These investments (OMEL, MIBGÁS, MIBGÁS Derivatives, Coreso and HyLab) are recognised at fair value through other comprehensive income, however, as there are no available market price for these investments and as it is not possible to determine the fair value of the period using comparable transactions, these investments are recorded at acquisition value, and there is no indicator at this date that this value is not representative of the fair value, as describe in Note 3.6 - Financial Assets and Liabilities of the consolidated financial statements for the year ended 2023.

REN understands that there is no evidence of impairment loss regarding the investments of OMEL, Coreso, MIBGÁS, MIBGÁS Derivatives and HyLab at 30 June 2024.

REN Portgás holds other financial interests, which are recorded at the acquisition cost in the amount of 14 thousand euros, deducted of impairment losses, with a net value of zero thousand euros.

The adjustments to investments in equity instruments at fair value through other comprehensive are recognised in the equity caption "Fair value reserve". This caption at 30 June 2024 and 31 December 2023 is made up as follows:

Fair value reserve (Note 15)	
1 January 2023	45,116
Changes in fair value	(9,974)
Tax effect	4,319
31 December 2023	39,461
1 January 2024	39,461
Changes in fair value	491
Tax effect	(263)
30 June 2024	39,689

The amount of 11.999 thousand euros recognized in the six month consolidated income statement ended on 30 June 2024, refers to dividends from shareholdings held by the Group.

The distribution of dividends by entity for the six month periods, ending on 30 June 2024 and 2023 respectively, is shown in the table below:

	Jun 2024	Jun 2023
Redeia Corporación S.A.	3,938	3,938
Hidroeléctrica de Cahora Bassa, S.A	7,928	4,517
Mibgás	64	-
OMEL - Operador del Mercado Ibérico de Energia (Pólo Espanhol)	68	69
	11,999	8,524

The cash flow statements includes the amount of 1,609 thousand euros related to dividends received in 2024, regarding to 2023 for the above mentioned entities .

11 TRADE AND OTHER RECEIVABLES

Trade and other receivables at 30 June 2024 and 31 December 2023 are made up as follows:

	Jun 2024			Dec 2023		
	Current	Non-current	Total	Current	Non-current	Total
Trade receivables	350,430	843	351,273	361,825	2,292	364,116
Impairment of trade receivables	(3,209)	-	(3,209)	(4,195)	-	(4,195)
Trade receivables net	347,221	843	348,064	357,630	2,292	359,921
Tariff deviations	170,300	139,223	309,523	313,076	90,920	403,996
State and Other Public Entities	2,203	-	2,203	50,423	-	50,423
Trade and other receivables	519,724	140,065	659,790	721,129	93,211	814,341

The most relevant balances included in the trade and other receivables caption as of 30 June 2024 are: (i) the receivable of E-Redes Distribuição de Eletricidade, S.A. in the amount of 95,677 thousand euros (37,732 thousand euros at 31 December 2023), (ii) the receivable of Galp Gás Natural, S.A., in the amount of 5,345 thousand euros (12,299 thousand euros at 31 December 2023), (iii) the receivable of EDP – Gestão da Produção de Energia, S.A., in the amount of 5,454 thousand euros (242 thousand euros at 31 December 2023), (iv) the receivable of EDP – Energias de Portugal, S.A., in the amount of 5,086 thousand euros (1,930 thousand euros at 31 December 2023), (v) the receivable of Endesa Generación, S.A., in the amount of 9,615 thousand euros (9,623 thousand euros at 31 December 2023) and (vi) the amount of 91,563 thousands euros regarding Social Tariff, not yet invoiced by 30 June 2024.

In the trade and other receivables at 30 June 2024, also stands out the amounts not yet invoiced of the activity of the Market Manager (MIBEL – Mercado Ibérico de Electricidade), in the amount of 17,112 thousand euros (65,928 thousand euros at 31 December 2023), the amount to invoice to E-Redes Distribuição de Eletricidade, S.A., of 7,052 thousand euros (7,626 thousand euros at 31 December 2023) regarding the CMEC, also reflected in the caption "Suppliers and other accounts payable" (Note 19).

This transaction related to the "CMEC – Custo para a Manutenção do Equilíbrio Contratual", is considered an "Agent" transaction in the REN's consolidated income statement, therefore it appears offset in the income statement.

Changes to the impairment losses for trade receivable and other accounts receivable are made up as follows:

	Jun 2024	Dec 2023
Beginning balance	(4,195)	(2,905)
Increases	-	(1,320)
Utilization	4	-
Reversing	982	30
Ending balance	(3,209)	(4,195)

12 DERIVATIVE FINANCIAL INSTRUMENTS

At 30 June 2024 and 31 December 2023, the REN Group had the following derivative financial instruments:

		30 June 2024			
		Assets		Liabilities	
		Current	Non-current	Current	Non-current
Notional					
Derivatives designated as cash flow hedges					
Interest rate swaps	900,000 tEUR	11,844	39,838	-	-
		11,844	39,838	-	-
Derivatives designated as fair value hedges					
Interest rate swaps	600,000 tEUR	-	-	9,420	41,875
		-	-	9,420	41,875
Derivative financial instruments		11,844	39,838	9,420	41,875

		31 December 2023			
		Assets		Liabilities	
	Notional	Current	Non-current	Current	Non-current
Derivatives designated as cash flow hedges					
Interest rate swaps	900,000 tEUR	7,748	45,745	-	-
Currency and interest rate swaps	10,000,000 tJPY	-	-	8,601	-
Non-Deliverable Forward	3,180,000 tEUR	-	-	-	-
		7,748	45,745	8,601	-
Derivatives designated as fair value hedges					
Interest rate swaps	600,000 tEUR	-	-	-	52,006
		-	-	-	52,006
Trading derivatives					
Trading derivatives	60,000 tEUR	871	-	-	-
		871	-	-	-
Derivative financial instruments					
		8,619	45,745	8,601	52,006

The valuation of the derivative financial instruments portfolio is based on fair value valuations performed by specialized external entities.

The amount recognized in this item refers to ten interest rate swap contracts negotiated by REN SGPS to hedge the interest rate fluctuation risk.

Counterparties to derivative contracts are international financial institutions with a solid credit rating and first-rate national institutions.

For the purpose of the effectiveness tests of the designated hedging relationships, REN applies the "Dollar offset method" and the linear regression statistical method as methodologies. The effectiveness ratio is given by comparing the changes in fair value of the hedging instrument with the changes in fair value of the hedged item (or hypothetical derivative instrument simulating the conditions of the hedged item).

For the purpose of calculating ineffectiveness, the total change in fair value of the hedging instruments is considered.

The disclosed amount includes receivable or payable accrued interest, at 30 June 2024 related to these financial instruments, in the net amount payable of 483 thousand euros (at 31 December 2023 it was 1,591 thousand euros payable).

The characteristics of the derivative financial instruments negotiated at 30 June 2024 and 31 December 2023 were as follows:

	Notional	Currency	REN pays	REN receives	Maturity	Fair value at	
						Jun 2024	Dec 2023
Cash flow hedge:							
Interest rate swaps	900,000 tEuros	EUR	[0.75%;1.266%]	[Euribor 3m; Euribor 6m]	[dec-2024;feb-2025]	51,683	53,492
Currency ans interest rate swaps	10,000,000 tJPY	EUR/JPY	[Euribor 6m; + 2.19%]	[2.71%]	[jun-2024]	-	(8,601)
						51,683	44,891
Fair value hedge:							
Interest rate swaps	300,000 tEuros	EUR	[Euribor 6m]	[0.611%; 0.6285%]	[feb-2025]	(9,420)	(11,748)
Interest rate swaps	300,000 tEuros	EUR	[Euribor 6m]	[-0.095%]	[apr-2029]	(41,875)	(40,258)
						(51,295)	(52,006)
Trading:							
Interest rate swaps	60,000 tEuros	EUR	[0.99%]	[Euribor 6m]	[jun-2024]	-	871
						-	871
					Total	388	(6,244)

The periodicity of the cash flows, paid and received, from the derivative financial instruments portfolio is quarterly, semiannual and annual for cash flow hedging contracts, semiannual and annual for fair value hedging contracts and semiannual for the trading derivative.

The breakdown of the notional of derivatives on 30 June 2024 is presented in the following table:

	2024	2025	2026	2027	2028	Following years	Total
Interest rate swap (cash flow hedge)	300,000	300,000	-	-	-	300,000	900,000
Interest rate swap (fair value hedge)	-	300,000	-	-	-	300,000	600,000
Total	300,000	600,000	-	-	-	600,000	1,500,000

The breakdown of the notional of derivatives on 31 December 2023 is presented in the following table:

	2024	2025	2026	2027	2028	Following years	Total
Interest rate swap (cash flow hedge)	300,000	300,000	-	-	-	300,000	900,000
Currency and interest rate swap (cash flow hedge)	72,899	-	-	-	-	-	72,899
Interest rate swap (fair value hedge)	-	300,000	-	-	-	300,000	600,000
Interest rate swap (trading)	60,000	-	-	-	-	-	60,000
Total	432,899	600,000	-	-	-	600,000	1,632,899

Swaps:

Cash Flow Hedge - Interest Rate Swaps

The Group hedges the interest rate risk associated with the fluctuation of the market interest rate index (Euribor) on a portion of future debt interest payments through the designation of interest rate swaps, in order to transform floating rate payments into fixed rate payments.

As of 30 June 2024, the Group has a total of six cash flow hedging interest rate swap contracts for a total amount of 900,000 thousand euros (as of 31 December 2023 it was 900,000 thousand euros). The hedged risk is the variable rate index associated to the interest payments of the loans. Credit risk is not being hedged.

The fair value of the interest rate swaps, at 30 June 2024, is positive 51,683 thousand euros (at 31 December 2023 it was positive 53,492 thousand euros).

Four of the above mentioned contracts, in a total amount of 600,000 thousand euros (at 31 December 2023 it was 600,000 thousand euros), are designated to hedge an aggregated exposure composed by the net effect of floating rate debt and interest rate swaps designated as fair value hedging instruments.

The amount recognised in reserves, relating to the cash flow hedges referred to above, was 45,834 thousand euros (at 31 December 2023 it was 49,268 thousand euros).

The hedged instruments of cash flow hedging relationships present the following conditions:

	Maturity	Hedged notional	Interest rate	Hedged carrying amount - Jun 2024	Hedged carrying amount - Dec 2023	Note
Cash flow hedging instruments						
European Investment Bank (EIB) Loan	16/12/2024	300,000 tEuros	Euribor 3m	300,850	301,068	16
Bond Issue (Euro Medium Term Notes) ¹	12/02/2025	300,000 tEuros	2.5%	302,642	306,281	16
Bond Issue (Euro Medium Term Notes) ²	16/04/2029	300,000 tEuros	0.50%	298,759	299,353	16

¹ This hedged instrument is designated jointly with derivatives of fair value hedging amounting to 300,000 thousand Euros (see conditions on the table above) in an aggregate exposure hedge to Euribor 6 months in the period from 2023 to 2025 and, as such, eligible for cash flow hedge.

² This hedged instrument is designated jointly with derivatives of fair value hedging amounting to 300,000 thousand Euros (see conditions on the table above) in an aggregate exposure hedge to Euribor 6 months in the period from 2023 to 2029 and, as such, eligible for cash flow hedge.

Cash Flow Hedge – Interest and Exchange Rate Swaps

The Group hedged the exchange rate risk of the 10,000 million yen bond issued through a cross currency swap with the main characteristics similar to the bond with regard to exchange rate risk. Credit risk is not hedged.

As at 30 June 2024, the Group no longer holds active cross currency and interest rate swap (at 31 December 2023 the fair value was negative 8,601 thousand Euros). Changes in the fair value of the hedging instrument are also being recognized in equity hedging reserves, with exception of:

- the offsetting of the exchange rate effect of the spot revaluation of the hedged item (bond issue in yen) at each reference date, arising from the hedging of the exchange rate risk⁸; and
- the ineffective component of the hedge arising from the accounting designation made (REN contracted a trading derivative to economically hedge this ineffectiveness - see Trading Derivative)⁹. This inefficiency is caused by the change in the interest profile of the hedging instrument, which pays a variable rate in the period from 2019 to 2024.

Comprehensive Income:

The movements recorded in the statement of comprehensive income through the application of cash flow hedges were as follows:

- June 2024

Cash flow hedging instruments	Change in the fair value of hedging instruments ^(*)	Of which: effective amount recorded in hedge reserves	Hedging inefficiency recorded in profit for the year	Coverage reserve reclassifications to results for the year
Swaps of interest rate	(3,434)	(3,434)	-	-
Swaps of exchange rate and interest rate	8,551	1,770	(2,151)	8,932
	5,117	(1,664)	(2,151)	8,932

^(*) Does not include accrued interest and hedging inefficiency.

⁸ The currency effect of the underlying (loan), as at 30 June 2024, was favorable in the amount of 5,067 thousand euros, and was offset, in the same amount, by the unfavourable effect of the hedging instrument in the income statement for the year (as of 30 June 2023 was favorable in 7,464 thousand euros).

⁹ The ineffective cash flow hedge component of the exchange rate risk recognised in the income statement, was negative 2,151 thousand Euros, further increased by the effect of the trading derivative negotiated in negative 842 thousand Euros (as of 30 June 2023 it was positive 1,533 thousand Euros against negative 293 thousand Euros of the effect of the trading derivative). Therefore, the net effect on the income statement for the period ended on 30 June 2024 amounted to negative 2,993 thousand Euros (as of 30 June 2023 was positive 1,240 thousand Euros).

- June 2023

Cash flow hedging instruments	Change in the fair value of hedging instruments ⁽¹⁾	Of which: effective amount recorded in hedge reserves	Hedging inefficiency recorded in profit for the year	Coverage reserve reclassifications to results for the year
Swaps of interest rate	(3,593)	(3,593)	-	-
Swaps of exchange rate and interest rate	(8,330)	(2,399)	1,533	(7,464)
Non-Deliverable Forward	(11)	209	-	(220)
	(11,934)	(5,783)	1,533	(7,684)

⁽¹⁾ Does not include accrued interest and hedging inefficiency.

Hedging Reserve:

The movements recognised in the hedging reserve (Note 15) were as follows:

	Fair value	Deferred taxes impact	Hedging reserves
1 January 2023	76,698	(17,179)	59,518
Changes in fair value and ineffectiveness	(28,940)	6,492	(22,448)
31 December 2023	47,758	(10,687)	37,071
1 January 2024	47,758	(10,687)	37,071
Changes in fair value and ineffectiveness	(1,664)	374	(1,290)
30 June 2024	46,094	(10,312)	35,781

Fair Value Hedge

The Group hedges the interest rate risk associated with the fluctuation of market interest rate index (Euribor) on the fair value of interest payments on fixed-rate debt by negotiating interest rate swaps where it pays a variable rate and receives a fixed rate in order to convert fixed-rate debt payments into variable-rate payments

As of 30 June 2024, the Group has a total of four fair value hedging derivative contracts amounting to 600,000 thousand euros (as of 31 December 2023 it was 600,000 thousand euros). The hedged risk corresponds to the change in fair value of debt issues attributable to movements in the market interest rate index (Euribor). Credit risk is not being hedged. As of 30 June 2024, the fair value of interest rate swaps designated as fair value hedging instruments was negative 51,295 thousand euros (as of 31 December 2023 it was negative 52,006 thousand euros).

Changes in the fair value of hedged items arising from interest rate risk are recognised in the income statement in order to offset changes in the fair value of the hedging instrument, which are also recognised in the income statement.

The hedged items of fair value hedging relationships have the following conditions:

- June 2024

	Maturity	Hedged notional	Interest rate	Carrying amount	Accumulated Fair value adjustment	Variation of the year-end 2024	Note
Fair value hedging instruments							
Bond Issue (Euro Medium Term Notes)	12/02/2025	300,000 tEuros	2.50%	297,055	5,587	(3,314)	16
Bond Issue (Euro Medium Term Notes)	16/04/2029	300,000 tEuros	0.50%	259,419	39,341	1,969	16
					44,928	(1,345)	

- June 2023

	Maturity	Hedged notional	Interest rate	Carrying amount	Accumulated Fair value adjustment	Variation of the year-end 2023	Note
Fair value hedging instruments							
Bond Issue (Euro Medium Term Notes)	12/02/2025	300,000 tEuros	2.50%	304,205	15,635	(1,349)	16
Bond Issue (Euro Medium Term Notes)	16/04/2029	300,000 tEuros	0.50%	304,442	51,769	(4,131)	16
					67,404	(5,480)	

As of 30 June 2024, the change in fair value of the debt related to interest rate risk recognized in the income statement was negative 1,345 thousand euros (at 30 June 2023 it was negative 5,480 thousand euros), resulting in an ineffective component, after considering the effect of the hedged items in the income statement, of approximately negative 97 thousand euros (at 30 June 2023 it was negative 489 thousand euros). The ineffectiveness recognized is related to the effect of the fixed leg spread of the hedging instruments that is not reflected in the hedged item.

Comprehensive Income:

The movements recorded in the statement of comprehensive income through the application of fair value hedges were as follows:

- June 2024

Fair value hedging instruments	Hedging inefficiency recorded in profit for the year
Swaps of interest rate	(97)

- June 2023

Fair value hedging instruments	Hedging inefficiency recorded in profit for the year
Swaps of interest rate	(489)

Trading Derivative

The Group negotiated an interest rate swap, with a starting date in 2019 and maturity in 2024, which pays fixed rate and receives variable rate. This instrument, although not designated as hedge accounting considering IFRS 9 criteria, is currently hedging the effect of the ineffectiveness of the cash flow hedge of the interest and exchange rate risks of the bond issue in Yen, relative to the fluctuation of interest rates for the hedging period (see Cash Flow Hedge – Interest and Exchange Rate Swaps).

As at 30 June 2024, the Group no longer holds active trading swaps. The changes in the fair value of the trading derivative are recorded directly in the income statement. The impact in the income statement, as of 30 June 2024, related to the effect of the fair value of the trading derivative was negative 842 thousand euros (as of 30 June 2023 it was 293 thousand euros negative).

13 CASH AND CASH EQUIVALENTS

The amounts considered as cash and cash equivalents in the consolidated statements of cash flows for the periods ended 30 June 2024 and 31 December 2023 are made up as follows:

	Jun 2024	Dec 2023
Cash	21	8
Bank deposits	36,104	40,137
Cash and cash equivalents in the statement of financial position	36,125	40,145
The transitional gas price stabilization regime - Decree-Law 84-D/2022 (Note 32)	-	-
Cash and cash equivalents in cash flow statement	36,125	40,145

In the years ended 30 June 2024 and 31 December 2023, there are no cash and cash equivalents that are not available for the group to use.

14 EQUITY INSTRUMENTS

As of 30 June 2024 and 31 December 2023, REN's subscribed and paid up share capital is made up of 667,191,262 shares of 1 euro each.

	Jun 2024		Dec 2023	
	Number of shares	Share capital	Number of shares	Share capital
Share Capital	667,191,262	667,191	667,191,262	667,191

The caption "Other changes in equity" in the period ended 30 June 2024 amounted to 5,561 thousand euros.

Additionally, and following the share capital increase in 2017, the caption "Share Premium" in the period ended 30 June 2024 amounted to 116,809 thousand euros.

At 30 June 2024 and 31 December 2023, REN SGPS had the following own shares:

	Number of shares	Proportion	Amount
Own shares	3,881,374	0.6%	(10,728)

No own shares were acquired or sold in the period ended 30 June 2024.

In accordance with the Commercial Company Code (Código das Sociedades Comerciais) REN SGPS must at all times ensure that there are sufficient Equity Reserves to cover the value of own shares, in order to limit the amount of reserves available for distribution.

15 RESERVES AND RETAINED EARNINGS

The caption "Reserves" in the amount of 353,824 thousand euros includes:

- **Legal reserve:** The Commercial Company Code in place requires that at least 5% of the net profit must be transferred to this reserve until it has reached 20% of the share capital. This reserve can only be used to cover losses or to increase capital. At 30 June 2024 this caption amounts to 141,378 thousand euros;
- **Fair value reserve:** includes changes in the fair value of available for sale financial assets (39,689 thousand euros positive), as detailed in Note 10;
- **Hedging reserve:** includes changes in the fair value of hedging derivative financial instruments when cash flow hedge is effective (positive 35,781 thousand euros) as detailed in Note 12; and

- **Other reserves:** This caption is changed by (i) application of the results of previous years, being available for distribution to shareholders; except for the limitation set by the Companies Code in respect of own shares (Note 14), (ii) exchange rate changes associated to the financial investment whose functional currency is Dollar; (iii) exchange variation of assets and liabilities of financial investments in subsidiaries, namely the exchange rate effect of converting Chilean Peso to Euro and (iv) changes in equity of associates recorded under the equity method. On 30 June 2024, this caption amounts to 136,976 thousand euros.

In accordance with the Portuguese legislation: (i) increases in equity as a result of the incorporation of positive fair value (fair value reserves and hedging reserves) can only be distributed to shareholders when the correspondent assets have been sold, exercised, extinct, settled or used; and (ii) income and other positive equity changes recognized as a result of the equity method can only be distributed to shareholders when paid-up. Portuguese legislation establishes that the difference between the equity method income and the amount of paid or deliberated dividends is equivalent to legal reserve.

16 BORROWINGS

The segregation of borrowings between current and non-current and by nature, at 30 June 2024 and 31 December 2023 was as follows:

	Jun 2024			Dec 2023		
	Current	Non-current	Total	Current	Non-current	Total
Bonds	500,000	852,940	1,352,940	63,967	1,053,012	1,116,979
Bank Borrowings	69,101	394,280	463,381	68,821	419,479	488,300
Commercial Paper	360,000	487,000	847,000	556,000	550,000	1,106,000
Leases	1,677	2,836	4,513	1,720	3,282	5,001
	930,778	1,737,056	2,667,834	690,508	2,025,773	2,716,281
Accrued interest	14,377	-	14,377	22,796	-	22,796
Prepaid interest	(4,879)	(6,314)	(11,194)	(2,363)	(3,072)	(5,435)
Borrowings	940,275	1,730,742	2,671,017	710,941	2,022,701	2,733,642

The borrowings settlement plan was as follows:

	2024	2025	2026	2027	2028	Following years	Total
Debt - Non current	-	44,940	542,835	85,192	296,624	767,465	1,737,056
Debt - Current	404,735	526,043	-	-	-	-	930,778
	404,735	570,983	542,835	85,192	296,624	767,465	2,667,834

Detailed information regarding bond issues as of 30 June 2024 is as follows:

30 June 2024						
Issue date	Maturity	Initial amount	Outstanding amount	Interest rate	Periodicity of interest payment	
'Euro Medium Term Notes' programme emissions						
12/02/2015	12/02/2025	tEUR 300,000 (i)	tEUR 500,000	Fixed rate EUR 2.50%	Annual	
18/01/2018	18/01/2028	tEUR 300,000	tEUR 300,000	Fixed rate EUR 1.75%	Annual	
16/04/2021	16/04/2029	tEUR 300,000 (i)	tEUR 300,000	Fixed rate EUR 0.50%	Annual	
27/02/2024	27/02/2032	tEUR 300,000	tEUR 300,000	Fixed rate EUR 3.50%	Annual	

(i) These issues have interest currency rate swaps associated

As of 30 June 2024, the Group has twelve commercial paper programs in the amount of 2,175,000 thousand euros, of which 1,328,000 thousand euros are available for utilization. Of the total amount 900,000 thousand euros have a guaranteed placement. As of 30 June 2024, an amount of 363,000 thousand euros is available (as of 31 December 2023 were available 300,000 thousand euros).

During 2024, the Group issued a Green Bond in the amount of 300,000 thousand euros at a fixed rate and reimbursed the Bond in the amount of 10,000,000 thousand ienes..

Bank loans are mostly composed of loans contracted with the European Investment Bank (EIB), which at 30 June 2024, the borrowings from EIB amounted to 428,381 thousand euros (at 31 December 2023 it was 453,300 thousand euros).

The Group also has credit lines negotiated and not used in the amount of 80,000 thousand euros, maturing up to one year, which are automatically renewable periodically (if they are not resigned in the contractually specified period for that purpose).

As a result of the fair value hedge related to the debt emission in the amount of 600,000 thousand euros, fair value changes concerning interest rate risk were recognized directly in statement of profit and loss, in an amount of 1,345 thousand euros (negative) (at 30 June 2023 was 5,480 thousand euros (negative)).

The Company's financial liabilities have the following main types of covenants: Cross default, Pari Passu, Negative Pledge, Leverage ratios and Gearing.

The bank loans with BEI include also covenants related with rating and other financial ratios in which the Group may be called upon to present an acceptable guarantee in the event of rating and financial ratios below the established values.

As of 30 June 2024, the group complies with all the covenants to which it is contractually bound.

REN and its subsidiaries are a part of certain financing agreements and debt issues, which include change in control clauses typical in this type of transactions (including, though not so expressed, changes in control as a result of takeover bids) and essential to the realization of such transactions on the appropriate market context. In any case, the practical application of these clauses is limited to considering the legal ownership of shares of REN restrictions. Following the legal standards and usual market practices, contractual terms and free market competition, establish that neither REN nor its counterparts in borrowing agreements are authorized to disclose further information regarding the content of these financing agreements.

The effect of the foreign exchange rate exposure was not considered as this exposure is totally covered by hedge derivate in place.

The average interest rates for borrowings including commissions and other expenses were 2.78% in 30 June 2024 and 2.49% in 31 December 2023.

Leases

Minimal payments regarding lease contacts and the carrying amount of the finance lease liabilities as of 30 June 2024 and 31 December 2023 are made up as follows:

	Jun 2024	Dec 2023
Lease liabilities - minimum lease payments		
No later than 1 year	1,850	1,915
Later than 1 year and no later than 5 years	3,004	3,492
	4,855	5,406
Future finance charges on leases	(342)	(405)
Present value of lease liabilities	4,513	5,001
	Jun 2024	Dec 2023
The present value of lease liabilities is as follows		
No later than 1 year	1,677	1,720
Later than 1 year and no later than 5 years	2,836	3,282
	4,513	5,001

17 POS-EMPLOYMENT BENEFITS AND OTHERS BENEFITS

REN – Rede Elétrica Nacional, S.A. grants supplementary retirement, early-retirement and survivor pensions (hereinafter referred to as Pension Plan), provides its retirees and pensioners with a health care plan on a similar basis to that of its serving personnel, and grants other benefits such as long service award, retirement award and a death subsidy (referred to as "Other benefits"). The long service award is applicable to all Group companies.

At 30 June 2024 and 31 December 2023, the Group had the following amounts recorded relating to liabilities for retirement and other benefits:

	Jun 2024	Dec 2023
Liability on statement of financial position		
Pension plan	39,339	38,511
Healthcare plan and other benefits	37,627	37,344
	76,966	75,855

The reconciliation of the remeasurement of the net benefit liability is as follows:

	Jun 2024	Dec 2023
Initial balance	75,855	64,939
Current service costs and Net interest on net defined benefit	2,323	4,220
Actuarial gains/(losses):		
- impact on the statement of profit and loss	-	17
- impact on equity	363	10,963
Benefits paid	(1,576)	(4,284)
Final balance	76,966	75,855

During the six-month periods ended 30 June 2024 and 2023, the following operating expenses were recorded regarding benefit plans with employees:

	Jun 2024	Jun 2023
Charges to the statement of profit and loss (Note 24)		
Pension plan	1,531	1,360
Healthcare plan and other benefits	792	750
	2,323	2,110

The amounts reported at 30 June 2024 and 2023 result from the projection of the actuarial valuation made on 31 December 2023 and 2022, for the six-month periods ending 30 June 2024 and 2023, considering the estimated salaries for 2024 and 2023, respectively.

The actuarial assumptions used to calculate the post-employment benefits are considered by the REN Group and the entity specialized in the actuarial valuation reports to be those that best meet the commitments established in the Pension plan, and related retirement benefit liabilities, and are as follows:

	2023	2022
Annual discount rate	Full Yield Curve (single rate equivalent: 3.34%)	Full Yield Curve (single rate equivalent: 3.87%)
Expected percentage of serving employees eligible for early retirement (more than 60 years of age and 36 years in service) - by Collective work agreement	20.00%	20.00%
Expected percentage of serving employees eligible for early retirement - by Management act	10.00%	10.00%
Rate of salary increase	5.00% by 2024, 4.80% from 2025 and 2,80% from 2026	4.50% by 2023 2.80% from 2024
Pension increase	5.00% by 2024 2.30% from 2025	3.50% by 2023 2.30% from 2024
Future increases of Social Security Pension amount	5.00% by 2024 2.30% from 2025	3.50% by 2023 2.30% from 2024
Inflation rate	2.30%	2.30%
Medical trend	2.30%	2.30%
Management costs (per employee/year)	353 euros	313 euros
Expenses medical trend	2.30%	2.30%
Retirement age (number of years)	66 years and 4 months	66
Mortality table	TV 99/01	TV 99/01

18 PROVISIONS FOR OTHER RISKS AND CHARGES

The changes in provisions for other risks and charges in the periods ended 30 June 2024 and 31 December 2023 were as follows:

	Jun 2024	Dec 2023
Beginning balance	10,016	10,576
Reclassifications	(30)	693
Increases	2	3,241
Reversing	-	(2,430)
Utilization	(187)	(2,064)
Ending balance	9,801	10,016

At 30 June 2024, the caption "Provisions" corresponds essentially to estimates of the payments to be made by REN resulting from legal processes in progress for damage caused to third parties and a provision for restructuring in the amount of 1,352 thousand euros related to the ongoing restructuring process of the Group.

19 TRADE AND OTHER PAYABLES

The caption "Trade and other payables" at 30 June 2024 and 31 December 2023 was made up as follows:

	Jun 2024			Dec 2023		
	Current	Non current	Total	Current	Non current	Total
Trade payables						
Current suppliers	302,492	-	302,492	352,089	-	352,089
Other creditors						
Other creditors	41,190	31,787	72,978	21,516	32,724	54,240
Tariff deviations	28,961	27,597	56,558	52,009	24,522	76,531
Fixed assets suppliers	51,544	-	51,544	72,373	-	72,373
Trade receivables advances (guarantees)	12,736	-	12,736	12,736	-	12,736
Tax payables (i)	29,898	-	29,898	18,853	-	18,853
Deferred income						
Grants related to assets	30,985	291,863	322,848	21,515	284,487	306,002
Bilateral agreements - Grants	-	95,088	95,088	-	136,585	136,585
Others	23,838	23,019	46,857	15,291	1,760	17,051
Accrued costs						
Holidays and holidays subsidies	7,021	-	7,021	6,577	-	6,577
Trade and other payables	528,666	469,355	998,020	572,961	480,077	1,053,038

(i) Tax payables refer to VAT, personnel income taxes and other taxes

The caption "Trade and other payables" includes: (i) the amount of 15,590 thousand euros of investment projects not yet invoiced (25,209 thousand euros at 31 December 2023); (ii) the amount of 18,827 thousand euros (65,928 thousand euros at 31 December 2023) from the activity of the Market Manager (MIBEL – Mercado Ibérico de Electricidade); (iii) the amount of 7,052 thousand euros of "CMEC – Custo para a Manutenção do Equilíbrio Contratual" to be invoiced by EDP – Gestão da Produção de Energia, S.A. (7,626 thousand euros at 31 December 2023), also reflected in the caption "Trade receivables" (Note 11); (iv) the amount of 145,376 thousands euros of E-Redes Distribuição de Electricidade, S.A. (145,425 thousands euros at 31 December 2023); (v) the amount of 20,952 thousands euros of Empresa de Electricidade da Madeira, S.A. (17,302 thousands euros at 31 December 2023); (vi) the amount of 18,710 thousands euros of Eletricidade dos Açores, S.A. (17,007 thousands euros at 31 December 2023) and (vii) the amount of 16,160 thousands euros of SU Electricidade S.A. (11,934 thousands euros at 31 December 2023).

This transaction related to "CMEC" sets a pass-through in the consolidated income statement of REN, fact for which it is compensated in that statement.

The caption "Other creditors" includes: (i) the amount of 7,986 thousand euros (5,718 thousand euros at 31 December 2023) related with the Efficiency Promotion Plan on Energy Consumption ("PPEC"), which aims to financially support initiatives that promote efficiency and reduce electricity consumption, which should be used to finance energy efficiency projects, according to the evaluation metrics defined by ERSE and (ii) the responsibility for the extraordinary contribution on the energy sector in the amount of 28,516 thousand euros (Note 27) (at 30 June 2023 was 28,101 thousand euros).

20 SALES AND SERVICES RENDERED

Sales and services rendered recognized in the consolidated statement of profit and loss for the six-month period ended 30 June 2024 and 2023 is made up as follows:

	Jun 2024	Jun 2023
Goods:		
Domestic market	364	74
	364	74
Services - Domestic market:		
Electricity transmission and overall systems management	199,743	202,205
Gas transmission	40,014	34,228
Gas distribution	30,991	28,408
Underground gas storage	14,197	14,103
Regasification	10,507	31,825
Telecommunications network	3,642	3,883
Trading	574	481
Others	276	47
Services - External market (Chile):		
Transmission and transformation of electricity	7,747	11,829
	307,691	327,010
Total sales and services rendered	308,056	327,084

21 REVENUE AND COSTS FOR CONSTRUCTION ACTIVITIES

As part of the concession contracts treated under IFRIC 12, the construction activity is subcontracted to specialized suppliers. Therefore the Group obtains no margin in the construction of these assets. The detail of the revenue and expenses with the acquisition of concession assets as of 30 June 2024 and 2023 were made up as follows:

	Jun 2024	Jun 2023
Revenue from construction of concession assets		
Acquisitions	114,773	96,370
Own work capitalised :		
Financial expenses (Note 5)	3,114	2,025
Overhead and management costs (Note 5)	11,746	10,280
	129,634	108,674
Cost of construction of concession assets		
Acquisitions	114,773	96,370
	114,773	96,370

22 OTHER OPERATING INCOME

The caption "Other operating income" loss for the six-month period ended 30 June 2024 and 2023 is made up as follows:

	Jun 2024	Jun 2023
Recognition of investment subsidies in profit and loss	9,134	9,057
Underground occupancy tax	4,167	4,337
Supplementary income	4,139	887
Disposal of unused materials	144	929
Others	1,656	1,028
	19,240	16,237

23 EXTERNAL SUPPLIES AND SERVICES

The caption "External supplies and services" for the six-month period ended 30 June 2024 and 2023 is made up as follows:

	Jun 2024	Jun 2023
Cross border interconnection costs i)	15,448	21,905
Fees relating to external entities ii)	12,732	8,529
Maintenance costs	5,367	6,606
Gas transport subcontracts	3,064	3,384
Insurance costs	2,604	2,518
Electric energy costs	2,205	2,529
Security and surveillance	1,298	1,150
Travel and transportation costs	754	746
Advertising and communication costs	360	371
Other	2,647	2,719
External supplies and services	46,480	50,459

i) The cross border interconnection costs refer to the cost assumed on cross-border trade in electricity.

ii) The fees paid to external entities refer to specialized work and fees paid by REN for contracted services and specialized studies.

24 PERSONNEL COSTS

Personnel costs for the six-month period ended 30 June 2024 and 2023 are made up as follows:

	Jun 2024	Jun 2023
Remuneration:		
Board of directors	1,718	1,523
Personnel	23,386	21,959
	25,104	23,482
Social charges and other expenses:		
Social security costs	4,755	4,438
Post-employment and other benefits cost (Note 17)	2,323	2,110
Social support costs	1,320	1,053
Other	167	142
	8,565	7,743
Total personnel costs	33,669	31,226

The Corporate bodies' remuneration includes remunerations paid to the Board of Directors as well as the General Shareholders meeting attendance.

25 OTHER OPERATING COSTS

Other operating costs for the six-month period ended 30 June 2024 and 2023 are made up as follows:

	Jun 2024	Jun 2023
ERSE operating costs i)	6,895	6,500
Underground occupancy tax	4,167	4,359
Donations and quotizations	1,139	1,124
Others	959	927
	13,159	12,910

i) The caption "ERSE operating costs" corresponds to ERSE's operating costs, to be recovered through electricity and gas tariffs.

26 FINANCIAL COSTS AND FINANCIAL INCOME

Financial costs and financial income for the six-month period ended 30 June 2024 and 2023 are made up as follows:

	Jun 2024	Jun 2023
Financial costs		
Interest on commercial paper issued	15,630	4,232
Other borrowing interests	11,931	7,669
Interest on bonds issued	12,920	17,457
Derivative financial instruments	3,089	1,079
Exchange rate differences	970	-
Other financing expenditure	3,362	5,996
	47,902	36,433
Financial income		
Other financial investments	8,760	3,922
Interest income	2,163	4,010
Exchange rate differences	-	968
Derivative financial instruments	-	16
	10,924	8,916

27 EXTRAORDINARY CONTRIBUTION OVER THE ENERGY SECTOR

Law no. 83-C/2013 of 31 December introduced a specific contribution of entities operating in the energy sector, called Extraordinary Contribution over the Energy Sector ("ECES"), that was extended by Law no. 82-B / 2014, of 31 December, Law no. 7-A / 2016, of 30 March, Law no. 114/2017, of 29 December, Law no. 71/2018, 31 December, Law no. 2/2020, of 31 March, Law no. 75-B/2020, of 31 December, Law no. 99/2021, of 31 December 2021, Law n.º 24-D/2022 of 30 December 2022 and Law no. 82/2023, of 29 December 2023.

The regime introduced is aimed at financing mechanisms that promote systemic sustainability of the sector through the setting up of a fund with the main objective of reducing the tariff deficit. The entities subject to this regime are, among others, entities that are dealers of transport activities or distribution of electricity and natural gas.

The calculation of the ECES is levied on the value of the assets with reference to the first day of the financial year 2024 (1 January 2024) that include cumulatively, the tangible fixed assets, intangible assets, with the exception of industrial property elements, and financial assets related with regulated activities. In the case of regulated activities, the ECES is levied on the value of regulated assets (i.e. the amount recognized by ERSE in the calculation of the allowed income with reference to 1 January 2024) if it is greater than the value of those assets, over which the rate of 0.85% is applied.

To the extent that it is a present obligation whose facts originating already occurred, with timing and amounts certain or ascertainable, REN recorded liabilities in the amount of 28,516 thousand euros (Note 19) (for the six-month period ended 30 June 2023 was 28,101 thousand euros) against a cost in the statement of profit and loss.

In the six-month period ending on 30 June 2024, the ECES item in the income statement, in the amount of 28,310 thousand euros (28,101 thousand euros on 30 June 2023), includes the amount of 206 thousand euros (positive), regarding to the regularization of ECES from previous years.

28 EARNINGS PER SHARE

Earnings per share were calculated as follows:

		Jun 2024	Jun 2023
Consolidated net profit used to calculate earnings per share	(1)	48,597	63,031
Number of ordinary shares outstanding during the period (Note 14)	(2)	667,191,262	667,191,262
Effect of treasury shares (Note 14)		3,881,374	3,881,374
Number of shares in the period	(3)	663,309,888	663,309,888
Basic earnings per share (euro per share)	(1)/(3)	0.07	0.09

The basic earnings per share are the same as the diluted earnings as there are no situations that could origin dilution effects.

29 DIVIDENDS PER SHARE

On 27 April 2023, the General Meeting approved the distribution of dividends to shareholders, based on the result for the 2022 financial year, in the amount of 102,747 thousand euros (0.154 euros per share), including the dividend attributable to own shares in the amount of 597 thousand euros, with the amount of 102,150 thousand euros having been paid to shareholders (the amount of 42,452 thousand euros paid in 2022, as an advance on profits, and the amount of 59,698 thousand euros in 2023).

On 9 May 2024, the General Meeting approved the distribution of dividends to shareholders, based on the results for the year 2023, in the amount of 102,747 thousand euros (0.154 euros per share), including the dividend attributable to own shares in the amount of 597 thousand euros, with the total amount of 102,150 thousand euros being paid to shareholders (42,452 thousand euros paid in the year 2023, as an advance on profits and 59,698 thousand euros in the year 2024).

30 CONTINGENT ASSETS AND LIABILITIES

30.1. Contingent liabilities

Tejo Energia - Produção e Distribuição de Energia Eléctrica, SA ("Tejo Energia") and Turbogás – Produtora Energética S.A. ("Turbogás") have announced to REN - Rede Eléctrica Nacional, SA ("REN Eléctrica") and REN Trading SA ("REN Trading") its intention to renegotiate the Power Purchase Agreements (PPA), in order to reflect in the amounts payable to this producer the costs, which in its opinion would be due, incurred with (i) financing of the social tariff, (ii) with the tax on petroleum products and energy and with the rate of carbon, and (iii) for Turbogás the costs incurred with the financing of ECES.

According to the PPA, Tejo Energia and Turbogás act as producers and sellers and REN Trading as purchaser of the energy produced in power plants. REN Eléctrica is jointly and severally liable with REN Trading, regarding the execution of the PPA with Tejo Energia and Turbogás. According to the information received, the total costs incurred by these companies until 30 June 2024 amounts to, approximately, 121.000 thousand euros.

REN Trading and REN Eléctrica consider that, with the existing legal framework, this possibility depends on the recognition that the associated charges can be considered as general costs of the national electricity system, the only way to guarantee the economic neutrality of REN Trading's contractual position.

All of these disputes were brought by Tejo Energia and Turbogás and contested by REN Eléctrica and REN Trading, and the outcome is pending resolution.

30.2. Guarantees given

At 30 June 2024 and 31 December 2023, the REN Group had given the following bank guarantees:

Beneficiary	Scope	Jun 2024	Dec 2023
European Investment Bank	To guarantee loans	165,691	183,427
General Directorate of Energy and Geology	To guarantee compliance with the contract relating to the public service concession	24,028	24,028
Tax Authority and Customs	Ensure the suspension of tax enforcement proceedings	17,508	22,219
Judge of District Court	Guarantee for expropriation processes	7,278	7,278
Mibgás	To guarantee the liabilities incurred from the participation in the gas organized market	4,000	4,000
Municipal Council of Seixal	Guarantee for litigation	3,133	3,133
Portuguese State	Guarantee for litigation	2,514	2,514
Municipal Council of Maia	Guarantee for litigation	1,564	1,564
Municipal Council of Odivelas	Guarantee for litigation	1,119	1,119
Infraestruturas de Portugal	Guarantee for litigation	806	794
Municipal Council of Porto	Guarantee for litigation	368	368
Municipal Council of Silves	Guarantee for expropriation processes	352	352
NORSCUT - Concessionária de Auto-estradas	To guarantee prompt payment of liabilities assumed by REN in the contract ceding utilization	200	200
EDP - Gestão da Produção de Energia, S.A.	Guarantee obligations assumed by the Payer in the contract for the Provision of Communications Services	123	123
Lisbon Maritime Customs	Constitution of possible customs debts	115	115
Others (loss then 100 thousand Euros)	Guarantee for litigation	270	270
		229,071	251,505

31 RELATED PARTIES

Main shareholders

At 30 June 2024 and 31 December 2023, the shareholder structure of Group REN was as follows:

	Jun 2024		Dec 2023	
	Number of shares	%	Number of shares	%
State Grid Corporation of China	166,797,815	25.0%	166,797,815	25.0%
Pontegadea Inversiones S.L.	80,100,000	12.0%	80,100,000	12.0%
Lazard Asset Management LLC	51,467,145	7.7%	51,105,111	7.7%
Fidelidade - Companhia de Seguros, S.A.	35,496,424	5.3%	35,496,424	5.3%
Redeia Corporación S.A.	33,359,563	5.0%	33,359,563	5.0%
Own shares	3,881,374	0.6%	3,881,374	0.6%
Others	296,088,941	44.4%	296,450,975	44.4%
	667,191,262	100%	667,191,262	100%

Management remuneration

The Board of Directors of REN SGPS was considered, in accordance with IAS 24, to be the only key members in the Management of the Group.

REN has not established any specific retirement benefit system for the Board of Directors.

Remuneration of the Board of Directors of REN, SGPS in the six-month period ended 30 June 2024 amounted to 1.523 thousand euros (1,334 thousand euros at 30 June 2023), as shown in the following table:

	Jun 2024	Jun 2023
Remuneration and other short term benefits	910	827
Management bonuses (estimate)	613	507
	1,523	1,334

Transaction of shares, bonds and others by the members of the Board of Directors

During the six-month period ended 30 June 2024, Fidelidade – Companhia de Seguros, S.A., a company of which Dr. Jorge Manuel Baptista Magalhães Correia is Chairman of the Board of Directores, sold 1,000 thousand euros of REN Finance, B.V. bonds.

During the six-month period ending 30 June 2024, the member of the Board of Directors and Member of the Executive Committee, João Faria Conceição, and in accordance with the company policy, acquired a tangible fixed asset (transport equipment – vehicle) to the Group, in the amount of 5 thousand euros. This transaction was approved by the Audit Committee.

Transactions with group or dominated companies

In its activity, REN maintains transactions with Group entities or with dominated parties. The terms in which these transactions are held are substantially identical to those practiced between independent parties in similar operations.

In the consolidation process, the amounts related to such transactions or open balances are eliminated in the consolidated financial statements.

The main transactions held between Group companies were: (i) borrowings and shareholders loans; and (ii) shared services namely, legal services, administrative services and informatics.

Balances and transactions held with shareholders, associates and other related parties

During the six-month periods ended 30 June 2024 and 2023, Group REN carried out the following transactions with reference shareholders, qualified shareholders and related parties:

Revenue

	Jun 2024	Jun 2023
<u>Sales and services provided</u>		
Invoicing issued - Redeia Corporación S.A.	480	2,726
Invoicing issued - Centro de Investigação em Energia REN - State Grid	62	55
<u>Other operating income</u>		
Invoicing issued - OMIP	-	24
	542	2,805

Expenses

	Jun 2024	Jun 2023
<u>External supplies and services and others expenses</u>		
Invoicing received - OMIP	86	78
Invoicing received - Redeia Corporación S.A.	622	57
Invoicing received - Centro de Investigação em Energia REN - State Grid	69	-
Invoicing received - CMS Rui Pena & Arnaut ¹⁰	70	46
	847	181

Balance

The balances at 30 June 2024 and 31 December 2023 resulting from transactions with related parties were as follows:

	Jun 2024	Dec 2023
<u>Trade and other receivables</u>		
Redeia Corporación S.A. - Dividends	3,938	1,477
Centro de Investigação em Energia REN - State Grid - Other receivables	42	45
Redeia Corporación S.A. - Trade receivables	93	785
	4,074	2,307
<u>Trade and other payables</u>		
Centro de Investigação em Energia REN - State Grid - Other payables	207	240
TECNORED S.A. (State Grid - Group) - Trade payables	-	10
OMIP - Trade payables	34	24
CMS - Rui Pena & Arnaut - Trade payables ¹⁰	4	28
SPECO - Shandong Power Equipment CO - Trade payables ¹¹	251	251
	496	552

32 DECREE-LAW NO. 84-D/2022 – TRANSITORY GAS PRICE STABILIZATION REGIME

The Portuguese State, through Decree-Law no. 84-D/2022, of 9 December 2022, established a transitional regime to stabilize the price of natural gas for consumption carried out in 2023, through the discount on the price of natural gas, equivalent to the difference between the price of the energy component, shown on the invoice, and its reference value, as provided for in article 3 of this decree-law.

The beneficiaries of the transitional price stabilization regime are legally constituted legal persons, consumers of high, medium and low pressure gas at delivery points with annual consumption greater than 10,000 m3, with the exception of the entities referred to in number 2 of article 2.th.

The discount is applied directly by the suppliers in the month following the billing of the respective consumption, once the invoice has been paid by the customer, and the discount must be expressly identified on the invoice in which it is reflected.

¹⁰ Entity related to the Administrator José Luís Arnaut. During 2024, the contract for the provision of legal advisory services in the area of law and public procurement, approved by the board of directors of the company REN Serviços, SA and awarded to the law firm CMS Rui Pena and Arnaut, an entity related to the Director José Luís Arnaut, remained in force. The contract was signed in 2023, for a period of three years.

¹¹ Subsidiary entity of the shareholder State Grid Europe Limited. The operations with this entity are related to acquisitions of concession assets in progress. This entity presented bank guarantee in the amount of 223 thousand euros.

Suppliers inform, on the first working day of each week, the Global Technical Manager of the National Gas System ("GTG") regarding the quantities and discount values to be applied to the billing issued in the previous week, including the total consumption of their portfolio from clients. Based on the information transmitted, the GTG transfers, within 10 days to the suppliers, the amounts referring to the support to be granted for each identified billing cycle.

As mentioned in the aforementioned Decree-Law, more precisely in Article 7, it is the responsibility of REN Gasodutos, as Global Technical Manager of the National Gas System, to interact with suppliers in order to operationalize the application of this decree-law. It is REN Gasodutos' responsibility to transfer the funds provided by the Portuguese State for the purposes of this decree-law, and such amounts cannot be used for other purposes. The amount transferred by the Government is deposited in a dedicated bank account, with accounting separation in relation to other activities carried out by the Company.

On 29 December 2022, the Company received the amount of 1,000,000 thousand euros, recorded under the caption Transitory gas price stabilization regime - Decree-Law no. 84-D/2022, both in assets and in liabilities, taking into account the need for accounting separation in relation to the other activities carried out by the Company, as mentioned above and mentioned in paragraph 3 of article 7 of the aforementioned decree-law.

Payments of the amounts corresponding to natural gas consumption billed in 2023 begin in February of the same year and can be settled by the end of June 2024, according to article 14 of the Decree-law nº23/2023. If the amount transferred under this decree-law is not exhausted, REN transfers the respective remainder in favor of the Portuguese State, as referred to in paragraph 5 of article 7 of the referred Decree-Law.

As of 30 June 2024, the Company has already made payments in accordance with the aforementioned Decree-Law, as well as the reimbursement of the amount of 700,000 thousand euros to the Portuguese State, accordingly with the legal document n.º 10727/2023, of 20 October 2023 and, as such, the amount recorded in "Transitional gas price stabilization regime - Decree-Law 84-D/2022", both in assets and in liabilities, is 213.904 thousand euros (228.789 thousand euros at 31 December 2023).

33 SUBSEQUENT EVENTS

There were no other events that gave rise to adjustments or additional disclosures in the Company's consolidated financial statements for the six-month period ended 30 June 2024.

34 EXPLANATION ADDED FOR TRANSLATION

These consolidated financial statements are a translation of financial statements originally issued in Portuguese in accordance with IAS 34 – Interim Financial Reporting. In the event of discrepancies, the Portuguese language version prevails.

The Accountant

Pedro Mateus

The Board of Directors

Rodrigo Costa

(Chairman of the Board of Directors and Chief Executive Officer)

Ana Pinho

(Member of the Board of Directors)

João Faria Conceição

(Member of the Board of Directors and Chief Operational Officer)

Jorge Magalhães Correia

(Member of the Board of Directors)

Gonçalo Moraes Soares

(Member of the Board of Directors and Chief Financial Officer)

Maria Estela Barbot

(Member of the Board of Directors)

Guangchao Zhu

(Vice-President of the Board of Directors designated by State Grid International Development Limited)

José Luis Arnaut

(Member of the Board of Directors)

Mingyi Tang

(Member of the Board of Directors)

Rosa Freitas Soares

(Member of the Board of Directors and of the Audit Committee President)

Yang Qu

(Member of the Board of Directors)

Ana da Cunha Barros

(Member of the Board of Directors and of the Audit Committee)

Gonçalo Gil Mata

(Member of the Board of Directors)

Dulce Mota

(Member of the Board of Directors and of the Audit Committee)

Manuel Sebastião

(Member of the Board of Directors)

Note – The remaining pages of this Report & Accounts were initialled by the members of the Executive Committee and by the Certified Accountant, Pedro Mateus.

4. APPENDIX

4.1 Declaration of Conformity

*DECLARATION PROVIDED IN THE ARTICLE 29.º-J (1) (c)
OF THE PORTUGUESE SECURITIES CODE*

In accordance with and for the purposes of article 29.º-J (1) (c) of the Portuguese Securities Code, each one of the members of the Board of Directors of REN - Redes Energéticas Nacionais, SGPS, S.A., nominally identified below, has underwritten the declaration transcribed hereafter ¹⁰:

“I hereby declare, pursuant to and for the purposes specified in Article 29.º-J, No. 1, paragraph c) of the Portuguese Securities Code, to the best of my knowledge, and serving as and in the scope of the functions assigned to me, based on the information made available to me, that the consolidated financial statements have been prepared in accordance with the applicable accounting standards, thus providing a true and fair view of the assets and liabilities, financial position and results of REN - Redes Energéticas Nacionais, SGPS, S.A. and of the companies included in its scope of consolidation, and that the management report relating to the first half of 2024 faithfully describes the evolution of the business, the performance and position of the Company and those companies, within such period, and the impact on the respective financial statements, also containing a description of the main future risks and uncertainties.”

Lisbon, 25th July 2024

Rodrigo Costa (Chairman of the Board of Directors and Chief Executive Officer)

¹⁰ The original of the mentioned individual statements are available, for consultation, at the Company's head office.

João Faria Conceição (Member of the Board of Directors and Chief Operational Officer)

Gonçalo Morais Soares (Member of the Board of Directors and Chief Financial Officer)

Guangchao Zhu (Vice-President of the Board of Directors designated by State Grid International Development Limited)

Rosa Freitas Soares (Member of the Board of Directors and President of the Audit Committee)

Ana da Cunha Barros (Member of the Board of Directors and of the Audit Committee)

Dulce Mota (Member of the Board of Directors and of the Audit Committee)

Mingyi Tang (Member of the Board of Directors)

Yang Qu (Member of the Board of Directors)

Jorge Magalhães Correia (Member of the Board of Directors)

Manuel Sebastião (Member of the Board of Directors)

Gonçalo Gil Mata (Member of the Board of Directors)

Ana Pinho (Member of the Board of Directors)

Maria Estela Barbot (Member of the Board of Directors)

José Luis Arnaut (Member of the Board of Directors)

4.2 List of qualified shareholdings [Item c) of no. 1 of Article 9 of CMVM'S Regulation no. 5/2008]

Based on the communications submitted to the Company, in particular in accordance with Article 16 of the Securities Code and CMVM Regulation No 5/2008, with reference to 30 June 2024, shareholders having a qualifying holding (representing at least 5% of REN's share capital), calculated in accordance with Article 20 of the Securities Code, were as follows:

STATE GRID CORPORATION OF CHINA	NO OF SHARES	% SHARE CAPITAL WITH VOTING RIGHTS
Directly	0	0%
Through State Grid Europe Limited (SGEL), fully owned and controlled by State Grid International Development Limited (SGID), which is controlled by State Grid Corporation of China	166 797 815	25.0%
Total attributable	166 797 815	25.0%

PONTEGADEA INVERSIONES S.L. ¹¹	NO OF SHARES	% SHARE CAPITAL WITH VOTING RIGHTS
Directly	80 100 000	12.0%
Indirectly	0	0%
Total attributable	80 100 000	12.0%

LAZARD ASSET MANAGEMENT LLC	NO OF SHARES	% SHARE CAPITAL WITH VOTING RIGHTS
Directly	0	0
Indirectly ¹²	51 467 145 ¹³	7,7%
Total attributable	51 467 145	7,7%

¹¹ In accordance with the communication sent by the company on 30 July 2021, Pontegadea Inversiones S.L. is controlled by Mr. Amancio Ortega Gaona, to whom the 12.006% voting rights in REN are attributed, pursuant to article 20(1)(b) of the Securities Code.

¹² This qualified shareholding, calculated under Article 20 of the Securities Code, is held by Lazard Asset Management LLC on behalf of Clients, and is attributable to it since it agreed with the Clients that it would exercise the voting rights. The qualified shareholding is also attributable to (i) Lazard Freres & Co, which holds the total share capital of the firstly mentioned company; (ii) Lazard Group LLC, which holds the total share capital of the secondly mentioned company; and (iii) Lazard Limited, company with shares admitted to trading in the NYSE market, as controlling entity of the abovementioned company.

¹³ In accordance with information made available by Lazard Asset Management LLC in June 30th, 2024.

FIDELIDADE COMPANHIA DE SEGUROS, S.A.¹⁴	NO OF SHARES	% SHARE CAPITAL WITH VOTING RIGHTS
Directly	35 176 796	5.27%
Through Via Directa – Companhia de Seguros, S.A., which is controlled by Fidelidade	119 889	0.02%
Through Companhia Portuguesa de Resseguros, S.A., which is controlled by Fidelidade	37 537	0.01%
Through Fidelidade Assistência – Companhia de Seguros, S.A., which is controlled by the common shareholder Longrun ¹⁵	98 732	0.01%
Through Multicare – Seguros de Saúde, S.A., which is controlled by the common shareholder Longrun ¹⁶	63 470	0.01%
Total attributable	35 496 424	5.32%

REDEIA CORPORACIÓN, S.A.	NO OF SHARES	% SHARE CAPITAL WITH VOTING RIGHTS
Directly	0	0%
Through its branch Red Eléctrica Internacional, S.A.U.	33 359 563	5.0%
Total attributable	33 359 563	5.0%

¹⁴ This qualified shareholding, calculated under Article 20 of the Securities Code, is also attributable to LongRun Portugal, S.G.P.S., S.A., Millenium Gain Capital, Fosun Financial Holdings Limited, Fosun International Limited, Fosun Holdings Limited, Fosun International Holdings, Ltd. and to Mr. Guo Guangchang, as natural or legal persons ou control directly or indirectly Fidelidade – Companhia de Seguros, S.A.

¹⁵ Longrun holds, also, 80% of the share capital of Fidelidade Assistência – Companhia de Seguros, S.A.

¹⁶ Longrun holds, also, 80% of the share capital of Multicare – Seguros de Saúde, S.A.

4.3 Limited review Report prepared by an auditor registered at the stock exchange commission (Comissão do Mercado de Valores Mobiliários) on the half year consolidated information



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*(Translation from the original document in the Portuguese language.
In case of doubt, the Portuguese version prevails)*

Limited review report on the condensed consolidated financial statements

Introduction

We have performed a limited review on the condensed consolidated financial statements of REN - Redes Energéticas Nacionais, SGPS, S.A. (the Group), which comprise the Consolidated Statement of Financial Position as at 30 June 2024 (showing a total of 5,584,005 thousand Euros and a total shareholders' equity of 1,455,488 thousand Euros, including a consolidated net profit for the period of 48,597 thousand Euros), Consolidated Statement of Profit and Loss, the Consolidated Statement of Other Comprehensive Income, the Consolidated Statement of Changes in Equity and the Consolidated Statement of Cash Flows for the six month period then ended, and notes to the condensed consolidated financial statements.

Board of Directors responsibilities

The Board of Directors is responsible for the preparation of the condensed consolidated financial statements in accordance with the International Financial Reporting Standards as endorsed by the European Union for Interim Financial Reporting (IAS 34), and for the design and maintenance of an appropriate system of internal control to enable the preparation of consolidated financial statements which are free from material misstatement due to fraud or error.

Auditor's Responsibilities

Our responsibility is to express a conclusion on these condensed consolidated financial statements based on our review. We conducted our review in accordance with the International Standard on Review Engagements 2410 - Review of Interim Financial Information Performed by the Independent Auditor of the Entity, and other rules and technical and ethical requirements issued by the Institute of Statutory Auditors. Those standards require that our work is performed in order to conclude that nothing has come to our attention that causes us to believe that the financial statements have not been prepared in all material respects in accordance with the International Financial Reporting Standards as endorsed by the European Union for Interim Financial Reporting (IAS 34).

A review of financial statements is a limited assurance engagement. The procedures performed consisted primarily of making inquiries of management and others within the Entity and its subsidiaries, as appropriate, and applying analytical procedures, and evaluating the evidence obtained.

The procedures performed in a review are substantially less than those performed in an audit conducted in accordance with International Standards on Auditing. Accordingly, we do not express an audit opinion on these condensed consolidated financial statements.

Conclusion

Based on our review procedures, nothing has come to our attention that causes us to believe that the condensed consolidated financial statements of REN - Redes Energéticas Nacionais, SGPS, S.A., as at 30 June 2024, have not been prepared, in all material respects, in accordance with the International Financial Reporting Standards as endorsed by the European Union for Interim Financial Reporting (IAS 34).

Lisbon, 25 July 2024

Ernst & Young Audit & Associados - SROC, S.A.
Sociedade de Revisores Oficiais de Contas (n.º 178)
Represented by:

[Signed]

Ricardo Miguel Barrocas André - ROC nr. 1461
Registered with the Portuguese Securities Market Commission under license nr. 20161071

Sociedade Anónima - Capital Social 1.340.000 euros - Inscrição n.º 178 no Orden dos Revisores Oficiais de Contas - Inscrição N.º 20161071 no Conselho do Mercado de Valores Mobiliários
Contribuinte N.º 505 988 283 - C. R. Comercial de Lisboa sob o número 1461
A member firm of Ernst & Young Global Limited

4.4 Report and opinion of the Audit Committee in respect of the consolidated half year information (regarding the six month period ended 30th June 2023)

Within the scope of the responsibilities attributed, the Audit Committee, during the first semester of 2024, accompanied the development of the activity of REN – REDES ENERGÉTICAS NACIONAIS, S.G.P.S., S.A. (the “Company”) and its participated companies, ensured compliance with the law, regulations and articles of association, oversaw the fulfillment of the accounting policies and practices and supervised the process of preparation and disclosure of the financial information, the legal review of accounts and the effectiveness of the internal control and risk management systems. It further supervised the activity of the Statutory Auditor and the External Auditor, including their independence and impartiality.

Within the limits of the powers of the Audit Committee and pursuant to the provisions of the nr. 1 of article 29-J of the Securities Market Code, of the article 423-F, nr. 1, g), and of the article 420, nr. 6, both of the Commercial Companies Code, it is hereby declared that as far as this Committee is aware, the Management Report and the Individual and Consolidated Financial Statements of the Company for the period of six months ended on June 30, 2024 were prepared in accordance with the applicable accounting standards, reflecting a true and fair view of the assets and liabilities, the financial position and results of REN - Redes Energéticas Nacionais, SGPS, S.A. and the companies included in the consolidation perimeter. Additionally, the Management Report faithfully states the evolution of the business, performance and position of the Company and the group, complies with applicable legal, accounting and statutory requirements and, whenever justified, contains a description of the main risks and uncertainties they face.

The Audit Committee examined the consolidated financial information included in the Management Report and the financial statement for the period of six months ended on June 30, 2024 of REN – REDES ENERGÉTICAS NACIONAIS, S.G.P.S., S.A., which comprise the Consolidated Statement of Financial Position (that reflects total assets of 5,584,005 thousand Euros and total equity of 1,455,488 thousand Euros, including a consolidated net profit of 48,597 thousand Euros), the Consolidated Statements of Profit and Loss, Comprehensive Income, Changes in Equity and Cash Flows for the half year then ended and the corresponding Notes.

The Audit Committee also examined and agreed with the Limited Review Report on the above mentioned consolidated half year information prepared by the Statutory Auditor and by the External Auditor.

Within the context of the analysis undertaken, the Audit Committee further supervised the compliance and adequacy of the accounting policies, procedures, practices and adopted valuation criteria, as well as the regulatory and quality of the Company’s accounting information.

In light of the above, it is the opinion of the Audit Committee that the consolidated financial information for the period of six months ended on June 30, 2024 abide by applicable accounting, legal and statutory provisions, therefore it recommends its approval.

Lisbon, 25th July 2024

The Audit Committee

Rosa Maria Soares (Chairman)

Ana Barros (Member)

Dulce Mota (Member)

4.5 Contacts

At REN we are happy to pursue a policy of facilitating direct access to the Group's corporate bodies. Feel free to contact us at the following addresses/numbers/emails:

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