



Consolidated Financial Statements

30 September 2024

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

INDEX

1. FINANCIAL PERFORMANCE	3
1.1 RESULTS FOR THE FIRST 9 MONTHS OF 2024	3
1.2 AVERAGE RAB AND CAPEX	7
1.3 QUARTERLY STATEMENTS OF PROFIT AND LOSS AND COMPREHENSIVE INCOME FOR THE PERIODS FROM 1 JULY TO 30 SEPTEMBER 2024 AND 2023	8
2. CONSOLIDATED FINANCIAL STATEMENTS	10
3. NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS AS OF 30 SEPTEMBER 2024	15
1 GENERAL INFORMATION	15
2 BASIS OF PRESENTATION	18
3 MAIN ACCOUNTING POLICIES	18
4 SEGMENT REPORTING	20
5 TANGIBLE AND INTANGIBLE ASSETS	22
6 GOODWILL	25
7 INVESTMENTS IN ASSOCIATES AND JOIN VENTURES	26
8 INCOME TAX	27
9 FINANCIAL ASSETS AND LIABILITIES	31
10 INVESTMENTS IN EQUITY INSTRUMENTS AT FAIR VALUE THROUGH OTHER COMPREHENSIVE INCOME	34
11 TRADE AND OTHER RECEIVABLES	36
12 DERIVATIVE FINANCIAL INSTRUMENTS	36
13 CASH AND CASH EQUIVALENTS	42
14 EQUITY INSTRUMENTS	42
15 RESERVES AND RETAINED EARNINGS	42
16 BORROWINGS	43
17 POS-EMPLOYMENT BENEFITS AND OTHERS BENEFITS	45
18 PROVISIONS FOR OTHER RISKS AND CHARGES	46
19 TRADE AND OTHER PAYABLES	47
20 SALES AND SERVICES RENDERED	48
21 REVENUE AND COSTS FOR CONSTRUCTION ACTIVITIES	48
22 OTHER OPERATING INCOME	49
23 EXTERNAL SUPPLIES AND SERVICES	49
24 PERSONNEL COSTS	50
25 OTHER OPERATING COSTS	50
26 FINANCIAL COSTS AND FINANCIAL INCOME	50
27 EXTRAORDINARY CONTRIBUTION OVER THE ENERGY SECTOR	51
28 EARNINGS PER SHARE	51
29 DIVIDENDS PER SHARE	51
30 CONTINGENT ASSETS AND LIABILITIES	52
31 RELATED PARTIES	53
32 DECREE-LAW NO. 84-D/2022 – TRANSITORY GAS PRICE STABILIZATION REGIME	55
33 SUBSEQUENT EVENTS	55
34 EXPLANATION ADDED FOR TRANSLATION	55

1. FINANCIAL PERFORMANCE

1.1 RESULTS FOR THE FIRST 9 MONTHS OF 2024

In the first 9 months of 2024, net income reached 84.2 million euros, a 12.0 million euros decrease (-12.5%) over the same period of the previous year. Net income decreased reflecting mainly the i) decrease of 6.9 million euros in the Group EBITDA (-8.2 million euros in EBIT), and ii) the decrease of 10.9 million euros in financial results (-30.7%), partially offset by the decrease of 7.3 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 212.9 million euros, a 20.2% y.o.y increase (+35.8 million euros) and transfers to RAB increased 15.6 million euros (+31.8%) to 64.7 million euros. Average RAB decreased by 57.9 million euros (-1.6%), to 3,452.9 million euros.

The average cost of debt was 2.8%, an increase of 0.3 p.p. over the previous year, and net debt reached 2,568.0 million euros, a 4.2% increase (+104.1 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 3.0%.

MAIN INDICATORS (MILLIONS OF EUROS)	September 2024	September 2023	VAR. %
EBITDA	388.5	395.5	-1.8%
Financial results ²	-46.4	-35.5	-30.7%
Net income ¹	84.2	96.2	-12.5%
Recurrent net income	82.9	94.5	-12.2%
Total Capex	212.9	177.1	20.2%
Transfers to RAB ³ (at historic costs)	64.7	49.1	31.8%
Average RAB (at reference costs)	3,452.9	3,510.9	-1.6%
Net debt	2,568.0	2,464.0	4.2%
Net debt (without tariff deviations)	2,358.4	2,290.4	3.0%
Average cost of debt	2.8%	2.4%	+0.3p.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 3.8 million euros in September 2024 and a net revenue of 4.4 million euros in September 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 371.1 million euros in the first 9 months of 2024, a 0.7% (-2.5 million euros) decrease over the same period of the previous year.

EBITDA - TRANSMISSION (MILLIONS OF EUROS)	September 2024	September 2023	VAR. %
1) Revenues from assets	156.6	153.8	1.8%
RAB remuneration	55.6	60.4	-8.0%
Lease revenues from hydro protection zone	0.5	0.5	-1.3%
Incentive for improvement of the TSO's technical performance	11.3	7.5	50.0%
Solar Agreements revenues	4.9	0.0	n.m.
Recovery of amortizations (net of investment subsidies)	70.6	71.9	-1.8%
Amortization of investment subsidies	13.8	13.6	1.6%
2) Revenues from Totex	213.8	212.1	0.8%
3) Revenues from Opex	107.0	114.2	-6.3%
4) Other revenues	14.9	10.7	39.8%
5) Own works (capitalised in investment)	22.6	18.7	21.0%
6) Earnings on Construction (excl. own works) – Concession assets	181.2	154.9	17.0%
7) OPEX	144.7	135.6	6.7%
Personnel costs ⁴	49.2	45.6	7.8%
External costs	95.5	90.0	6.2%
8) Construction costs – Concession assets	181.2	154.9	17.0%
9) Provisions / (reversal)	0.1	0.2	n.m.
10) Impairments	-0.8	0.2	n.m.
11) EBITDA (1+2+3+4+5+6-7-8-9-10)	371.1	373.6	-0.7%

The decrease in EBITDA resulted mainly from:

- The decrease of 4.8 million euros in RAB remuneration⁵ (-8.0%) arising mostly from:
 - Decrease of 4.2 million euros in the remuneration of natural gas transmission regulated assets reflecting the decrease in the rate of return from 5.7% in September 2023 to 5.3% in September 2024 – as a result of the negative evolution of the yields of the Portuguese Republic 10Y Treasury Bills, as well the reduction of 37.7 million euros (-4.5%) in natural gas transmission average RAB; and
 - Decrease of 0.7 million euros in the remuneration of natural gas distribution regulated assets reflecting (i) the decrease in the rate of return from 5.9% in September 2023 to 5.7% in September 2024 – as a result of the negative evolution of the yields of the Portuguese Republic 10Y Treasury Bills, partially offset by the increase of 5.3 million euros in natural gas distribution average RAB (+1.1%).
- The decrease in Revenues from Opex of 7.2 million euros (-6.3%), reflecting the new regulatory period in gas;

⁴ Includes training and seminars costs

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

- The increase of 9.1 million euros in Opex, of which +6.9 million euros in pass-through costs (costs not controllable by REN and fully recovered in the regulated tariff) reflecting the +11 million euros in costs with Turbogás resulting from the end of PPA at end of March 2024. Excluding pass-through costs, the Group domestic Core Opex increased 2.2 million euros.

These effects were partially offset by:

- Revenues recognition of 4.9 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 (+1.7 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, despite the decrease in the rate of return from 5.3% in September 2023 to 5.2% in September 2024.

With respect to domestic business, it is also important to note that the natural gas distribution business contributed with EBITDA of 37.3 million euros

International Business

The EBITDA for international businesses reached 17.5 million euros in the first 9 months of 2024, a 4.4 million euros (-20.2%) decrease over the same period of the previous year, resulting mainly from:

- The decrease of 0.7 million euros (-7.1%) in the recognized income from the 42.5% stake held by REN in the Chilean company Electrogas;
- The decrease of 3.8 million euros (-30.2%) in EBITDA of Transemel – 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 Transemel recording in that same year an income of 3.9 million Euros referring to the adjustment of revenues from 2020 to 2022.

EBITDA - INTERNATIONAL (MILLIONS OF EUROS)	September 2024	September 2023	VAR.%
1) Revenues from the Transmission of Electrical Power	11.6	15.6	-26.0%
2) Other revenues	8.8	9.4	-7.1%
3) Own works (capitalized in investment)	0.9	0.8	7.9%
4) OPEX	3.7	3.9	-6.5%
Personnel costs ⁶	0.9	0.8	8.9%
External costs	2.8	3.1	-10.5%
5) Provisions / (reversal)	0.1	0.1	n.m.
6) EBITDA (1+2+3-4-5)	17.5	21.9	-20.2%

⁶ Includes costs with training and seminars

Net income

Overall, the Group's net income for the first 9 months of 2024 reached 84.2 million euros, a 12.0 million euros y.o.y. decrease (-12.5%).

This decrease reflect mostly the following effects:

- i) decrease of 6.9 million euros in the Group EBITDA (-8.2 million euros in EBIT), impacted by the decrease of 2.5 million euros in the domestic business (-4.2 million euros in EBIT) and -4.4 million euros in the contribution of international businesses (-4.0 million euros in EBIT);
- ii) decrease of 10.9 million euros in financial results (-30.7%) 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 2,568.0 million euros, a 4.2% increase (+104.1 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 3.0%.

NET INCOME (MILLIONS OF EUROS)	September 2024	September 2023	VAR. %
EBITDA	388.5	395.5	-1.8%
Depreciations and amortizations	190.0	188.7	0.7%
Financial results	-46.4	-35.5	-30.7%
Income tax expenses	39.5	46.8	-15.6%
Extraordinary levy on the energy sector ⁷	28.3	28.1	0.6%
Net income	84.2	96.2	-12.5%
Non-recurring items	-1.3	-1.8	-27.6%
Recurrent net income	82.9	94.5	-12.2%

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

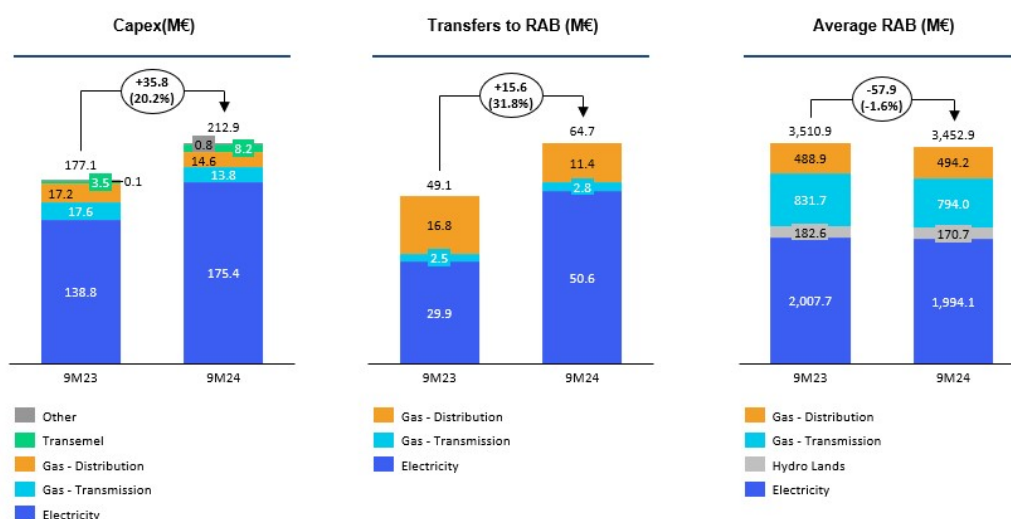
In the first 9 months of 2024, Capex reached 212.9 million euros, a 20.2% y.o.y. increase (+35.8 million euros), while transfers to RAB increased 15.6 million euros (+31.8%) to 64.7 million euros.

In electricity, investment was 175.4 million euros, a 26.4% increase (+36.6 million euros) over the first 9 months of 2023, and Transfers to RAB were 50.6 million euros, a y.o.y. increase of 20.7 million euros. It should be highlighted the investments in the 400kV Ferreira do Alentejo - Ourique - Tavira connection (25.6 million euros), the interconnection Minho-Galiza (20.3 million euros), Lisboa-Divor-Elvas axis (10.1 million euros), the power lines 400kV Batalha-Ribatejo (10.1 million euros) and 220kV Pocinho-Chafariz 1 and 2 (7.6 million euros).

In natural gas transmission, investment reached 13.8 million euros, a decrease of 3.8 million euros, and Transfers to RAB were 2.8 million euros (+0.3 million euros, +13.3%).

In natural gas distribution, investment was 14.6 million euros, 28% for new supply points and 56% with the expansion of the distribution network, a 2.5 million euros decrease, and transfers to RAB decreased 5.4 million euros (-32.2%) to stand at 11.4 million euros.

Average RAB was 3,452.9 million euros, a 57.9 million euros (-1.6%) y.o.y. decrease. In electricity, the average RAB (excluding lands) reached 1,994.1 million euros (-13.7 million euros, -0.7%), of which 911.2 million euros in assets remunerated at a premium rate of return, while lands amounted to 170.7 million euros (-11.9 million euros, -6.5%). In natural gas transmission, the average RAB was 794.0 million euros (-37.7 million euros, -4.5%), while in natural gas distribution the average RAB reached 494.2 million euros (+5.3 million euros, +1.1%).



1.3 QUARTERLY STATEMENTS OF PROFIT AND LOSS AND COMPREHENSIVE INCOME FOR THE PERIODS FROM 1 JULY TO 30 SEPTEMBER 2024 AND 2023

Consolidated statements of profit and loss (unaudited information)

(Amounts expressed in thousands of euros – teuros)

	01.07.2024 to 30.09.2024	01.07.2023 to 30.09.2023
Sales	68	105
Services rendered	165,526	161,293
Revenue from construction of concession assets	74,195	64,887
Gains from associates and joint ventures	3,237	2,959
Other operating income	7,884	6,442
Operating income	250,910	235,685
Cost of goods sold	(168)	(188)
Cost with construction of concession assets	(66,430)	(58,497)
External supplies and services	(33,488)	(24,681)
Employee compensation and benefit expense	(15,931)	(14,890)
Depreciation and amortizations	(63,563)	(62,957)
Provisions	(100)	(7)
Impairments	(94)	(94)
Other expenses	(4,995)	(4,663)
Operating costs	(184,769)	(165,978)
Operating results	66,141	69,707
Financial costs	(23,646)	(23,137)
Financial income	6,303	2,218
Investment income - dividends	(344)	17
Financial results	(17,686)	(20,902)
Profit before income taxes and ESEC	48,455	48,806
Income tax expense	(12,839)	(15,562)
Extraordinary contribution on energy sector (ESEC)	8	(33)
Net profit for the period	35,624	33,212
Attributable to:		
Equity holders of the Company	35,624	33,212
Non-controlled interest	-	-
Consolidated profit for the period	35,624	33,212
Earnings per share (expressed in euro per share)	0.05	0.05

Consolidated statements of comprehensive income (unaudited information)

(Amounts expressed in thousands of euros - teuros)

	01.07.2024 to 30.09.2024	01.07.2023 to 30.09.2023
Net Profit for the year	35,624	33,212
Items that will not be reclassified subsequently to profit or loss:		
Actuarial gains / (losses)	790	(593)
Tax effect on actuarial gains / (losses)	(237)	178
Items that will be reclassified subsequently to profit or loss:		
Exchange differences on translating foreign operations	(5,566)	(8,779)
Increase/(decrease) in hedging reserves - cash flow derivatives	(13,724)	(2,773)
Tax effect on hedging reserves	3,088	648
Gain/(loss) in fair value reserve - Investments in equity instruments at fair value through other comprehensive income	6,227	(2,214)
Tax effect on items recorded directly in equity	(1,526)	551
Other changes in equity	(8)	-
Comprehensive income for the year	24,668	20,229
Attributable to:		
Equity holders of the Company	24,668	20,229
Non-controlling interests	-	-
	24,668	20,229

2. CONSOLIDATED FINANCIAL STATEMENTS

CONSOLIDATED STATEMENTS OF FINANCIAL POSITION AS OF 30 SEPTEMBER 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	Sep 2024	Dec 2023
ASSETS			
Non-current assets			
Property, plant and equipment	5	123,141	121,110
Intangible assets	5	4,135,568	4,120,617
Goodwill	6	2,422	2,770
Investments in associates and joint ventures	7	170,819	171,879
Investments in equity instruments at fair value through other comprehensive income	9 and 10	142,460	135,741
Derivative financial instruments	9 and 12	33,245	45,745
Other financial assets	9	6,164	6,164
Trade and other receivables	9 and 11	152,750	93,211
Deferred tax assets	8	51,405	53,437
		4,817,974	4,750,674
Current assets			
Inventories		2,553	7,193
Trade and other receivables	9 and 11	405,699	721,129
Income tax recoverable	8 and 9	-	25,419
Derivative financial instruments	9 and 12	3,598	8,619
Asset related to the transitional gas price stabilization regime - Decree-Law 84-D/2022	32	3,495	228,789
Cash and cash equivalents	9 and 13	29,381	40,145
		444,726	1,031,294
Total assets	4	5,262,700	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	342,324	356,691
Retained earnings		285,901	238,478
Other changes in equity	14	(5,561)	(5,561)
Net profit for the period		84,221	149,236
Total equity		1,480,157	1,512,116
LIABILITIES			
Non-current liabilities			
Borrowings	9 and 16	1,531,656	2,022,701
Liability for retirement benefits and others	17	76,601	75,855
Derivative financial instruments	9 and 12	35,331	52,006
Provisions	18	9,909	10,016
Trade and other payables	9 and 19	487,835	480,077
Deferred tax liabilities	8	112,951	107,905
		2,254,284	2,748,560
Current liabilities			
Borrowings	9 and 16	1,033,246	710,941
Trade and other payables	9 and 19	464,532	572,961
Income tax payable	8 and 9	23,537	-
Liability related to the transitional gas price stabilization regime - Decree-Law 84-D/2022	32	3,495	228,789
Derivative financial instruments	9 and 12	3,449	8,601
		1,528,259	1,521,292
Total liabilities	4	3,782,543	4,269,852
Total equity and liabilities		5,262,700	5,781,968

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

The Accountant

The Board of Directors

CONSOLIDATED STATEMENTS OF PROFIT AND LOSS FOR THE NINE-MONTH PERIODS ENDED 30 SEPTEMBER 2024 AND 2023

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

	Notes	Sep 2024	Sep 2023
Sales	20	432	179
Services rendered	20	473,218	488,303
Revenue from construction of concession assets	21	203,829	173,561
Gains/(losses) from associates and joint ventures	7	9,093	9,984
Other operating income	22	27,124	22,679
Operating income		713,695	694,706
Cost of goods sold		(613)	(653)
Costs with construction of concession assets	21	(181,203)	(154,867)
External supplies and services	23	(79,968)	(75,140)
Personnel costs	24	(49,600)	(46,117)
Depreciation and amortizations	5	(190,026)	(188,721)
Provisions	18	(102)	(239)
Impairments	6 and 11	699	(283)
Other expenses	25	(18,154)	(17,573)
Operating costs		(518,968)	(483,593)
Operating results		194,727	211,113
Financial costs	26	(71,548)	(59,570)
Financial income	26	17,227	11,133
Investment income - dividends	10	11,655	8,542
Financial results		(42,666)	(39,895)
Profit before income tax and ESEC		152,060	171,218
Income tax expense	8	(39,537)	(46,842)
Energy sector extraordinary contribution (ESEC)	27	(28,302)	(28,134)
Consolidated profit for the period		84,221	96,242
Attributable to:			
Equity holders of the Company		84,221	96,242
Non-controlled interest		-	-
Consolidated profit for the period		84,221	96,242
Earnings per share (expressed in euro per share)	28	0.13	0.14

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

The Accountant

The Board of Directors

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

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

	Notes	Sep 2024	Sep 2023
Consolidated Profit for the period		84,221	96,242
Items that will not be reclassified subsequently to profit or loss:			
Actuarial gains/(losses) - gross of tax	17	426	1,454
Tax effect on actuarial gains/(losses)	8	(128)	(436)
Items that may be reclassified subsequently to profit or loss:			
Exchange differences on translating foreign operations		(7,371)	(5,429)
Increase/(decrease) in hedging reserves - cash flow derivatives	12	(15,388)	(8,940)
Tax effect on hedging reserves	8 and 12	3,462	1,996
Gain/(loss) in fair value reserve - Investments in equity instruments at fair value through other comprehensive income	10	6,718	(10,452)
Tax effect on items recorded directly in equity	8 and 10	(1,789)	2,500
Other changes in equity		36	139
Comprehensive income for the period		70,189	77,072
Attributable to:			
Equity holders of the company		70,189	77,072
Non-controlled interest		-	-
		70,189	77,072

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

The Accountant

The Board of Directors

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

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

Changes in the year	Notes	Attributable to shareholders							Other changes in equity (Note 14)	Retained earnings	Profit for the year	Total
		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)				
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		-	-	-	-	(7,952)	(6,944)	(5,476)	-	1,203	96,242	77,072
Transfer to other reserves		-	-	-	5,676	-	-	-	-	106,095	(111,771)	-
Distribution of dividends	29	-	-	-	-	-	-	-	-	(102,150)	-	(102,150)
At 30 September 2023		667,191	(10,728)	116,809	141,378	37,164	52,574	150,252	(5,561)	247,133	96,242	1,492,454
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		-	-	-	-	4,930	(11,927)	(7,371)	-	336	84,221	70,189
Transfer to other reserves		-	-	-	-	-	-	-	-	149,236	(149,236)	-
Distribution of dividends	29	-	-	-	-	-	-	-	-	(102,150)	-	(102,150)
At 30 September 2024		667,191	(10,728)	116,809	141,378	44,391	25,145	131,411	(5,561)	285,901	84,221	1,480,157

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

The Accountant

The Board of Directors

CONSOLIDATED STATEMENTS OF CASH FLOW FOR THE NINE-MONTH PERIODS ENDED 30 SEPTEMBER 2024 AND 2023

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

	Notes	Sep 2024	Sep 2023
Cash flow from operating activities:			
Cash receipts from customers		1,777,173 a)	1,455,729 a)
Cash paid to suppliers		(1,225,956) a)	(1,727,762) a)
Cash paid to employees		(62,599)	(59,016)
Income tax received/paid		20,205	(17,382)
Other receipts / (payments) relating to operating activities		(46,615)	121,421
Net cash flows from operating activities (1)		462,207	(227,010)
Cash flow from investing activities:			
Receipts related to:			
Investments in associates	7	400	231
Investment grants		30,832	50,705
Dividends		13,253	21,006
Payments related to:			
Property, plant and equipment		(8,748)	(3,512)
Intangible assets		(202,591)	(161,688)
Net cash flow used in investing activities (2)		(166,854)	(93,257)
Cash flow from financing activities:			
Receipts related to:			
Borrowings		4,812,000	2,040,500
Interests and other similar income		907	3,014
Payments related to:			
Borrowings		(4,994,849)	(1,935,154)
Interests and other similar expense		(60,573)	(50,905)
Leasings		(2,070)	(1,841)
Interests of leasings		(171)	(78)
Dividends	29	(59,698)	(59,698)
Net cash from / (used in) financing activities (3)		(304,454)	(4,162)
Net (decrease) / increase in cash and cash equivalents (1)+(2)+(3)		(9,100)	(324,429)
Effect of exchange rates		(1,665)	(1,437)
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	29,381	39,426
Detail of cash and cash equivalents			
Cash	13	22	21
Bank deposits	13	29,359	39,405
The transitional gas price stabilization regime - Decree-Law 84-D/2022	13	-	-
		29,381	39,426

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 nine-month period ended 30 September 2024.

The Accountant

The Board of Directors

3. NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS AS OF 30 SEPTEMBER 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 September 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 September 2024 and 31 December 2023:

Designation / adress	Country	Activity	Sep 2024		Dec 2023	
			% Owned		% Owned	
			Group	Individual	Group	Individual
Parent company:						
REN - Redes Energéticas Nacionais, SGPS, 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, nº7 - 12º 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 -12º - 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 developement, 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 Aerio 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

- September 2024

There were no changes to the consolidation perimeter in 2024 compared to that reported on 31 December 2023 and to 30 September 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 14 November 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 nine-month period ended 30 September 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 nine-month period ended on 30 September 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.
IFRS 1, IFRS 7, IFRS 9, IFRS 10 e IAS 7 - Annual Improvements to IFRS Accounting Standards	01/jan/26	The objective of this annual publication is to improve some of the existing standards. In this case were considered 5 standards (IFRS 1, IFRS 7, IFRS 9, IFRS 10, IAS 7) for which some changes and improvements are made.

These standards have not yet been endorsed by the European Union and, as such, have not been applied by the Group for the nine-month period ended 30 September 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 nine-month period ended 30 September 2024 were as follows:

	Electricity	Gas	Telecommunications	Others	Eliminations	Consolidated
Sales and services provided	320,991	152,857	6,182	35,316	(41,696)	473,650
Inter-segments	1,233	5,611	-	34,853	(41,696)	-
Revenues from external customers	319,758	147,246	6,182	463	-	473,650
Revenue from construction of concession assets	175,429	28,400	-	-	-	203,829
Cost with construction of concession assets	(159,372)	(21,831)	-	-	-	(181,203)
Gains / (losses) from associates and joint ventures	-	-	-	9,093	-	9,093
External supplies and services	(76,492)	(36,632)	(2,213)	(11,189)	46,558	(79,968)
Personnel costs	(15,863)	(9,688)	(310)	(23,740)	-	(49,600)
Other expenses and operating income	15,215	(1,689)	(146)	(162)	(4,861)	8,357
Operating cash flow	259,908	111,418	3,514	9,317	-	384,156
Investment income - dividends	-	64	-	11,591	-	11,655
Non reimbursable expenses						
Depreciation and amortizations	(128,416)	(61,467)	-	(143)	-	(190,026)
Provisions	(102)	-	-	-	-	(102)
Impairments	-	982	-	(283)	-	699
Financial results						
Financial income	11,476	1,954	382	97,752	(94,337)	17,227
Financial costs	(14,595)	(18,304)	(2)	(132,984)	94,337	(71,548)
Profit before income tax and ESEC	128,271	34,646	3,893	(14,750)	-	152,060
Income tax expense	(33,932)	(8,943)	(870)	4,208	-	(39,537)
Energy sector extraordinary contribution (ESEC)	(18,175)	(10,127)	-	-	-	(28,302)
Profit for the period	76,164	15,576	3,023	(10,542)	-	84,221

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

	Electricity	Gas	Telecommunications	Others	Eliminations	Consolidated
Sales and services provided	320,692	164,189	5,995	30,247	(32,642)	488,482
Inter-segments	1,088	1,555	-	29,999	(32,642)	-
Revenues from external customers	319,605	162,634	5,995	248	-	488,482
Revenue from construction of concession assets	138,781	34,781	-	-	-	173,561
Cost with construction of concession assets	(125,203)	(29,664)	-	-	-	(154,867)
Gains / (losses) from associates and joint ventures	-	-	-	9,984	-	9,984
External supplies and services	(70,150)	(30,162)	(1,921)	(9,227)	36,320	(75,140)
Personnel costs	(15,358)	(9,525)	(243)	(20,990)	-	(46,117)
Other expenses and operating income	8,727	(575)	(64)	44	(3,678)	4,453
Operating cash flow	257,489	129,044	3,767	10,057	-	400,357
Investment income - dividends	-	-	-	8,542	-	8,542
Non reimbursable expenses						
Depreciation and amortizations	(125,248)	(63,328)	(0)	(145)	-	(188,721)
Provisions	(239)	-	-	-	-	(239)
Impairments	-	-	-	(283)	-	(283)
Financial results						
Financial income	11,597	4,831	283	102,387	(107,964)	11,133
Financial costs	(29,887)	(21,099)	(3)	(116,546)	107,964	(59,570)
Profit before income tax and ESEC	113,712	49,449	4,046	4,012	-	171,218
Income tax expense	(32,306)	(13,996)	(967)	427	-	(46,842)
Energy sector extraordinary contribution (ESEC)	(17,817)	(10,317)	-	-	-	(28,134)
Profit for the period	63,589	25,135	3,079	4,439	-	96,242

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 nine-month period ended 30 September 2024 were as follows:

	Electricity	Gas	Telecommunications	Others	Eliminations	Consolidated
Segment assets						
Group investments held	-	1,118,856	-	3,551,708	(4,670,565)	-
Property, plant and equipment and intangible assets	2,831,191	1,427,000	1	517	-	4,258,709
Other assets	584,078	184,773	19,452	4,414,234	(4,198,546)	1,003,991
Total assets	3,415,270	2,730,629	19,452	7,966,460	(8,869,111)	5,262,700
Total liabilities	1,259,671	956,608	11,182	5,753,628	(4,198,546)	3,782,543
Capital expenditure - total	183,631	28,999	-	233	-	212,863
Capital expenditure - property, plant and equipment (Note 5)	8,202	599	-	233	-	9,034
Capital expenditure - intangible assets (Note 5)	175,429	28,400	-	-	-	203,829
Investments in associates (Note 7)	-	-	-	168,124	-	168,124
Investments in joint ventures (Note 7)	-	-	-	2,696	-	2,696

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 nine-month period ended 30 September 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	-	216	24	-	8,794	9,034	3,070	200,759	-	203,829
Disposals, write-offs, impairments and other reclassifications	-	(309)	(37)	-	-	(345)	(2,778)	-	-	(2,778)
Transfers	-	-	-	-	-	-	62,084	(62,084)	-	-
Exchange rate differences	(4,233)	-	(9)	(5)	(522)	(4,770)	-	-	(1,817)	(1,817)
At 30 September 2024	110,012	817	841	1,367	25,433	138,471	9,065,667	364,000	53,616	9,483,284
Accumulated depreciation:										
At 1 January 2024	(12,402)	(498)	(523)	(17)	-	(13,441)	(5,162,478)	-	(954)	(5,163,432)
Depreciation charge	(2,853)	(133)	(38)	(7)	-	(3,031)	(186,723)	-	(271)	(186,995)
Depreciation of disposals, impairments, write-offs and other reclassifications	-	286	36	-	-	322	2,676	-	-	2,676
Exchange rate differences	815	-	7	-	-	822	-	-	36	36
At 30 September 2024	(14,441)	(344)	(518)	(25)	-	(15,329)	(5,346,525)	-	(1,190)	(5,347,716)
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 September 2024	95,572	473	323	1,342	25,433	123,141	3,719,143	364,000	52,426	4,135,568

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 September 2024 and 31 December 2023 are made up as follows:

	Sep 2024	Dec 2023
Electricity segment:		
Power line construction (220 KV, 150 KV and others)	23,004	31,015
Power line construction (400 KV)	85,017	90,789
Construction of new substations	13,626	10,632
Substation Expansion	37,067	60,859
Other renovations in substations	3,012	4,058
Telecommunications and information system	5,943	7,530
Pilot zone construction - wave energy	145	190
Buildings related to concession	2,582	5,188
Transmission and transformation of electricity in Chile	8,202	5,061
Other assets	5,034	33,075
Gas segment:		
Expansion and improvements to gas transmission network	9,171	17,094
Construction project of cavity underground storage of gas in Pombal	1,061	1,406
Construction project and operating upgrade - LNG facilities	3,525	9,655
Gas distribution projects	14,642	24,632
Others segments:		
Other assets	832	329
Total of additions	212,863	301,512

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

	Sep 2024	Dec 2023
<i>Electricity segment:</i>		
Power line construction (220 KV, 150 KV and others)	13,190	25,502
Power line construction (400 KV)	18,268	46,214
Substation Expansion	15,795	53,839
Other renovations in substations	1,436	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	1,668	16,502
Construction project of cavity underground storage of gas in Pombal	377	1,541
Construction project and operating upgrade - LNG facilities	332	5,211
Gas distribution projects	11,018	28,039
Total of transfers	62,084	200,358

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

	Sep 2024	Dec 2023
<i>Electricity segment:</i>		
Power line construction (400 KV, 220 KV, 150 KV and others)	212,890	136,611
Substation Expansion	62,483	43,372
New substations projects	28,330	14,704
Buildings related to concession	6,215	3,647
Transmission and transformation of electricity in Chile	24,832	17,002
Other projects	18,307	5,264
<i>Gas segment:</i>		
Expansion and improvements to natural gas transmission network	17,006	9,905
Construction project of cavity underground storage of gas in Pombal	3,633	2,949
Construction project and operating upgrade - LNG facilities	8,836	5,702
Gas distribution projects	6,301	3,328
	599	-
Total of assets in progress	389,432	242,485

Borrowing costs capitalized on intangible assets in progress in the period ended 30 September 2024 amounted to 5,161 thousand euros (5,575 thousand euros as of 31 December 2023), while overhead and management costs capitalized amounted to 17,465 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 September 2024 and 31 December 2023 was as follows:

	Sep 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	2,436	-	2,436	3,350	-	3,350
Disposals and write-offs	(1,019)	1,001	(18)	(2,298)	2,142	(156)
Depreciation charge	-	(1,746)	(1,746)	-	(1,989)	(1,989)
Final value	10,664	(5,110)	5,553	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 September 2024 and 31 December 2023 is detailed as follows:

Subsidiaries	Year of acquisition	Acquisition cost	%	Sep 2024	Dec 2023
REN Atlântico, Terminal de GNL, S.A.	2006	32,580	100%	472	755
REN Portgás Distribuição, S.A.	2017	503,015	100%	-	-
Empresa de Transmisión Eléctrica Transemel, S.A.	2019	155,482	100%	1,950	2,015
				2,422	2,770

The movement for the periods ended on 30 September 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 September 2024
REN Atlântico, Terminal de GNL, S.A.	1,133	-	(377)	-	755	-	(283)	-	472
REN Portgás Distribuição, S.A.	1,235	-	(1,235)	-	-	-	-	-	-
Empresa de Transmisión Eléctrica Transemel, S.A.	2,147	-	-	(132)	2,015	-	-	(65)	1,950
	4,515	-	(1,612)	(132)	2,770	-	(283)	(65)	2,422

7 INVESTMENTS IN ASSOCIATES AND JOIN VENTURES

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

30 September 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	686	29,753	289	-	1,290	865	30,149	40	11,853	351
Electrogas, S.A.	Gas transportation	Chile	18,994	13,895	23,214	3,547	4,850	35,254	20,625	28,711	42.5	156,271	8,765
												168,124	9,117
Joint venture:													
Centro de Investigação em Energia REN - STATE GRID, S.A.	Research & development	Lisbon	3,000	6,102	38	734	8	1,226	(48)	5,398	50	2,696	(24)
												170,819	9,093
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 September 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	9,117
Currency translation reserves	(2,046)
Dividends of Electrogas	(7,705)
Receipt of supplementary obligations of OMIP	(400)
At 30 September 2024	168,124

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 September 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	(24)
Dividends distribution	(2)
At 30 September 2024	2,696

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

	30 September 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.	5,321	7	8	(26)	19	(4)	(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 September 2024 and 31 December 2023.

In the nine-month period ended 30 September 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 September 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 September 2024 and 30 September 2023 was as follows:

	Sep 2024	Sep 2023
Current income tax	32,434	28,390
Adjustments of income tax from previous years	(1,843)	(1,329)
Deferred income tax	8,946	19,782
Income tax	39,537	46,842

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

	Sep 2024	Sep 2023
Consolidated profit before income tax	152,060	171,218
<u>Permanent differences:</u>		
Non deductible/taxable costs/income	25,252	2,452
<u>Timing differences:</u>		
Tariff deviations	(34,585)	(79,416)
Provisions and impairment	(247)	(1,367)
Revaluations	(5,576)	(4,448)
Pension, helthcare assistance and life insurance plans	289	469
Derivative financial instruments	513	635
Others	1,184	944
Taxable income	138,890	90,487
Income tax	24,445	19,039
State surcharge tax	5,220	8,643
Municipal surcharge	2,297	227
Autonomous taxation	472	482
Current income tax	32,434	28,390
Deferred income tax	8,946	19,782
Adjustments of income tax from previous years	(1,843)	(1,329)
Income tax	39,537	46,842
Effective tax rate	26.0%	27.4%

Income tax

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

	Sep 2024	Dec 2023
Income tax:		
Corporate income tax - estimated tax	(32,434)	(20,179)
Corporate income tax - payments on account	7,081	42,441
Income withholding tax by third parties	1,781	3,009
Income recoverable / (payable)	36	147
Income tax recoverable	(23,537)	25,419

Deferred taxes

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

	Sep 2024	Dec 2023
Impact on the statement of profit and loss:		
Deferred tax assets	(1,978)	(19,950)
Deferred tax liabilities	(6,968)	(4,206)
	(8,946)	(24,156)
Impact on equity:		
Deferred tax assets	(53)	3,584
Deferred tax liabilities	1,922	11,365
	1,869	14,949
Net impact of deferred taxes	(7,077)	(9,207)

The changes in deferred tax by nature were as follows:

Change in deferred tax assets – September 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	-	(128)	-	-	-	75	(53)
Reversal through profit and loss	(42)	-	(886)	-	(1,466)	(388)	(2,782)
Increase through profit and loss	-	356	355	93	-	-	804
Change in the period	(42)	228	(531)	93	(1,466)	(313)	(2,031)
At 30 September 2024	2,313	22,954	16,152	(2,423)	9,348	3,061	51,405

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 September 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 – September 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	-	-	-	1,789	(3,462)	-	(1,673)
Reversal through profit and loss	-	(1,270)	(1,420)	-	-	794	(1,896)
Increase through profit and loss	8,864	-	-	-	-	-	8,864
Exchange rate differences	-	-	-	-	-	(249)	(249)
Change in the period	8,864	(1,270)	(1,420)	1,789	(3,462)	545	5,046
At 30 September 2024	44,749	13,335	43,442	6,139	7,225	(1,939)	112,951

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:

- September 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	-	-	-	29,381	29,381	29,381
Trade and other receivables	11	558,449	-	-	-	558,449	558,449
Other financial assets		-	-	6,000	164	6,164	6,164
Investments in equity instruments at fair value through other comprehensive income	10	-	142,460	-	-	142,460	142,460
Derivative financial instruments	12	-	-	36,843	-	36,843	36,843
Assets related to the transitional gas price stabilization regime - Decree-Law 84-D/2022	32	-	-	-	3,495	3,495	3,495
		558,449	142,460	42,843	33,040	776,791	776,791
Liabilities							
Borrowings	16	-	-	-	2,564,902	2,564,902	2,555,063
Trade and other payables	19	-	-	-	493,744	493,744	493,744
Income tax payable	8	-	-	-	23,537	23,537	23,537
Derivative financial instruments	12	-	38,781	-	-	38,781	38,781
Liability related to the transitional gas price stabilization regime - Decree-Law 84-D/2022	32	-	-	-	3,495	3,495	3,495
		-	38,781	-	3,085,678	3,124,459	3,114,620

- 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 hedges (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 3.4100% and 2.3859% (maturities of one day and twelve years, respectively).

The fair value of borrowings contracted by the Group at 30 September 2024 is 2,555,063 thousand euros (at 31 December 2023 was 2,716,843 thousand euros), of which 567,487 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 September 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 nine-month period ended 30 September 2024, there was no transfer of financial assets and liabilities between fair value hierarchy levels.

		Sep 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	94,597	-	44,267	138,863	80,735	-	51,410	132,145
Financial assets at fair value	Cash flow hedge derivatives	-	36,843	-	36,843	-	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
		94,597	36,843	44,267	175,706	86,735	54,363	51,410	192,508
Liabilities:									
Financial liabilities at fair value	Loans	-	567,487	-	567,487	-	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	-	38,781	-	38,781	-	52,006	-	52,006
		-	606,268	-	606,268	-	614,334	-	614,334

During the nine-month period ended 30 September 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 nine-month period ended on 30 September 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 September 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 September 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	Sep 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%	94,597	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
				142,460	135,741

The changes in this caption were as follows:

	OMEL	HCB	Redeia	Coreso	MIBGÁS	MIBGÁS Derivatives	HyLab	Total
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)	13,862	-	-	-	-	6,718
At 30 September 2024	3,167	44,267	94,597	164	202	49	15	142,460

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 September 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 September 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 September 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 September 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 September 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 September 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	6,718
Tax effect	(1,789)
30 September 2024	44,391

The amount of 11.655 thousand euros recognized in the nine month consolidated income statement ended on 30 September 2024, refers to dividends from shareholdings held by the Group.

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

	Sep 2024	Sep 2023
Redeia Corporación S.A.	3,938	3,938
Hidroeléctrica de Cahora Bassa, S.A	7,584	4,517
Mibgás	64	-
OMEL - Operador del Mercado Ibérico de Energía (Pólo Espanhol)	68	69
	11,655	8,524

The cash flow statements includes the amount of 5,547 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 September 2024 and 31 December 2023 are made up as follows:

	Sep 2024			Dec 2023		
	Current	Non-current	Total	Current	Non-current	Total
Trade receivables	306,543	843	307,385	361,825	2,292	364,116
Impairment of trade receivables	(3,209)	-	(3,209)	(4,195)	-	(4,195)
Trade receivables net	303,334	843	304,176	357,630	2,292	359,921
Tariff deviations	101,688	151,907	253,596	313,076	90,920	403,996
State and Other Public Entities	677	-	677	50,423	-	50,423
Trade and other receivables	405,699	152,750	558,449	721,129	93,211	814,341

The most relevant balances included in the trade and other receivables caption as of 30 September 2024 are: (i) the receivable of E-Redes Distribuição de Eletricidade, S.A. in the amount of 98,670 thousand euros (37,732 thousand euros at 31 December 2023), (ii) the receivable of Galp Gás Natural, S.A., in the amount of 5,247 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 5,377 thousand euros (242 thousand euros at 31 December 2023), (iv) the receivable of EDP – Energias de Portugal, S.A., in the amount of 1,311 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 61,304 thousands euros regarding Social Tariff, not yet invoiced by 30 September 2024.

In the trade and other receivables at 30 September 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 26,718 thousand euros (65,928 thousand euros at 31 December 2023), the amount to invoice to E-Redes Distribuição de Eletricidade, S.A., of 6,879 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:

	Sep 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 September 2024 and 31 December 2023, the REN Group had the following derivative financial instruments:

		30 September 2024			
		Assets		Liabilities	
		Current	Non-current	Current	Non-current
Notional					
Derivatives designated as cash flow hedges					
Interest rate swaps	900,000 tEUR	3,598	33,245	-	-
		3,598	33,245	-	-
Derivatives designated as fair value hedges					
Interest rate swaps	600,000 tEUR	-	-	3,449	35,331
		-	-	3,449	35,331
Derivative financial instruments		3,598	33,245	3,449	35,331

		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 September 2024 related to these financial instruments, in the net amount payable of 1,084 thousand euros (at 31 December 2023 it was 1,591 thousand euros payable).

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

	Notional	Currency	REN pays	REN receives	Maturity	Fair value at	
						Sep 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]	36,843	53,492
Currency ans interest rate swaps	10,000,000 tJPY	EUR/JPY	[Euribor 6m; + 2.19%]	[2.71%]	[jun-2024]	-	(8,601)
						36,843	44,891
Fair value hedge:							
Interest rate swaps	300,000 tEuros	EUR	[Euribor 6m]	[0.611%; 0.6285%]	[feb-2025]	(3,449)	(11,748)
Interest rate swaps	300,000 tEuros	EUR	[Euribor 6m]	[-0.095%]	[apr-2029]	(35,331)	(40,258)
						(38,781)	(52,006)
Trading:							
Interest rate swaps	60,000 tEuros	EUR	[0.99%]	[Euribor 6m]	[jun-2024]	-	871
						-	871
					Total	(1,938)	(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 fair value hedging contracts.

The breakdown of the notional of derivatives on 30 September 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 September 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 September 2024, is positive 36,843 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 32,110 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 - Sep 2024	Hedged carrying amount - Dec 2023	Note
Cash flow hedging instruments						
European Investment Bank (EIB) Loan	16/12/2024	300,000 tEuros	Euribor 3m	301,693	301,068	16
Bond Issue (Euro Medium Term Notes) ¹	12/02/2025	300,000 tEuros	2.5%	304,602	306,281	16
Bond Issue (Euro Medium Term Notes) ²	16/04/2029	300,000 tEuros	0.50%	299,217	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 September 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:

- September 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	(17,158)	(17,158)	-	-
Swaps of exchange rate and interest rate	8,551	1,770	(2,151)	8,932
	(8,607)	(15,388)	(2,151)	8,932

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

⁸ The currency effect of the underlying (loan), as at 30 September 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 September 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 September 2023 it was positive 1,487 thousand Euros against negative 724 thousand Euros of the effect of the trading derivative). Therefore, the net effect on the income statement for the period ended on 30 September 2024 amounted to negative 2,993 thousand Euros (as of 30 September 2023 was positive 764 thousand Euros).

- September 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	(6,688)	(6,688)	-	-
Swaps of exchange rate and interest rate	(8,537)	(2,182)	1,487	(7,842)
Non-Deliverable Forward	50	314	-	(264)
	(15,175)	(8,556)	1,487	(8,106)

⁽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	(15,388)	3,462	(11,926)
30 September 2024	32,370	(7,224)	25,145

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 September 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 September 2024, the fair value of interest rate swaps designated as fair value hedging instruments was negative 38,781 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:

- September 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%	301,833	2,769	(6,132)	16
Bond Issue (Euro Medium Term Notes)	16/04/2029	300,000 tEuros	0.50%	269,473	29,744	(7,628)	16
					32,513	(13,760)	

- September 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%	290,873	13,437	(3,547)	16
Bond Issue (Euro Medium Term Notes)	16/04/2029	300,000 tEuros	0.50%	246,620	52,276	(3,623)	16
					65,713	(7,171)	

As of 30 September 2024, the change in fair value of the debt related to interest rate risk recognized in the income statement was negative 13,760 thousand euros (at 30 September 2023 it was negative 7,171 thousand euros), resulting in an ineffective component, after considering the effect of the hedged items in the income statement, of approximately negative 513 thousand euros (at 30 September 2023 it was negative 635 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:

- September 2024

Fair value hedging instruments	Hedging inefficiency recorded in profit for the year
Swaps of interest rate	(513)

- September 2023

Fair value hedging instruments	Hedging inefficiency recorded in profit for the year
Swaps of interest rate	(635)

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 September 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 September 2024, related to the effect of the fair value of the trading derivative was negative 842 thousand euros (as of 30 September 2023 it was 724 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 September 2024 and 31 December 2023 are made up as follows:

	Sep 2024	Dec 2023
Cash	22	8
Bank deposits	29,359	40,137
Cash and cash equivalents in the statement of financial position	29,381	40,145
The transitional gas price stabilization regime - Decree-Law 84-D/2022 (Note 32)	-	-
Cash and cash equivalents in cash flow statement	29,381	40,145

In the years ended 30 September 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 September 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.

	Sep 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 September 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 September 2024 amounted to 116,809 thousand euros.

At 30 September 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 September 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 342,324 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 September 2024 this caption amounts to 141,378 thousand euros;
- **Fair value reserve:** includes changes in the fair value of available for sale financial assets (44,391 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 25,145 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 September 2024, this caption amounts to 131,411 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 September 2024 and 31 December 2023 was as follows:

	Sep 2024			Dec 2023		
	Current	Non-current	Total	Current	Non-current	Total
Bonds	500,000	865,393	1,365,393	63,967	1,053,012	1,116,979
Bank Borrowings	69,101	369,280	438,381	68,821	419,479	488,300
Commercial Paper	446,000	300,000	746,000	556,000	550,000	1,106,000
Leases	1,872	3,474	5,346	1,720	3,282	5,001
	1,016,973	1,538,147	2,555,120	690,508	2,025,773	2,716,281
Accrued interest	20,638	-	20,638	22,796	-	22,796
Prepaid interest	(4,366)	(6,491)	(10,856)	(2,363)	(3,072)	(5,435)
Borrowings	1,033,246	1,531,656	2,564,902	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	-	19,474	356,167	85,538	309,502	767,466	1,538,147
Debt - Current	465,241	551,732	-	-	-	-	1,016,973
	465,241	571,206	356,167	85,538	309,502	767,466	2,555,120

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

30 September 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 September 2024, the Group has eleven commercial paper programs in the amount of 2,125,000 thousand euros, of which 1,379,000 thousand euros are available for utilization. Of the total amount 950,000 thousand euros have a guaranteed

placement. As of 30 September 2024, an amount of 650,000 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 September 2024, the borrowings from EIB amounted to 403,381 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 13,760 thousand euros (negative) (at 30 September 2023 was 7,171 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 September 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 September 2024 and 2.49% in 31 December 2023.

Leases

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

	Sep 2024	Dec 2023
Lease liabilities - minimum lease payments		
No later than 1 year	2,066	1,915
Later than 1 year and no later than 5 years	3,679	3,492
	5,744	5,406
Future finance charges on leases	(399)	(405)
Present value of lease liabilities	5,346	5,001
	Sep 2024	Dec 2023
The present value of lease liabilities is as follows		
No later than 1 year	1,872	1,720
Later than 1 year and no later than 5 years	3,474	3,282
	5,346	5,001

17 POS-EMPLOYMENT BENEFITS AND OTHERS BENEFITS

REN – Rede Eléctrica 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 September 2024 and 31 December 2023, the Group had the following amounts recorded relating to liabilities for retirement and other benefits:

	Sep 2024	Dec 2023
Liability on statement of financial position		
Pension plan	38,855	38,511
Healthcare plan and other benefits	37,746	37,344
	76,601	75,855

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

	Sep 2024	Dec 2023
Initial balance	75,855	64,939
Current service costs and Net interest on net defined benefit	3,485	4,220
Actuarial gains/(losses):		
- impact on the statement of profit and loss	-	17
- impact on equity	(426)	10,963
Benefits paid	(2,313)	(4,284)
Final balance	76,601	75,855

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

	Sep 2024	Sep 2023
Charges to the statement of profit and loss (Note 24)		
Pension plan	2,297	2,039
Healthcare plan and other benefits	1,188	1,126
	3,485	3,165

The amounts reported at 30 September 2024 and 2023 result from the projection of the actuarial valuation made on 31 December 2023 and 2022, for the nine-month periods ending 30 September 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 September 2024 and 31 December 2023 were as follows:

	Sep 2024	Dec 2023
Beginning balance	10,016	10,576
Reclassifications	(22)	693
Increases	102	3,241
Reversing	-	(2,430)
Utilization	(187)	(2,064)
Ending balance	9,909	10,016

At 30 September 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 September 2024 and 31 December 2023 was made up as follows:

	Sep 2024			Dec 2023		
	Current	Non current	Total	Current	Non current	Total
Trade payables						
Current suppliers	240.365	-	240.365	352.089	-	352.089
Other creditors						
Other creditors	43.657	31.242	74.899	21.516	32.724	54.240
Tariff deviations	16.591	27.452	44.043	52.009	24.522	76.531
Fixed assets suppliers	63.167	-	63.167	72.373	-	72.373
Trade receivables advances (guarantees)	12.736	-	12.736	12.736	-	12.736
Tax payables (i)	37.877	-	37.877	18.853	-	18.853
Deferred income						
Grants related to assets	20.754	328.410	349.164	21.515	284.487	306.002
Bilateral agreements	-	99.166	99.166	-	136.585	136.585
Others	21.465	1.564	23.029	15.291	1.760	17.051
Accrued costs						
Holidays and holidays subsidies	7.920	-	7.920	6.577	-	6.577
Trade and other payables	464.532	487.835	952.367	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 17,277 thousand euros of investment projects not yet invoiced (25,209 thousand euros at 31 December 2023); (ii) the amount of 26,718 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 6,879 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 78,564 thousands euros of E-Redes Distribuição de Electricidade, S.A. (145,425 thousands euros at 31 December 2023); (v) the amount of 18,632 thousands euros of Empresa de Electricidade da Madeira, S.A. (17,302 thousands euros at 31 December 2023); (vi) the amount of 16,399 thousands euros of Electricidade dos Açores, S.A. (17,007 thousands euros at 31 December 2023) and (vii) the amount of 12,169 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 9,187 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 28,510 thousand euros (Note 27) (at 30 September 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 nine-month period ended 30 September 2024 and 2023 is made up as follows:

	Sep 2024	Sep 2023
Goods:		
Domestic market	432	179
	432	179
Services - Domestic market:		
Electricity transmission and overall systems management	307,642	303,382
Gas transmission	62,392	50,581
Gas distribution	46,345	42,677
Underground gas storage	21,361	21,360
Regasification	17,148	48,015
Telecommunications network	5,750	5,817
Trading	603	716
Others	414	135
Services - External market (Chile):		
Transmission and transformation of electricity	11,562	15,620
	473,218	488,303
Total sales and services rendered	473,650	488,482

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 September 2024 and 2023 were made up as follows:

	Sep 2024	Sep 2023
Revenue from construction of concession assets		
Acquisitions	181,203	154,867
Own work capitalised :		
Financial expenses (Note 5)	5,161	3,506
Overhead and management costs (Note 5)	17,465	15,189
	203,829	173,561
Cost of construction of concession assets		
Acquisitions	181,203	154,867
	181,203	154,867

22 OTHER OPERATING INCOME

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

	Sep 2024	Sep 2023
Recognition of investment subsidies in profit and loss	13.802	13.584
Supplementary income	6.138	1.165
Underground occupancy tax	4.637	4.776
Disposal of unused materials	144	1.077
Others	2.403	2.078
	27.124	22.679

23 EXTERNAL SUPPLIES AND SERVICES

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

	Sep 2024	Sep 2023
Cross border interconnection costs i)	25.252	31.753
Fees relating to external entities ii)	14.052	13.160
Costs of end PPA- Pass through iii)	11.022	-
Maintenance costs	8.947	10.018
Gas transport subcontracts	4.914	4.554
Electric energy costs	4.619	4.645
Insurance costs	3.673	3.780
Security and surveillance	1.946	1.732
Travel and transportation costs	1.140	1.139
Advertising and communication costs	511	564
Other	3.893	3.796
External supplies and services	79.968	75.140

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.

iii) The costs with Turbogás resulting from the end of PPA at end of March 2024.

24 PERSONNEL COSTS

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

	Sep 2024	Sep 2023
Remuneration:		
Board of directors	2,520	2,284
Personnel	34,308	32,182
	36,828	34,466
Social charges and other expenses:		
Social security costs	7,156	6,700
Post-employment and other benefits cost (Note 17)	3,485	3,165
Social support costs	1,886	1,575
Other	246	210
	12,772	11,651
Total personnel costs	49,600	46,117

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 nine-month period ended 30 September 2024 and 2023 are made up as follows:

	Sep 2024	Sep 2023
ERSE operating costs i)	10,342	9,750
Underground occupancy tax	4,637	4,798
Donations and quotizations	1,616	1,533
Others	1,559	1,491
	18,154	17,573

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 nine-month period ended 30 September 2024 and 2023 are made up as follows:

	Sep 2024	Sep 2023
Financial costs		
Interest on commercial paper issued	23,308	12,208
Interest on bonds issued	21,124	22,531
Other borrowing interests	17,514	12,194
Derivative financial instruments	2,987	443
Exchange rate differences	948	1,100
Other financing expenditure	5,668	11,095
	71,548	59,570
Financial income		
Other financial investments	13,805	6,129
Interest income	3,402	4,873
Exchange rate differences	20	60
Derivative financial instruments	-	72
	17,227	11,133

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 28,510 thousand euros (Note 19) (for the nine-month period ended 30 September 2023 was 28,134 thousand euros) against a cost in the statement of profit and loss.

In the nine-month period ending on 30 September 2024, the ECES item in the income statement, in the amount of 28,302 thousand euros (28,134 thousand euros on 30 September 2023), includes the amount of 207 thousand euros (positive), regarding to the regularization of ECES from previous years.

28 EARNINGS PER SHARE

Earnings per share were calculated as follows:

		Sep 2024	Sep 2023
Consolidated net profit used to calculate earnings per share	(1)	84,221	96,242
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)	0.13	0.14

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 September 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 September 2024 and 31 December 2023, the REN Group had given the following bank guarantees:

Beneficiary	Scope	Sep 2024	Dec 2023
European Investment Bank	To guarantee loans	159,198	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
Portuguese State	Guarantee for litigation	2,514	2,514
Municipal Council of Maia	Guarantee for litigation	1,564	1,564
Municipal Council of Seixal	Guarantee for litigation	1,316	3,133
Municipal Council of Odivelas	Guarantee for litigation	1,119	1,119
Infraestruturas de Portugal	Guarantee for litigation	818	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
		220,773	251,505

31 RELATED PARTIES

Main shareholders

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

	Sep 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	53,862,399	8.1%	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	293,693,687	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 nine-month period ended 30 September 2024 amounted to 2.283 thousand euros (1,999 thousand euros at 30 September 2023), as shown in the following table:

	Sep 2024	Sep 2023
Remuneration and other short term benefits	1,364	1,239
Management bonuses (estimate)	919	761
	2,283	1,999

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

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

In the nine-month period ending on 30 September 2024, the members of the Board of Directors and Members of the Commission, João Faria Conceição and Gonçalo Morais Soares, according to the company policy, made an acquisition of a tangible fixed asset (transport equipment – vehicle) from the Group. The acquisitions made correspond to one transport equipment, each being allocated 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 nine-month periods ended 30 September 2024 and 2023, Group REN carried out the following transactions with reference shareholders, qualified shareholders and related parties:

Revenue

	Sep 2024	Sep 2023
Sales and services provided		
Invoicing issued - Redeia Corporación S.A.	682	4,244
Invoicing issued - Centro de Investigação em Energia REN - State Grid	93	96
Other operating income		
Invoicing issued - OMIP	-	24
	775	4,340

Expenses

	Sep 2024	Sep 2023
External supplies and services and others expenses		
Invoicing received - OMIP	129	127
Invoicing received - Redeia Corporación S.A.	627	5
Invoicing received - Centro de Investigação em Energia REN - State Grid	104	76
Invoicing received - CMS Rui Pena & Arnaut ¹⁰	104	59
	963	268

Balance

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

	Sep 2024	Dec 2023
Trade and other receivables		
Redeia Corporación S.A. - Dividends	-	1,477
Centro de Investigação em Energia REN - State Grid - Other receivables	22	45
Redeia Corporación S.A. - Trade receivables	57	785
	79	2,307
Trade and other payables		
Centro de Investigação em Energia REN - State Grid - Other payables	242	240
TECNORED S.A. (State Grid - Group) - Trade payables	-	10
OMIP - Trade payables	78	24
CMS - Rui Pena & Arnaut - Trade payables ¹⁰	37	28
SPECO - Shandong Power Equipment CO - Trade payables ¹¹	251	251
	608	552

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.

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.

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 n°23/2023. 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 September 2024, the Company has already made several 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 the reimbursements in amount of 208,301 thousand euros during 2024, as such, the amount recorded in "Transitional gas price stabilization regime - Decree-Law 84-D/2022", both in assets and in liabilities, is 3,495 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 nine-month period ended 30 September 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 Morais 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.