

ENERGIA GROUP LIMITED

QUARTERLY REPORT

FINANCIAL YEAR 2023

Unaudited Interim Consolidated
Financial Statements

Q2 2023

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KEY FACTS & FIGURES

Underlying Business Results¹

€m
65.6

Group Pro-Forma EBITDA

Group Pro-Forma EBITDA	Second Quarter 2023 €m	Second Quarter 2022 €m	First Half 2023 €m	First Half 2022 €m
Renewables	63.6	19.1	110.3	34.7
Flexible Generation	69.6	51.1	120.5	69.4
Customer Solutions	(67.6)	(36.3)	(96.0)	(42.7)
	65.6	33.9	134.8	61.4

Capital expenditure

Second Quarter 2023 was €16.2m (2022 - €17.6m)

First Half 2023 was €49.4m (2022 - €25.1m)



€m
16.2

€m
43.5



IFRS Results²

Revenue

Second Quarter 2023 was €1,337.4m (2022 - €713.4m)

First Half 2023 was €2,281.8m (2022 - €1,247.6m)



€m
1,337.4

Operating profit before exceptional items and certain remeasurements

Second Quarter 2023 was €43.5m (2022 - €26.6m)

First Half 2023 was €123.5m (2022 - €57.8m)

¹ Based on regulated entitlement and before exceptional items and certain remeasurements as outlined in note 2.

² Before exceptional items and certain remeasurements.

Operational Facts

1,018

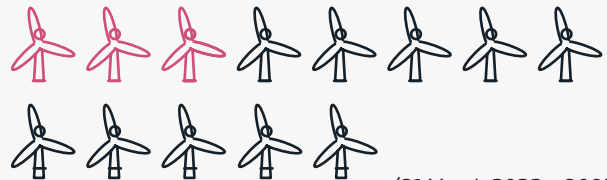


**Employee numbers at
30 September 2022**

(31 March 2022 - 993)

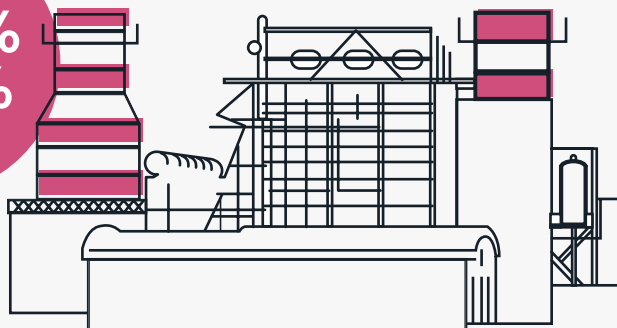
**Wind generation assets
operational at 30 September 2022**

MW
309



(31 March 2022 - 309MW)

99.5%
98.1%



95.8%

Wind generation assets availability

Second Quarter 2023 - 95.8% (2022 - 95.9%)

First Half 2023 - 96.5% (2022 - 96.2%)

Huntstown CCGT asset availability:

Huntstown 1 Second Quarter 2023 - 99.5% (2022 - 99.2%);

First Half 2023 - 99.6% (2022 - 99.6%)

Huntstown 2 Second Quarter 2023 - 98.1% (2022 - nil%);

First Half 2023 - 98.8% (2022 - nil%)

NI electricity sales volume

Second Quarter 2023 - 0.6TWh (2022 - 0.7TWh)

First Half 2023 - 1.2TWh (2022 - 1.4TWh)

744,700

Residential customer sites supplied

(31 March 2022 - 730,800)



TWh
0.6

TWh
1.2

Rol electricity sales volume

Second Quarter 2023 - 1.2TWh (2022 - 1.2TWh);

First Half 2023 - 2.4TWh (2022 - 2.4TWh)

MANAGEMENT REPORT



MANAGEMENT REPORT

The Director of Energia Group Limited (EGL) presents the condensed interim consolidated financial statements for EGL for the three months ended 30 September 2022 (Second Quarter 2022) and the six months ended 30 September 2022 (First Half 2023) including comparatives for the three months ended 30 September 2021 (Second Quarter 2021) and the six months ended 30 September 2021 (First Half 2021). All references in this document to 'Group' denote Energia Group Limited and its subsidiary undertakings and to 'Company' denote Energia Group Limited, the parent company. The principal activity of the Company is that of a holding company.

Business Model and Principal Activities

As disclosed in detail within the Annual Report 2022, the Group is a leading integrated Irish energy business with substantial businesses in both the RoI and Northern Ireland. During First Half 2023 there were no changes to the principal activities of the Group's businesses.

The Renewables business owns and operates 309MW of wind assets and purchases electricity from 1,271MW of renewable generation capacity throughout Ireland.

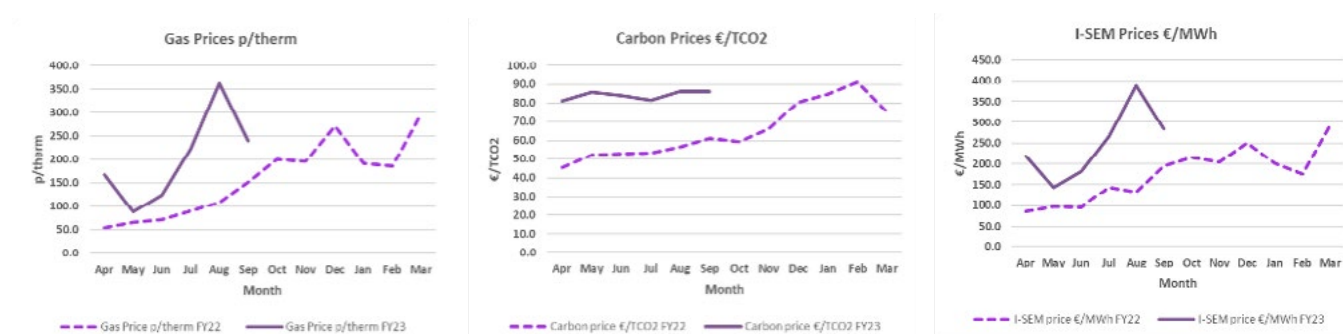
The Flexible Generation business owns and operates 747MW of conventional generation assets in the RoI and procures power under contract with 600MW of conventional generation assets in Northern Ireland.

The Customer Solutions business supplies electricity and gas to 324,600 customer sites in the RoI and 510,900 customer sites in Northern Ireland through its two retail brands, Energia and Power NI respectively.

Wholesale Prices & I-SEM Market

With the ongoing unprecedented energy crisis, the commodity markets for gas and carbon continued to experience sustained periods of volatility and high prices in First Half 2023. Higher gas and carbon prices have resulted in higher Integrated Single Electricity Market (I-SEM) prices for electricity when compared to the same period last year. As shown in Figure 1 below, average gas prices for First Half 2023 were 201p/therm (2022 – 90p/therm) and carbon prices were on average €84/TCO₂ (2022 – €54/TCO₂) resulting in average I-SEM prices of €246/MWh (2022 – €124/MWh).

Figure1 – Commodity and I-SEM prices



The Group's financial performance remained strong in First Half 2023, notwithstanding the backdrop of continued high and volatile commodity prices, reflecting the integrated benefit and complementary nature of the Group's operating segments.

The higher I-SEM market prices in First Half 2023 have once again notably impacted the EBITDA of the Group's Customer Solutions business (which is outlined in more detail in the Business Review section below) however this was offset by higher EBITDA for the Group's Renewables and Flexible Generation businesses which have benefitted from the higher I-SEM market prices.

Notwithstanding the financial performance in First Half 2023, uncertainty remains over the future impact of high commodity prices and increasing inflation on the Group's businesses and customers. The RoI and UK Governments have introduced a number of customer support measures to address the energy related cost of living crisis. While such support measures are intended to be in place for a short-term duration, they are positive for the Group's residential and business customers. Furthermore both the RoI and UK Governments have announced a number of market interventions in order to, among other things, raise revenue to help pay for the customer support measures. At the current point in time the customer support measures and market interventions which are of relevance to the Group are summarised as follows:

	RoI	Northern Ireland
Customer support measures Residential customers	<ul style="list-style-type: none"> Electricity Support Credit €600 credit applied to electricity customers' bills. Paid in three €200 instalments (Nov 22, Jan 23, and Mar 23) Additional financial supports in place for vulnerable customers 	<ul style="list-style-type: none"> Energy Bills Support Scheme £400 credit to customers. Timings for payment to customers not yet known. Energy Price Guarantee (EPG) Applies a discount of up to 20p/KWh for the initial period 1 November – 31 December 2022. EPG discount amount to be reset on 1 January 2023 and run to 31 March 2023. Alternative Fuels Payment £200 credit to be paid to all households in Northern Ireland in recognition of the prevalence of alternative fuel usage. Timings for payment to customers not yet known. Additional financial supports in place for vulnerable customers.

Commercial customers	<ul style="list-style-type: none"> • Temporary Business Energy Support Scheme Provides qualifying businesses with support of up to 40% of the increase in electricity or gas bills up to €10,000/month. Scheme is backdated to 1 September 2022 and runs to 28 February 2023. • Additional loans and grant schemes available to businesses affected by the war in Ukraine or to encourage investment in sustainability initiatives. 	<ul style="list-style-type: none"> • Energy Bill Relief Scheme Discount applied to energy usage initially between 1 October 2022 and 31 March 2023. Government supported price has been set at £211/MWh for electricity and £75/MWh for gas.
Market interventions Revenue Cap / Windfall tax	<ul style="list-style-type: none"> • Inframarginal Revenue Cap EU Council Regulation to limit, on a temporary basis, the market revenues of electricity generators (excluding gas generators) including wind. Ireland has announced that the cap will be set at €120/MWh for wind and solar generators and €180/MWh for oil and coal-fired generators. The cap will apply to suppliers in receipt of market revenues on behalf of generators but will exclude suppliers where it can be demonstrated that surplus revenues are already being passed on to end customers. Market Revenue Cap will apply from 1 December 2022 to 30 June 2023. 	<ul style="list-style-type: none"> • Windfall tax on low carbon electricity generators The UK Government has announced the introduction of the Electricity Generator Levy from 1 January 2023 to 31 March 2028. The Electricity Generator Levy will result in a 45% tax on the aggregate revenue in excess of £75/MWh of in-scope electricity generators (including onshore wind) in a given period. The tax will be limited to in-scope generators whose generation output exceeds 100GWh across a period, and provides an allowance of £10 million.

Management continues to monitor and assess the implementation of market interventions and other developments in the wider energy markets, influenced by geopolitical circumstances, and the potential impact on the Group's businesses and financial performance.

The Group continues to have strong liquidity, with €506.1m of cash and cash equivalents (excluding project finance cash) and undrawn committed revolving credit facilities of €104.8m at 30 September 2022 and is therefore well positioned to manage the current trading environment of higher commodity and I-SEM market prices.

BUSINESS REVIEWS

Renewables

Overview

The Group owns and operates a generation portfolio comprising onshore wind assets across the RoI and Northern Ireland. In addition, the Group is developing a further pipeline of wind and solar projects across Ireland.

The Group also purchases electricity under long-term off-take Power Purchase Agreement (PPA) contracts with third party renewable generators and the Group's owned renewable assets through its Customer Solutions businesses.

Financial performance

	Second Quarter 2023 €m	Second Quarter 2022 €m	First Half 2023 €m	First Half 2022 €m
EBITDA	63.6	19.1	110.3	34.7
Capital expenditure	9.7	3.8	21.2	4.0

Renewables EBITDA (pre-exceptional items and certain remeasurements) for Second Quarter 2023 increased to €63.6m (2022 – €19.1m) and for First Half 2023 increased to €110.3m (2022 - €34.7m) primarily reflecting higher contributions from the renewable PPAs (due to higher energy prices and higher wind volumes) together with higher wind generation assets EBITDA (reflecting higher energy prices benefiting NI assets and higher wind volumes across the portfolio).

Renewables capital expenditure for Second Quarter 2023 increased to €9.7m (2022 - €3.8m) and for First Half 2023 increased to €21.2m (2022 - €4.0m) primarily reflecting capital expenditure on development projects (notably including the commencement of construction of the Drumlin project and expenditure on off-shore projects).

Operational performance

KPIs	Second Quarter 2023	Second Quarter 2022	First Half 2023	First Half 2022
Onshore wind generation assets				
Wind generation capacity in operation in the RoI and Northern Ireland				
- average during the period (MW)	309	309	309	309
- at end of period (MW)	309	309	309	309
Availability (%)	95.8	95.9	96.5	96.2
Wind factor (%)	15.6	11.4	20.0	14.8
Renewable PPA portfolio				
Contracted renewable generation capacity in operation in the RoI and Northern Ireland				
- average during the period (MW)	1,271	1,282	1,271	1,282
- at end of period (MW)	1,271	1,281	1,271	1,281

Onshore wind generation assets

The Group owns onshore wind farm assets across the RoI and Northern Ireland. The average onshore wind generation capacity in operation during the Second Quarter 2023 was 309MW (2022 - 309MW) and during First Half 2023 was 309MW (2022 - 309MW) with 30 September 2022 operating capacity of 309MW (31 March 2022 - 309MW). This comprised 136MW (31 March 2022 - 136MW) of operating wind generation capacity in the RoI and 173MW (31 March 2022 - 173MW) of operating wind generation capacity in Northern Ireland.

Renewable assets availability for Second Quarter 2023 was 95.8% (2022 - 95.9%) with a wind factor of 15.6% (2022 - 11.4%). Availability for First Half 2023 was 96.5% (2022 - 96.2%) with a wind factor of 20.0% (2022 - 14.8%).

Distributions¹ of €28.8m were made in the First Half 2023 (2022 - €10.6m) from the owned wind generation assets.

Renewable PPA portfolio

The Group's renewable PPA portfolio primarily consists of off-take contracts with third party owned wind farms alongside wind generation assets in which the Group has an equity interest. The Group, via its Customer Solutions business, has entered into contracts with developers under which it has agreed to purchase the long-term output of a number of wind farm projects and with generators from other renewable sources (e.g., anaerobic digestion and biomass technologies).

The average contracted generation capacity in operation during the Second Quarter 2023 was 1,271MW (2022 - 1,282MW) and during First Half 2023 was 1,271MW (2022 - 1,282MW) with 30 September 2022 operating capacity of 1,271MW (31 March 2022 - 1,282MW) of which the Northern Ireland operating capacity was 677MW (31 March 2022 - 683MW) and the RoI operating capacity was 594MW (31 March 2022 - 599MW).

¹ Distributions from wholly owned wind generation assets are eliminated on Group consolidation

Solar

The Group has consented solar projects in the RoI for which it has submitted planning applications to increase the scale of these projects. In addition, the Group is progressing a number of further greenfield solar development opportunities in the RoI. The current pipeline of in-development solar projects is 433MW.

Hydrogen

Civil works on the Group's hydrogen production project at the Long Mountain wind farm were completed in Second Quarter 2023. Commissioning of the electrolyser and first hydrogen production is targeted by the end of the Third Quarter 2023.

Onshore wind development assets

The Group continues to progress the development of its onshore wind pipeline projects (267MW

under construction and in development) and expects to enter into Corporate PPAs for such development projects.

Construction of the Drumlin wind farm (49MW) continued during the quarter and commercial operation is expected in 2024. The project will be underpinned by a Corporate PPA with Microsoft.

Offshore wind

The Group has foreshore licences to carry out preliminary surveys in order to investigate the feasibility of offshore wind generation at sites in the North Celtic Sea and the South Irish Sea. Monthly public information clinics and the geophysical and geotechnical surveys continued during Second Quarter 2023.

Outlook

Development is ongoing for the Group's pipeline of wind and solar projects across Ireland. The table below summarises the portfolio of renewable projects excluding offshore wind and hydrogen production:

MW	Operating	Under Construction	In Development	Total
Onshore wind generation assets				
- NI	173	-	52	225
- RoI	136	49	166	351
	309	49	218	576
Solar				
- RoI	-	-	433	433
	309	49	651	1,009

The Group continues to assess a number of other opportunities to acquire and develop further renewable development projects.

Flexible Generation

Overview

The Group owns and operates two CCGT plants at the Huntstown site in north Dublin. Huntstown 1, a 343MW CCGT plant was commissioned in November 2002 and Huntstown 2, a 404MW CCGT plant adjacent to Huntstown 1, was commissioned in October 2007.

In addition, the Group's PPB business administers 600MW of contracted generation capacity from the Ballylumford Power Station in Northern Ireland. This legacy contract runs to September 2023 and is cancellable by the Utility Regulator (UR) with six months' notice.

Financial performance

	Second Quarter 2023 €m	Second Quarter 2022 €m	First Half 2023 €m	First Half 2022 €m
EBITDA	69.6	51.1	120.5	69.4
Capital expenditure	3.1	10.7	20.6	15.3

Flexible Generation EBITDA (pre-exceptional items and certain remeasurements) for Second Quarter 2023 increased to €69.6m (2022 – €51.1m) and for First Half 2023 increased to €120.5m (2022 – €69.4m) primarily reflecting higher Huntstown 2 availability and utilisation (due to the plant being on outage in the prior year (noting the prior year Second Quarter 2022 did benefit from the recognition of business interruption insurance for the First Half 2022)) and higher margins for both plants (associated with higher commodity prices and outages of other thermal plant) partly offset by higher operating costs.

Flexible Generation capital expenditure for Second Quarter 2023 decreased to €3.1m (2022 - €10.7m) primarily reflecting lower expenditure on the 50MW battery storage project in NI and for First Half 2023 increased to €20.6m (2022 - €15.3m) primarily reflecting initial capital expenditure on the data centre (primarily in respect of the purchase of land) partly offset by lower capital expenditure on the 50MW battery storage project in NI.

Operational performance

KPIs	Second Quarter 2023	Second Quarter 2022	First Half 2023	First Half 2022
Huntstown CCGTs				
Availability (%)				
- Huntstown 1	99.5	99.2	99.6	99.6
- Huntstown 2	98.1	-	98.8	-
Unconstrained utilisation (%)				
- Huntstown 1	79.9	90.7	72.1	91.3
- Huntstown 2	89.7	-	84.5	-
Incremental impact of constrained utilisation (%)				
- Huntstown 1	(3.9)	(13.4)	(1.0)	(13.4)
- Huntstown 2	(16.0)	-	(13.7)	-

Huntstown 1 availability for Second Quarter 2023 was 99.5% (2022 – 99.2%) and for First Half 2023 was 99.6% (2022 – 99.6%). Huntstown 1 unconstrained utilisation for Second Quarter 2023 was 79.9% (2022 – 90.7%) and for First Half 2023 was 72.1% (2022 – 91.3%). The incremental impact of constrained utilisation for Huntstown 1 in Second Quarter 2023 was 3.9% constrained off (2022 – 13.4%) and for First Half 2023 was 1.0% constrained off (2022 – 13.4%).

Huntstown 2 availability for Second Quarter 2023 was 98.1% (2022 – nil%) and for First Half 2023 was 98.8% (2022 – nil%) reflecting the plant being on outage in the prior year. Huntstown 2 unconstrained utilisation for Second Quarter 2023 was 89.7% (2022 – nil%) and for First Half 2023 was 84.5% (2022 – nil%). The incremental impact of constrained utilisation for Huntstown 2 in Second Quarter 2023 was 16.0% constrained off (2022 – nil%) and for First Half 2023 was 13.7% constrained off (2022 – nil%).

Data centre

The Group is progressing the development of a proposed data centre at its Huntstown campus in Dublin adjacent to the CCGT plants. The proposed data centre has a grid connection offer and the Group has completed the acquisition of the lands necessary for the site. In April 2022 planning consent for the proposed data centre was received from Fingal County Council however, in May 2022, the decision was appealed and the planning application will now be considered by An Bord Pleanála. The existing Huntstown CCGTs will continue to supply electricity to the national grid, while the data centre will be sustainably managed and net zero carbon operation of the facility is intended to be achieved through the Group's investment in new renewable electricity generation projects.

Storage

Construction works on the Group's 50MW battery storage project in Belfast completed during Second Quarter 2023. Commissioning was completed in October 2022.

Outlook

The Group continues to assess a number of flexible generation, energy storage and behind the meter projects in line with its strategy to grow the business in a manner which supports its renewable asset portfolio and product offerings to customers.

Customer Solutions

Overview

The Group's Customer Solutions business operates under the Energia and Power NI brands.

Energia supplies electricity and natural gas to business and residential customers in the RoI.



Power NI is the regulated electricity supplier in Northern Ireland and supplies electricity to business and residential customers.



Financial performance

KPIs	Second Quarter 2023 €m	Second Quarter 2022 €m	First Half 2023 €m	First Half 2022 €m
EBITDA	(67.6)	(36.3)	(96.0)	(42.7)
Capital expenditure	3.4	3.1	7.6	5.8

Customer Solutions EBITDA (pre-exceptional items and certain remeasurements) for Second Quarter 2023 decreased to €67.6m loss (2022 – €36.3m) and for First Half 2023 decreased to €96.0m loss (2022 – €42.7m) primarily reflecting lower Energia electricity and gas margins (reflecting higher commodity and energy prices (from which the Renewables and Flexible Generation businesses have benefited) partly offset by increases in tariffs), partly offset by

favourable Power NI non-residential electricity margins (reflecting tariff increases partly offset by lower volumes) and higher operating costs.

Capital expenditure for Second Quarter 2023 increased to €3.4m (2022 - €3.1m) and for First Half 2023 increased to €7.6m (2022 - €5.8m) primarily reflecting higher expenditure in respect of IT projects.

Operational performance

KPIs	At 30 September 2022	At 31 March 2022
Customer sites (number)		
Rol		
- Residential electricity	203,000	197,000
- Residential gas	69,700	68,100
	272,700	265,100
- Non-residential electricity	48,700	48,000
- Non-residential gas	3,200	3,500
	51,900	51,500
Total ROI	324,600	316,600
Northern Ireland		
- Residential electricity	472,000	465,700
- Non-residential electricity	38,900	38,700
Total Northern Ireland	510,900	504,400

Energy sales RoI	Second Quarter 2023	Second Quarter 2022	First Half 2023	First Half 2022
- Electricity sales (TWh)	1.2	1.2	2.4	2.4
- Gas sales (million therms)	14.6	14.8	33.6	35.6
Northern Ireland				
- Electricity sales (TWh)	0.6	0.7	1.2	1.4
Complaints (number)				
Complaints to the CRU in the RoI		2	6	2
Complaints to the CCNI in Northern Ireland	1	-	3	1

Residential electricity and gas customer sites in the RoI were 272,700 at 30 September 2022 (31 March 2022 – 265,100).

Non-residential electricity customer sites in the RoI were 48,700 at 30 September 2022 (31 March 2022 – 48,000). Non-residential gas customer sites in the RoI were 3,200 at 30 September 2022 (31 March 2022 – 3,500).

Residential customer numbers in Northern Ireland were 472,000 at 30 September 2022 (31 March 2022 – 465,700). Non-residential customer numbers in Northern Ireland were 38,900 at 30 September 2022 (31 March 2022 – 38,700).

Total electricity sales volumes in the RoI for Second Quarter 2023 were 1.2TWh (2022 – 1.2TWh) and during First Half 2023 were 2.4TWh (2022 – 2.4TWh). Total electricity sales in Northern Ireland for Second Quarter 2023 were 0.6TWh (2022 – 0.7TWh) and for First Half 2023 were 1.2TWh (2022 – 1.4TWh).

RoI gas sales volumes in Second Quarter 2023 were 14.6m therms (2022 – 14.8m therms) and for First Half 2023 were 33.6m therms (2022 – 35.6m therms).

During the Second Quarter 2023 the Group received no complaints (2022 – 2) and 6 complaints for First Half 2023 (2022 – 2) which were referred to the CRU. During the Second Quarter 2023, the Group received 1 complaint (2022 – nil) and 3 complaints for the First Half 2023 (2022 – 1) which were referred to the Consumer Council in Northern Ireland (CCNI).

Tariffs

In response to the continued increase in wholesale costs, in September 2022 Energia announced an electricity tariff increase of 29% and a gas tariff increase of 39% effective from 7 October 2022.

On 14 October 2022, Power NI announced an increase of 60.5% in its electricity tariff effective from 1 November 2022. However, due to the introduction of the UK Government's Energy Price Guarantee ("EPG"), which applies a discount to Power NI's tariffs, the actual unit rates charged to customers from 1 November 2022 decreased by a net 10.4%. The EPG will run to 31 March 2023 and it is expected that the UK Government will consider more targeted measures to support households with their energy bills after this period. Both Energia and Power NI will continue to monitor wholesale prices and their implications for tariffs going forward.

Outlook

The Group continues to invest in its development of innovative, enhanced and differentiated product offerings to customers in line with its strategy. Digitalisation will remain a strong focus, and work will continue on a range of initiatives in the 'new energy' space.

SUMMARY OF FINANCIAL PERFORMANCE



SUMMARY OF FINANCIAL PERFORMANCE

Revenue

	Second Quarter 2023 €m	Second Quarter 2022 €m	First Half 2023 €m	First Half 2022 €m
Renewables	133.9	109.3	219.4	162.5
Flexible Generation (based on regulated entitlement)	618.2	201.6	979.3	318.2
Customer Solutions (based on regulated entitlement)	579.7	387.3	1,049.7	732.9
Adjustment for (under)/over-recovery	(6.1)	7.1	20.8	24.4
Inter-business elimination	11.7	8.1	12.6	9.6
Total revenue from continuing operations	1,337.4	713.4	2,281.8	1,247.6

Second Quarter 2023

Total revenue from continuing operations increased to €1,337.4m (2022 - €713.4m).

Revenue from the Renewables business increased to €133.9m (2022 - €109.3m) primarily reflecting higher energy prices and higher volumes partly offset by lower ROC sales.

Flexible Generation revenue increased to €618.2m (2022 - €201.6m) primarily reflecting higher Huntstown 2 revenue due to the plant being on outage for the full quarter in the prior year, together with higher utilisation and energy prices for the Ballylumford plant under contract with PPB and higher Huntstown 1 revenue reflecting higher energy prices partly offset by lower utilisation.

Customer Solutions revenue increased to €579.7m (2022 - €387.3m) primarily due to higher non-

residential electricity revenue (reflecting higher prices), higher non-residential and residential gas revenue (reflecting higher prices and tariffs partly offset by lower volumes) and higher residential electricity revenue (reflecting higher tariffs partly offset by lower volumes).

During the period the regulated businesses of Power NI and PPB combined under-recovered against their regulated entitlement by €6.1m (2022 - €7.1m over-recovered).

First Half 2023

Total revenue from continuing operations increased to €2,281.8m (2022 - €1,247.6m).

Revenue from the Renewables business increased to €219.4m (2022 - €162.5m) primarily reflecting higher energy prices and higher volumes partly offset by lower ROC sales.

Flexible Generation revenue increased to €979.3m (2022 - €318.2m) primarily reflecting higher Huntstown 2 revenue due to the plant being on outage for the full first half in the prior year, together with higher utilisation and energy prices for the Ballylumford plant under contract with PPB and higher Huntstown 1 revenue reflecting higher energy prices partly offset by lower utilisation.

Customer Solutions revenue increased to €1,049.7m (2022 - €732.6m) primarily due to higher non-residential electricity revenue (reflecting higher prices), higher non-residential and residential gas revenue (reflecting higher

prices and tariffs partly offset by lower volumes) and higher residential electricity revenue (reflecting higher tariffs partly offset by lower volumes).

During the period the regulated businesses of Power NI and PPB combined over-recovered against their regulated entitlement by €20.8m (2022 - €24.4m) and at 30 September 2022 the combined cumulative over-recovery against regulated entitlement was €84.3m. The over-recovery of regulated entitlement reflects the phasing of tariffs.

Operating Costs

	Second Quarter 2023 €m	Second Quarter 2022 €m	First Half 2023 €m	First Half 2022 €m
Energy costs	1,234.8	640.1	2,042.5	1,097.2
Employee costs	14.3	12.7	29.1	24.9
Other operating charges	28.8	19.6	54.6	39.7
Total pre-exceptional items and certain remeasurements	1,277.9	672.4	2,126.2	1,161.8

Second Quarter 2023

Operating costs (pre-exceptional items and certain remeasurements and excluding depreciation) increased to €1,277.9m (2022 - €672.4m). The breakdown is as follows:

Energy costs increased to €1,234.8m (2022 - €640.1m) primarily reflecting higher energy prices, higher availability of Huntstown 2 (due to the plant being on outage in the prior year), higher utilisation of the Ballylumford plant, higher renewable Rol PPA costs (net of lower ROC costs associated with

lower volumes), partly offset by lower residential electricity volumes, lower non-residential and residential gas volumes and lower utilisation of Huntstown 1.

Employee costs increased to €14.3m (2022 - €12.7m) reflecting an increase in staff numbers associated with the underlying growth of the Group's businesses including future development projects being undertaken together with increased costs in respect of higher inflation.

Other operating charges increased to €28.8m (2022 - €19.6m) primarily reflecting higher Customer Solutions operating costs and higher Flexible Generation costs.

First Half 2023

Operating costs (pre-exceptional items and certain remeasurements and excluding depreciation) increased to €2,126.2m (2022 - €1,161.8m). The breakdown is as follows:

Energy costs increased to €2,042.5m (2022 - €1,097.2m) primarily reflecting higher energy prices, higher availability of Huntstown 2 (due to the plant being on outage in the prior year), higher utilisation of the Ballylumford plant, higher renewable RoI PPA costs (net of lower ROC costs

associated with lower volumes), partly offset by lower residential electricity volumes, lower non-residential and residential gas volumes and lower utilisation of Huntstown 1.

Employee costs increased to €29.1m (2022 - €24.9m) reflecting an increase in staff numbers associated with the underlying growth of the Group's businesses including future development projects being undertaken together with increased costs in respect of higher inflation.

Other operating charges increased to €54.6m (2022 - €39.7m) primarily reflecting higher Customer Solutions operating costs and higher Flexible Generation costs.

Group EBITDA

The following table shows the Group pro-forma EBITDA (pre-exceptional items and certain remeasurements) by business:

	Second Quarter 2023 €m	Second Quarter 2022 €m	First Half 2023 €m	First Half 2022 €m
Renewables	63.6	19.1	110.3	34.7
Flexible Generation	69.6	51.1	120.5	69.4
Customer Solutions	(67.6)	(36.3)	(96.0)	(42.7)
Group pro-forma EBITDA	65.6	33.9	134.8	61.4
(Under) / over-recovery of regulated entitlement	(6.1)	7.1	20.8	24.4
EBITDA	59.5	41.0	155.6	85.8

All of the above amounts are pre-exceptional items and certain remeasurements as shown in note 2 to the accounts

Second Quarter 2023

Group pro-forma EBITDA (pre-exceptional items and certain remeasurements) increased to €65.6m (2022 – €33.9m) primarily reflecting an increase in EBITDA in the Renewables and

Flexible Generation businesses, partly offset by a decrease in EBITDA in Customer Solutions business.

Renewables EBITDA (pre-exceptional items and certain remeasurements) for Second Quarter 2023 increased to €63.6m (2022 – €19.1m) primarily reflecting higher contributions from the renewable PPAs (due to higher energy prices and higher wind volumes) together with higher wind generation assets EBITDA (reflecting higher energy prices benefiting NI assets and higher wind volumes across the portfolio).

Flexible Generation EBITDA (pre-exceptional items and certain remeasurements) for Second Quarter 2023 increased to €69.6m (2022 – €51.1m) primarily reflecting higher Huntstown 2 availability and utilisation (due to the plant being on outage in the prior year (noting the prior year Second Quarter 2022 did benefit from the recognition of business interruption insurance for the First Half 2022)) and higher margins for both plants (associated with higher commodity prices and outages of other thermal plant) partly offset by higher operating costs.

Customer Solutions EBITDA (pre-exceptional items and certain remeasurements) for Second Quarter 2023 decreased to €67.6m loss (2022 – €36.3m) primarily reflecting lower Energia electricity and gas margins (reflecting higher commodity and energy prices (from which the Renewables and Flexible Generation businesses have benefited) partly offset by increases in tariffs), partly offset by favourable Power NI non-residential electricity margins (reflecting tariff increases partly offset by lower volumes) and higher operating costs.

First Half 2023

Group pro-forma EBITDA (pre-exceptional items and certain remeasurements) increased to €134.8m (2022 – €61.4m) primarily reflecting

an increase in EBITDA in the Renewables and Flexible Generation businesses, partly offset by a decrease in EBITDA in Customer Solutions business.

Renewables EBITDA (pre-exceptional items and certain remeasurements) for First Half 2023 increased to €110.3m (2022 – €34.7m) primarily reflecting higher contributions from the renewable PPAs (due to higher energy prices and higher wind volumes) together with higher wind generation assets EBITDA (reflecting higher energy prices benefiting NI assets and higher wind volumes across the portfolio).

Flexible Generation EBITDA (pre-exceptional items and certain remeasurements) for First Half 2023 increased to €120.5m (2022 – €69.4m) primarily reflecting higher Huntstown 2 availability and utilisation (due to the plant being on outage in the prior year (noting the prior year did benefit from the recognition of business interruption insurance for the First Half 2022)) and higher margins for both plants (associated with higher commodity prices and outages of other thermal plant) partly offset by higher operating costs.

Customer Solutions EBITDA (pre-exceptional items and certain remeasurements) for First Half 2023 decreased to €96.0m loss (2022 – €42.7m) primarily reflecting lower Energia electricity and gas margins (reflecting higher commodity and energy prices (from which the Renewables and Flexible Generation businesses have benefited) partly offset by increases in tariffs), partly offset by favourable Power NI non-residential electricity margins (reflecting tariff increases partly offset by lower volumes) and higher operating costs.

Depreciation

The Group's depreciation and amortisation by business is summarised as follows:

	Second Quarter 2023 €m	Second Quarter 2022 €m	First Half 2023 €m	First Half 2022 €m
Renewables	7.6	7.6	15.2	14.7
Flexible Generation	4.4	2.4	8.7	4.7
Customer Solutions	4.0	4.4	8.2	8.6
Total Depreciation	16.0	14.4	32.1	28.0

Depreciation and amortisation for Second Quarter 2023 was €16.0m (2022 - €14.4m) and for First Half 2023 was €32.1m (2022 - €28.0m)

primarily reflecting higher depreciation in the Flexible Generation business.

Group operating profit

The Group's operating profit by business is summarised as follows:

	Second Quarter 2023 €m	Second Quarter 2022 €m	First Half 2023 €m	First Half 2022 €m
Renewables	56.0	11.5	95.1	20.0
Flexible Generation	65.2	48.7	111.8	64.7
Customer Solutions	(71.6)	(40.7)	(104.2)	(51.3)
Total Operating Profit	49.6	19.5	102.7	33.4

Group pro-forma operating profit (pre-exceptional items and certain remeasurements) for Second Quarter 2023 increased to €49.6m (2022 - €19.5m) and for First Half 2023 increased to €102.7m (2022 - €33.4m) primarily reflecting

higher operating profit in the Renewables and Flexible Generation businesses, partly offset by increased operating losses in the Customer Solutions business.

Exceptional items and certain remeasurements

	Second Quarter 2023 €m	Second Quarter 2022 €m	First Half 2023 €m	First Half 2022 €m
Renewables	6.2	1.1	8.9	0.2
Customer Solutions	6.7	65.7	14.6	73.8
Total Exceptional Items and Certain Remeasurements	12.9	66.8	23.5	74.0

Second Quarter 2023

Exceptional items and certain remeasurements were a €12.9m credit (2022 - €66.8m). The breakdown by business is as follows:

Exceptional items in the Renewables business were a €6.2m credit (2022 - €1.1m) reflecting a fair value adjustment to contingent consideration of €4.2m (2022 - €0.5m) and certain remeasurements relating to the recognition of fair value of derivatives of €2.1m (2022 - €0.7m) partly offset by €0.1m cost (2022 - €0.1m) associated with acquisitions whether successful or unsuccessful.

Exceptional items in the Customer Solutions business were a €6.7m credit (2022 - €65.7m) reflecting certain remeasurements relating to the recognition of fair value of derivatives of €7.2m (2022 - €65.7m) partly offset by €0.5m loss on disposal of subsidiary (2022 - €nil).

First Half 2023

Exceptional items and certain remeasurements were a €23.5m credit (2022 - €74.0m). The breakdown by business is as follows:

Exceptional items in the Renewables business were a €8.9m credit (2022 - €0.2m) reflecting a fair value adjustment to contingent consideration of €4.6m (2022 - €0.5m) and certain remeasurements relating to the recognition of fair value of derivatives of €4.4m (2022 - €0.4m credit) partly offset by €0.1m cost (2022 - €0.7m) associated with acquisitions whether successful or unsuccessful.

Exceptional items in the Customer Solutions business were a €14.6m credit (2022 - €73.8m credit) primarily reflecting certain remeasurements relating to the recognition of fair value of derivatives of €15.1m (2022 - €73.8m) partly offset by €0.5m loss on disposal of subsidiary (2022 - €nil).

Further information is outlined in note 5 to the accounts.

Net finance costs

Net finance costs (pre-exceptional items and certain remeasurements) for Second Quarter 2023 decreased from €11.4m to €9.0m primarily reflecting the impact of foreign exchange movements in the period compared to the same period last year.

Net finance costs (pre-exceptional items and certain remeasurements) for First Half 2023 decreased from €22.2m to €19.3m primarily reflecting the impact of foreign exchange movements in the period compared to the same period last year partly offset by higher interest on external bank loans and borrowings.

Tax charge

The total tax charge (pre-exceptional items and certain remeasurements) for Second Quarter 2023 was €6.1m (2022 - €6.2m) and for First Half 2023 was €16.7m (2022 - €7.9m). A detailed analysis of the tax charge is outlined in note 7 to the accounts.

Cash flow before acquisitions, disposals, interest and tax

Group cash flow before acquisitions, disposals, interest and tax of continuing operations is summarised as follows:

	Second Quarter 2023 €m	Second Quarter 2022 €m	First Half 2023 €m	First Half 2022 €m
Group pro-forma EBITDA¹	65.6	33.9	134.8	61.4
Defined benefit pension charge less contributions paid		(0.8)		(0.8)
Net movement in security deposits	(4.5)	(0.8)	3.2	(0.3)
Changes in working capital ²	112.0	21.8	136.6	29.6
(Under) / over - recovery of regulated entitlement	(6.1)	7.1	20.8	24.4
Exceptional items	(0.1)	(0.1)	(0.1)	(0.7)
Foreign exchange translation	0.4	-	(0.6)	1.2
Cash flow from operating activities	167.3	61.1	294.7	114.8
Net capital expenditure ³	(16.2)	(17.6)	(49.4)	(25.1)
Cash flow before acquisitions, disposals, interest and tax	151.1	43.5	245.1	89.7

¹ Includes EBITDA of renewable assets for Second Quarter 2023 of €16.6m (2022 - €6.6m); First Half 2023 €37.0m (2022 - €15.9m)

² Includes changes in working capital of renewable assets for Second Quarter 2023 of €1.7m decrease (2022 - €2.9m decrease); First Half 2023 €10.6m decrease (2022 - €3.9m decrease) and net proceeds from the sale and purchases of other intangibles of €24.6m for Second Quarter 2023 (2022 - €32.9m); First Half 2023 €9.1m (2022 - €30.4m)

³ Includes capital expenditure on renewable assets for Second Quarter 2023 of €9.7m (2022 - €3.8m); First Half 2023 €21.2m (2022 - €4.0m) and intangible asset (software and customer acquisition costs) expenditure for Second Quarter 2023 of €4.2m (2022 - €2.7m); First Half 2023 €8.0m (2022 - €4.7m)

Group cash flow from operating activities for Second Quarter 2023 increased to €167.3m (2022 - €61.1m) primarily reflecting a decrease in working capital of €112.0m (2022 - €21.8m) and an increase in EBITDA from €33.9m to €65.6m partly offset by an under-recovery of regulated entitlement of €6.1m (2022 - €7.1m over-recovery). Group cash flow from operating activities for First Half 2023 increased to €294.7m (2022 - €114.8m) primarily reflecting a decrease in working capital of €136.6m (2022 - €29.6m), an increase in EBITDA from €61.4m to €134.8m and over-recovery of regulated entitlement of €20.8m (2022 - €24.4m).

Net movement in security deposits

The net movement in security deposits for Second Quarter 2023 was a €4.5m increase (2022 - €0.8m) and for First Half 2023 was decrease of €3.2m (2022 - €0.3m increase). As at 30 September 2022 there were €38.5m of security deposits in place.

Changes in working capital

Working capital for Second Quarter 2023 decreased by €112.0m (2022 - €21.8m) primarily reflecting an increase in trade and other payables (largely due to an increase in the Public Service

Obligation (PSO) for PPB (which is settled in October), an increase in the emissions liability (which is settled in December) and the impact of higher prices (September relative to June)) and a decrease in ROC assets, partly offset by an increase in trade and other receivables (primarily reflecting higher prices together with an increase in prepayments associated with the purchase of gas) together with a decrease in ROC liabilities (reflecting the settlement of the annual ROC obligation).

Working capital for First Half 2023 decreased by €136.6m (2022 – €29.6m) primarily reflecting a decrease in trade and other receivables (reflecting a decrease in hedge debtors, a seasonal decrease in volumes and proceeds from the Huntstown 2 outage insurance claim), an increase in trade and other payables (largely due to an increase in the

PSO for PPB and an increase in the emissions liability partly offset by a seasonal decrease in volumes, a decrease in hedge creditors due to a decrease in commodity prices relative to March 2022 and a decrease in ROC liabilities (reflecting the settlement of the annual ROC obligation)) together with a decrease in ROC assets.

(Under) / over-recovery of regulated entitlement

As noted previously the regulated businesses of Power NI and PPB combined under-recovered against their regulated entitlement in Second Quarter 2023 by €6.1m (2022 – €7.1m over-recovered) and in First Half 2023 over-recovered by €20.8m (2022 – €24.4m) and at 30 September 2022 the combined cumulative over-recovery against regulated entitlement was €84.3m. The over-recovery of regulated entitlement reflects the phasing of tariffs.

Capital expenditure

	Second Quarter 2023 €m	Second Quarter 2022 €m	First Half 2023 €m	First Half 2022 €m
Renewables	9.7	3.8	21.2	4.0
Flexible Generation	3.1	10.7	20.6	15.3
Customer Solutions	3.4	3.1	7.6	5.8
Total Capital Expenditure	16.2	17.6	49.4	25.1

Net capital expenditure in respect of tangible fixed assets and intangible software assets for Second Quarter 2023 decreased to €16.2m (2022 – €17.6m) and for First Half 2023 increased to €49.4m (2022 – €25.1m).

Renewables capital expenditure for Second Quarter 2023 increased to €9.7m (2022 – €3.8m) and for First Half 2023 increased to €21.2m (2022 – €4.0m) primarily reflecting capital expenditure

on development projects (notably including the commencement of construction of the Drumlin on-shore windfarm project and expenditure on off-shore projects).

Flexible Generation capital expenditure for Second Quarter 2023 decreased to €3.1m (2022 – €10.7m) primarily reflecting lower expenditure on the 50MW battery storage project in NI and for First Half 2023 increased to €20.6m (2022

- €15.3m) primarily reflecting initial capital expenditure on the data centre (primarily in respect of the purchase of land) partly offset by lower capital expenditure on the 50MW battery storage project in NI.

Customer Solutions capital expenditure for Second Quarter 2023 increased to €3.4m (2022 - €3.1m) and for First Half 2023 increased to €7.6m (2022 - €5.8m) primarily reflecting higher expenditure in respect of IT projects.

Other cash flows

Net interest paid

Net interest paid (excluding exceptional finance costs) in Second Quarter 2023 increased to €19.8m (2022 - €19.5m) and for First Half 2023 increased to €21.4m (2022 - €20.7m).

Net debt

The Group's net debt is summarised in the following table:

	30 September 2022 €m	31 March 2022 €m
Investments		1.4
Cash and cash equivalents	558.4	420.9
Senior secured notes	(601.5)	(611.5)
Senior revolving credit facility	-	(59.3)
Project finance facilities	(317.9)	(333.6)
Interest accruals	(2.3)	(2.1)
Total net debt	(363.3)	(584.2)

The Group's net debt decreased by €220.9m from €584.2m at 31 March 2022 to €363.3m at 30 September 2022 primarily reflecting higher cash and cash equivalents and a €59.3m repayment of the senior revolving credit facility.

Dividends

No dividends were paid in the First Half 2023 (2022 - €nil).

Acquisition of subsidiary undertakings

There were no acquisition of subsidiary undertakings costs in the First Half 2023 (2022 - €27.1m) with the prior year reflecting the acquisition of Drumlins Park.

Disposal of subsidiary undertakings

On 1st July 2022, the Group disposed of its 100% interest in Energia Group Insurance Limited, an insurance business incorporated in Isle of Man, which resulted in a loss on disposal of €0.5m and cash proceeds of €0.9m.

Net debt at 30 September 2022 includes project finance net debt of €266.1m (31 March 2022 - €280.6m). Excluding project financed net debt, net debt was €97.2m (31 March 2022 - €303.6m).

Treasury

The Group is financed through a combination of retained earnings, medium-term bond issuance and both medium-term and long-term bank facilities. Liquidity, including short-term working capital requirements, is managed through committed Senior revolving credit bank facilities together with available cash resources. The Group continues to keep its capital structure under review and may from time to time undertake certain transactions such as financing transactions, acquisitions and disposals which affect its capital structure. The Group may also from time to time repurchase its Senior secured notes, whether through tender offers, open market purchases, private purchases or otherwise.

At 30 September 2022, the Group had letters of credit issued out of the Senior revolving credit facility of €242.0m resulting in undrawn committed facilities of €104.8m (31 March 2022 - €109.0m). Cash drawings under the Senior revolving credit facility of €59.3m were repaid in April 2022 and there were no cash drawings under the Senior revolving credit facility at 30 September 2022 (31 March 2022 - €59.3m).

During the period the Group has met all required financial covenants in the Senior revolving credit facility and project finance facilities.

At 30 September 2022, there was €52.4m (31 March 2022 - €53.0m) of restricted cash in the project financed wind farms which is subject to bi-annual distribution debt service requirements.

There have been no other significant changes in the Group's exposure to interest rate, foreign currency, commodity and credit risks.

A discussion of these risks can be found in the "Risk Management and Principal Risks and Uncertainties" section of the annual report and consolidated financial statements for the year ended 31 March 2022.

Defined benefit pension liability

The pension liability in the Group's defined benefit scheme under International Accounting Standard (IAS) 19 was €2.2m at 30 September 2022 (31 March 2022 - €5.1m).

Outlook

The unprecedented energy crisis is ongoing and commodity prices are expected to remain highly volatile in the short to medium term. While the Group is vertically integrated, the extreme volatility is expected to continue to impact segmental financial performance. It is expected that the benefit of higher I-SEM market prices to the Group's Renewables and Flexible Generation businesses is offset by the negative impact of higher prices on the Group's Customer Solutions businesses to the extent that such higher prices are not recovered through tariffs. In addition, details are emerging on how the proposed market interventions will apply in the Rol and Northern Ireland. Management continue to monitor and assess the implementation of the Inframarginal Revenue Cap in the Rol and the Electricity Generator Levy in Northern Ireland and the impact these interventions will have on the Group's businesses and financial performance.

Furthermore, higher commodity prices are expected to continue to impact liquidity and could result in an increased requirement to provide additional collateral to the I-SEM market and with the Group's gas supply counterparties.

In addition, there is potential increased uncertainty over the recoverability of trade receivables (in particular for the Customer Solutions business) and, as noted in the accounts for the year ended 31 March 2022, the Group had notably increased its provisions for expected credit losses reflecting the impact of increased commodities on customer bills. However, as we move into the winter period the delivery of customer support schemes in the RoI and Northern Ireland (as outlined above) will mitigate the effects of higher prices for customers.

The Group continues to have strong liquidity, with €506.1m of cash and cash equivalents (excluding project finance cash) and undrawn committed revolving credit facilities of €104.8m at 30 September 2022 and is therefore well positioned to manage the current trading environment of higher commodity and I-SEM market prices.

Directorship changes

Ronald Schweizer resigned as a director of the Company on 29 July 2022 and Dustin Schiavi was appointed as a director of the Company on 29 July 2022.

Dustin Schiavi is a representative of I Squared Capital. Since joining I Squared Capital in February 2021 as Head of Fund Accounting, Dustin is responsible for the management of the fund finance function. He is a Certified Public Accountant with 15 years' experience in financial services focusing on Private Equity and Hedge Funds. Prior to joining I Squared Capital, Dustin served as Deputy Chief Financial Officer at Fortress Investment Group where he managed the Credit Lending Private Equity and Credit Hedge Funds accounting team. Dustin began his career at PricewaterhouseCoopers where he worked in their alternative investment audit practice.

CONSOLIDATED FINANCIAL STATEMENTS



CONSOLIDATED INCOME STATEMENT

for the three month period ended 30 September 2022

		Results before exceptional items and certain remeasurements Second Quarter 2023 Unaudited €m	Exceptional items and certain remeasurements (note 5) Second Quarter 2023 Unaudited €m	Total Second Quarter 2023 Unaudited €m	Results before exceptional items and certain remeasurements Second Quarter 2022 Unaudited €m	Exceptional items and certain remeasurements (note 5) Second Quarter 2022 Unaudited €m	Total Second Quarter 2022 Unaudited €m
Continuing operations	Notes						
Revenue	2	1,337.4		1,337.4	713.4	-	713.4
Operating (costs) / income	4	(1,293.9)	12.9	(1,281.0)	(686.8)	66.8	(620.0)
Operating profit	2	43.5	12.9	56.4	26.6	66.8	93.4
Finance cost	6	(9.3)		(9.3)	(11.4)	-	(11.4)
Finance income	6	0.3		0.3	-	-	-
Net finance cost		(9.0)		(9.0)	(11.4)	-	(11.4)
Profit before tax		34.5	12.9	47.4	15.2	66.8	82.0
Taxation	7	(6.1)	(1.3)	(7.4)	(6.2)	(11.8)	(18.0)
Profit for the period		28.4	11.6	40.0	9.0	55.0	64.0

CONSOLIDATED INCOME STATEMENT

for the six month period ended 30 September 2022

		Results before exceptional items and certain remeasure ments First Half 2023 Unaudited €m	Exceptional items and certain remeasure ments (note 5) First Half 2023 Unaudited €m	Total First Half 2023 Unaudited €m	Results before exceptional items and certain remeasure- ments First Half 2022 Unaudited €m	Exceptional items and certain remeasure- ments (note 5) First Half 2022 Unaudited €m	Total First Half 2022 Unaudited €m
Continuing operations	Notes						
Revenue	2	2,281.8		2,281.8	1,247.6	-	1,247.6
Operating (costs) / income	4	(2,158.3)	23.5	(2,134.8)	(1,189.8)	74.0	(1,115.8)
Operating profit	2	123.5	23.5	147.0	57.8	74.0	131.8
Finance cost	6	(19.8)		(19.8)	(22.2)	-	(22.2)
Finance income	6	0.5		0.5	-	-	-
Net finance cost		(19.3)		(19.3)	(22.2)	-	(22.2)
Profit before tax		104.2	23.5	127.7	35.6	74.0	109.6
Taxation	7	(16.7)	(3.8)	(20.5)	(7.9)	(13.3)	(21.2)
Profit for the period		87.5	19.7	107.2	27.7	60.7	88.4

CONSOLIDATED STATEMENT OF OTHER COMPREHENSIVE INCOME

for the three and six month periods ended 30 September 2022

	Second Quarter 2023 Unaudited €m	Second Quarter 2022 Unaudited €m	First Half 2023 Unaudited €m	First Half 2022 Unaudited €m
Profit for the period	40.0	64.0	107.2	88.4
Items that will be reclassified subsequently to profit or loss:				
Exchange differences on translation of foreign operations	(31.2)	(1.0)	(49.8)	(5.8)
Net gain on cash flow hedges	589.5	574.3	637.2	716.3
Gain on cash flow hedges transferred from equity to income statement	(201.3)	(116.6)	(256.3)	(147.9)
Income tax effect	(70.5)	(79.1)	(72.0)	(98.6)
	317.8	378.6	308.9	469.8
	286.6	377.6	259.1	464.0
Items that will not be reclassified to profit or loss:				
Remeasurement loss on defined benefit scheme	(2.8)	(0.8)	(2.8)	(0.8)
Income tax effect	0.7	-	0.7	-
	(2.1)	(0.8)	(2.1)	(0.8)
Other comprehensive income for the period, net of taxation	284.5	376.8	257.0	463.2
Total comprehensive income for the period	324.5	440.8	364.2	551.6

CONSOLIDATED BALANCE SHEET

as at 30 September 2022

ASSETS	Notes	30 September 2022 Unaudited €m	31 March 2022 Audited €m
Non-current assets:			
Property, plant and equipment		617.6	606.8
Intangible assets		656.8	681.6
Right-of-use assets	18	24.3	25.7
Derivative financial instruments	15	188.7	83.1
Net employee defined benefit asset		2.2	5.1
Deferred tax assets		24.8	25.3
		1,514.4	1,427.6
Current assets:			
Intangible assets		58.9	79.6
Inventories		4.6	4.7
Trade and other receivables	11	358.4	451.1
Derivative financial instruments	15	1,188.4	871.2
Other current financial assets	9	38.5	43.5
Cash and cash equivalents	12	558.4	420.9
		2,207.2	1,871.0
TOTAL ASSETS		3,721.6	3,298.6

LIABILITIES	Notes	30 September 2022 Unaudited €m	31 March 2022 Audited €m
Current liabilities:			
Trade and other payables	13	(749.6)	(728.2)
Income tax payable		(16.9)	(4.4)
Financial liabilities	14	(34.8)	(94.2)
Deferred income		(0.4)	(0.2)
Derivative financial instruments	15	(180.4)	(139.9)
		(982.1)	(966.9)
Non-current liabilities:			
Financial liabilities	14	(931.8)	(962.9)
Derivative financial instruments	15	(14.5)	(9.5)
Deferred income		(2.2)	(2.3)
Deferred tax liabilities		(228.6)	(158.7)
Provisions		(29.6)	(29.7)
		(1,206.4)	(1,163.1)
TOTAL LIABILITIES		(2,188.5)	(2,130.0)
NET ASSETS		1,532.8	1,168.6
Equity			
Share capital		-	-
Share premium		751.1	783.2
Retained earnings		(144.6)	(301.0)
Capital contribution reserve		2.7	2.7
Hedge reserve		971.1	681.4
Foreign currency translation reserve		(47.5)	2.3
TOTAL EQUITY		1,532.8	1,168.6

The financial statements were approved by the Board and authorised for issue on 30 November 2022.

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

for the six month period ended 30 September 2022

	Share capital €m	Share premium €m	Retained earnings €m	Capital contribution reserve €m	Hedge reserve €m	Foreign currency translation reserve €m	Total equity €m
At 1 April 2021	-	775.9	(404.9)	42.4	30.7	(5.7)	438.4
Exchange adjustment	-	(7.3)	7.7	(0.4)	-	-	-
Profit for the period	-	-	88.4	-	-	-	88.4
Other comprehensive (expense) / income	-	-	(0.8)	-	469.8	(5.8)	463.2
Total comprehensive (expense) / income	-	(7.3)	95.3	(0.4)	469.8	(5.8)	551.6
At 30 September 2021	-	768.6	(309.6)	42.0	500.5	(11.5)	990.0
At 1 April 2022	-	783.2	(301.0)	2.7	681.4	2.3	1,168.6
Exchange adjustment	-	(32.1)	51.3	-	(19.2)	-	-
Profit for the period	-	-	107.2	-	-	-	107.2
Other comprehensive (expense) / income	-	-	(2.1)	-	308.9	(49.8)	257.0
Total comprehensive (expense) / income	-	(32.1)	156.4	-	289.7	(49.8)	364.2
At 30 September 2022		751.1	(144.6)	2.7	971.1	(47.5)	1,532.8

CONSOLIDATED STATEMENT OF CASH FLOWS

for the three and six month periods ended 30 September 2022

	Notes	Second Quarter 2023 Unaudited €m	Second Quarter 2022 Unaudited €m	First Half 2023 Unaudited €m	First Half 2022 Unaudited €m
Cash generated from operations before working capital movements	16	59.4	40.1	155.5	84.3
Working capital adjustments:					
Decrease / (increase) in inventories		0.1	(0.1)	0.2	(0.5)
(Increase) / decrease in trade and other receivables		(75.5)	(65.2)	85.1	(42.5)
(Increase) / decrease in security deposits		(4.5)	(0.8)	3.2	(0.3)
Increase in trade and other payables		162.8	54.2	42.2	42.2
Effects of foreign exchange		0.4	-	(0.6)	1.2
		142.7	28.2	285.6	84.4
Interest received		0.4	-	0.5	-
Interest paid		(20.2)	(19.5)	(21.9)	(20.7)
		(19.8)	(19.5)	(21.4)	(20.7)
Income tax paid		(1.8)	(2.3)	(4.9)	(3.5)

CONSOLIDATED STATEMENT OF CASH FLOWS

for the three and six month periods ended 30 September 2022

	Notes	Second Quarter 2023 Unaudited €m	Second Quarter 2022 Unaudited €m	First Half 2023 Unaudited €m	First Half 2022 Unaudited €m
Investing activities					
Purchase of property, plant and equipment		(12.1)	(14.9)	(41.5)	(20.4)
Purchase of intangible assets		(36.8)	(47.5)	(87.9)	(84.5)
Proceeds from sale of intangible assets		57.3	77.7	89.1	110.2
Disposal of subsidiary, net of cash disposed	10	0.9	-	0.7	(0.2)
Receipt of government grants			-	0.2	0.2
Acquisition of subsidiaries			-		(27.1)
Net cash flows from / (used in) investing activities		9.3	15.3	(39.4)	(21.8)
Financing activities					
Repayment of borrowings		(8.7)	(9.0)	(68.0)	(10.6)
Payment of lease liabilities		(0.7)	(0.7)	(1.5)	(1.4)
Net cash flows used in financing activities		(9.4)	(9.7)	(69.5)	(12.0)
Net increase in cash and cash equivalents		121.0	12.0	150.4	26.4
Net foreign exchange difference		(8.2)	(0.3)	(12.9)	(1.0)
Cash and cash equivalents at period start	12	445.6	230.2	420.9	216.5
Cash and cash equivalents at period end	12	558.4	241.9	558.4	241.9

1. BASIS OF PREPARATION

The condensed interim consolidated financial statements of the Group have been prepared in accordance with IAS 34 Interim Financial Reporting as adopted by the European Union. The accounting policies applied by the Group in these condensed interim consolidated financial statements are the same as those applied by the Group in its consolidated financial statements for the year ended 31 March 2022.

2. SEGMENTAL ANALYSIS

For management purposes, the Group is organised into business units based on its products and services and has three reportable segments, as follows:

(i) Renewables

The Renewables business owns and operates 309MW of wind assets and purchases electricity from 1,271MW of renewable generation capacity throughout Ireland;

(ii) Flexible Generation

Consists of electricity generation from the Group's two Huntstown CCGT plants together with the administration of the contracted generation capacity from the Ballylumford power station in Northern Ireland under legacy generating unit agreements which were originally established in 1992 when the Northern Ireland electricity industry was restructured;

(iii) Customer Solutions

Consists of the competitive supply of electricity and gas to business and residential customers in the RoI through its brand Energia, together with the supply of electricity to residential and business customers in Northern Ireland through its brand Power NI.

The Group's Board monitors the operating results of its business units separately for the purpose of making decisions with regard to resource allocation and performance assessment. The measure of profit used by the Board is pro-forma EBITDA which is before exceptional items and certain remeasurements (arising from certain commodity and currency contracts which are not designated in hedge accounting relationships) and based on regulated entitlement (whereby the adjustment for over / (under) -recovery outlined in the segmental analysis below represents the amount by which the regulated businesses over / (under) -recovered against their regulated entitlement). The Board also monitors revenue on a regulated entitlement basis.

(a) Revenue by segment

	Second Quarter 2023 Unaudited €m	Second Quarter 2022 Unaudited €m	First Half 2023 Unaudited €m	First Half 2022 Unaudited €m
Renewables	133.9	109.3	219.4	162.5
Flexible Generation	618.2	201.6	979.3	318.2
Customer Solutions	579.7	387.3	1,049.7	732.9
Inter-group eliminations	11.7	8.1	12.6	9.6
Group	1,343.5	706.3	2,261.0	1,223.2
Adjustment for (under) / over-recovery	(6.1)	7.1	20.8	24.4
Total	1,337.4	713.4	2,281.8	1,247.6

The adjustment for (under) / over-recovery represents the amount by which the regulated businesses (under) / over-recovered against their regulated entitlement.

(b) Operating Profit

	Second Quarter 2023 Unaudited €m	Second Quarter 2022 Unaudited €m	First Half 2023 Unaudited €m	First Half 2022 Unaudited €m
Segment Pro-Forma EBITDA				
Renewables	63.6	19.1	110.3	34.7
Flexible Generation	69.6	51.1	120.5	69.4
Customer Solutions	(67.6)	(36.3)	(96.0)	(42.7)
Group Pro-Forma EBITDA	65.6	33.9	134.8	61.4
Adjustment for (under) / over-recovery	(6.1)	7.1	20.8	24.4
Group EBITDA	59.5	41.0	155.6	85.8
Depreciation / amortisation				
Renewables	(7.6)	(7.6)	(15.2)	(14.7)
Flexible Generation	(4.4)	(2.4)	(8.7)	(4.7)
Customer Solutions	(4.0)	(4.4)	(8.2)	(8.6)
Group depreciation and amortisation	(16.0)	(14.4)	(32.1)	(28.0)
Operating profit / (loss) pre-exceptional items and certain remeasurements				
Renewables	56.0	11.5	95.1	20.0
Flexible Generation	65.2	48.7	111.8	64.7
Customer Solutions	(71.6)	(40.7)	(104.2)	(51.3)
Group Pro-Forma operating profit	49.6	19.5	102.7	33.4
Adjustment for (under) / over-recovery	(6.1)	7.1	20.8	24.4
Operating profit pre exceptional items and certain remeasurements	43.5	26.6	123.5	57.8
Exceptional items and certain remeasurements				
Renewables	6.2	1.1	8.9	0.2
Customer Solutions	6.7	65.7	14.6	73.8
Group operating profit post exceptional items and certain remeasurements	56.4	93.4	147.0	131.8
Finance cost	(9.3)	(11.4)	(19.8)	(22.2)
Finance income	0.3	-	0.5	-
	(9.0)	(11.4)	(19.3)	(22.2)
Profit on ordinary activities before tax	47.4	82.0	127.7	109.6

3. REVENUE FROM CONTRACTS WITH CUSTOMERS

3.1 Disaggregated revenue information

Set out below is the disaggregation of the Group's revenue from contracts with customers for the Second Quarter 2023 and Second Quarter 2022:

Second Quarter 2023 Unaudited	Renewables €m	Flexible Generation €m	Customer Solutions €m	Total €m
Type of goods or service:				
Supply of electricity and gas	-	-	576.6	576.6
Electricity generation	132.4	616.5	-	748.9
Other	1.5	1.7	3.1	6.3
Inter-group eliminations	-	13.8	(2.1)	11.7
Group	133.9	632.0	577.6	1,343.5
Adjustment for (under) / over-recovery	-	(26.9)	20.8	(6.1)
Total revenue from contracts with customers	133.9	605.1	598.4	1,337.4

Second Quarter 2022 Unaudited	Renewables €m	Flexible Generation €m	Customer Solutions €m	Total €m
Type of goods or service:				
Supply of electricity and gas	-	-	385.1	385.1
Electricity generation	109.2	201.6	-	310.8
Other	0.1	-	2.2	2.3
Inter-group eliminations	-	10.1	(2.0)	8.1
Group	109.3	211.7	385.3	706.3
Adjustment for over-recovery	-	5.8	1.3	7.1
Total revenue from contracts with customers	109.3	217.5	386.6	713.4

3.1 Disaggregated revenue information (contd.)

Set out below is the disaggregation of the Group's revenue from contracts with customers for the First Half 2023 and First Half 2022:

First Half 2023 Unaudited	Renewables €m	Flexible Generation €m	Customer Solutions €m	Total €m
Type of goods or service:				
Supply of electricity and gas	-	-	1,044.3	1,044.3
Electricity generation	217.6	977.6	-	1,195.2
Other	1.8	1.7	5.4	8.9
Inter-group eliminations	-	16.9	(4.3)	12.6
Group	219.4	996.2	1,045.4	2,261.0
Adjustment for (under) / over-recovery	-	(7.2)	28.0	20.8
Total revenue from contracts with customers	219.4	989.0	1,073.4	2,281.8

First Half 2022 Unaudited	Renewables €m	Flexible Generation €m	Customer Solutions €m	Total €m
Type of goods or service:				
Supply of electricity and gas	-	-	728.5	728.5
Electricity generation	162.1	318.2	-	480.3
Other	0.4	-	4.4	4.8
Inter-group eliminations	-	13.7	(4.1)	9.6
Group	162.5	331.9	728.8	1,223.2
Adjustment for over-recovery	-	23.4	1.0	24.4
Total revenue from contracts with customers	162.5	355.3	729.8	1,247.6

Geographical markets:	Second Quarter 2023 Unaudited €m	Second Quarter 2022 Unaudited €m	First Half 2023 Unaudited €m	First Half 2022 Unaudited €m
UK	490.2	327.0	855.2	554.5
RoI	847.2	386.4	1,426.6	693.1
Total revenue from contracts with customers	1,337.4	713.4	2,281.8	1,247.6
Timing of revenue recognition:				
Transferred over time	1,276.9	623.0	2,188.0	1,127.2
Transferred at a point in time	60.5	90.4	93.8	120.4
Total revenue from contracts with customers	1,337.4	713.4	2,281.8	1,247.6

Trade receivables arising from contracts with customers are disclosed in note 11.

4. OPERATING COSTS

	Second Quarter 2023 Unaudited €m	Second Quarter 2022 Unaudited €m	First Half 2023 Unaudited €m	First Half 2022 Unaudited €m
Operating costs are analysed as follows:				
Energy costs	1,234.8	640.1	2,042.5	1,097.2
Employee costs	14.3	12.7	29.1	24.9
Depreciation and amortisation	16.0	14.4	32.1	28.0
Other operating charges	28.8	19.6	54.6	39.7
Total pre-exceptional items and certain remeasurements	1,293.9	686.8	2,158.3	1,189.8
Exceptional items and certain remeasurements				
Energy income	(9.4)	(66.4)	(19.5)	(74.2)
Other operating (income) / charges	(3.5)	(0.4)	(4.0)	0.2
Total exceptional items and certain remeasurements	(12.9)	(66.8)	(23.5)	(74.0)
Total operating costs	1,281.0	620.0	2,134.8	1,115.8

4.1 Depreciation and amortisation

	Second Quarter 2023 Unaudited €m	Second Quarter 2022 Unaudited €m	First Half 2023 Unaudited €m	First Half 2022 Unaudited €m
Depreciation	11.4	9.7	22.8	18.7
Amortisation of intangible assets	4.1	4.2	8.3	8.3
Amortisation of right-of-use assets	0.5	0.5	1.0	1.0
Total depreciation and amortisation	16.0	14.4	32.1	28.0

5. EXCEPTIONAL ITEMS AND CERTAIN REMEASUREMENTS

	Second Quarter 2023 Unaudited €m	Second Quarter 2022 Unaudited €m	First Half 2023 Unaudited €m	First Half 2022 Unaudited €m
Exceptional items in arriving at profit from continuing operations:				
Release of contingent consideration ¹	4.1	0.5	4.6	0.5
Acquisition costs ²	(0.1)	(0.1)	(0.1)	(0.7)
Loss on disposal of subsidiary ³	(0.5)	-	(0.5)	-
	3.5	0.4	4.0	(0.2)
Certain remeasurements in arriving at profit				
Net gain on derivatives at fair value through operating costs ⁴	9.4	66.4	19.5	74.2
	9.4	66.4	19.5	74.2
Exceptional items and certain remeasurements before taxation	12.9	66.8	23.5	74.0
Taxation on exceptional items and certain remeasurements	(1.3)	(11.8)	(3.8)	(13.3)
Exceptional items and certain remeasurements after taxation	11.6	55.0	19.7	60.7

The tax charge in the profit and loss account relating to exceptional items and certain remeasurements is:

	Second Quarter 2023 Unaudited €m	Second Quarter 2022 Unaudited €m	First Half 2023 Unaudited €m	First Half 2022 Unaudited €m
Fair valued derivatives through profit and loss	(1.3)	(11.8)	(3.8)	(13.3)
	(1.3)	(11.8)	(3.8)	(13.3)

¹ Release of contingent consideration for Second Quarter 2023 of €4.1m (2022 - €0.5m) and First Half 2023 of €4.6m (2022 - €0.5m) relates to a fair value adjustment to contingent consideration for renewable generation development projects.

² Exceptional acquisition costs for Second Quarter 2023 of €0.1m (2022 - €0.1m) and First Half 2023 of €0.1m (2022 - €0.7m) relates to costs associated with acquisitions whether successful or unsuccessful.

³ Loss on disposal of subsidiary for Second Quarter 2023 of €0.5m (2022 - €nil) and First Half 2023 of €0.5m (2022 - €nil) relates to the disposal of Energia Group Insurance Limited.

⁴ Net gain on derivatives at fair value through operating costs for Second Quarter 2023 of €9.4m (2022 - €66.4m) and for First Half 2023 of €19.5m (2022 - €74.2m) relates to fair value movements in commodity swap contracts and foreign exchange forward contracts relating to commodity purchases.

6. FINANCE COSTS / INCOME

	Second Quarter 2023 Unaudited €m	Second Quarter 2022 Unaudited €m	First Half 2023 Unaudited €m	First Half 2022 Unaudited €m
Finance costs				
Interest on external bank loans and borrowings	(4.0)	(3.7)	(8.3)	(7.5)
Interest on senior secured notes	(6.6)	(6.6)	(13.5)	(13.2)
Total interest expense	(10.6)	(10.3)	(21.8)	(20.7)
Amortisation of financing charges	(0.8)	(0.8)	(1.5)	(1.9)
Unwinding of discount on decommissioning provision	(0.1)	(0.1)	(0.2)	(0.1)
Unwinding of discount on contingent consideration	(0.1)	(0.3)	(0.4)	(0.6)
Accretion of lease liability	(0.4)	(0.3)	(0.8)	(0.7)
Other finance charges	(0.3)	(0.1)	(0.4)	(0.2)
Total other finance charges	(1.7)	(1.6)	(3.3)	(3.5)
Net exchange gain on net foreign currency borrowings	2.7	0.3	4.8	1.5
Less interest capitalised in qualifying asset	0.3	0.2	0.5	0.5
Total finance costs	(9.3)	(11.4)	(19.8)	(22.2)
Finance income				
Interest income on bank deposits	0.3	-	0.5	-
Total finance income	0.3	-	0.5	-
Net finance costs	(9.0)	(11.4)	(19.3)	(22.2)

The average capitalisation rate applied in determining the amount of borrowing costs to be capitalised in the Second Quarter 2023 was 3.4% (2022 – 3.5%) and in First Half 2023 was 3.4% (2022 – 3.5%).

7. INCOME TAX

The major components of the tax charge for the periods ended 30 September 2022 and 30 September 2021 are:

Current tax:	Results before exceptional items and certain remeasurements Second Quarter 2023 Unaudited €m	Exceptional items and certain remeasurements Second Quarter 2023 Unaudited €m	Total Second Quarter 2023 Unaudited €m	Results before exceptional items and certain remeasurements Second Quarter 2022 Unaudited €m	Exceptional items and certain remeasurements Second Quarter 2022 Unaudited €m	Total Second Quarter 2022 Unaudited €m
Current tax charge	(9.3)	(1.3)	(10.6)	(0.6)	(11.8)	(12.4)
Total current tax charge	(9.3)	(1.3)	(10.6)	(0.6)	(11.8)	(12.4)
Deferred tax:						
Adjustments in respect of current period	2.8		2.8	(5.6)	-	(5.6)
Adjustments in respect of prior periods	0.4	-	0.4	-	-	-
Total deferred tax	3.2		3.2	(5.6)	-	(5.6)
Total taxation charge	(6.1)	(1.3)	(7.4)	(6.2)	(11.8)	(18.0)

Current tax:	Results before exceptional items and certain remeasurements First Half 2023 Unaudited €m	Exceptional items and certain remeasurements First Half 2023 Unaudited €m	Total First Half 2023 Unaudited €m	Results before exceptional items and certain remeasurements First Half 2022 Unaudited €m	Exceptional items and certain remeasurements First Half 2022 Unaudited €m	Total First Half 2022 Unaudited €m
Current tax (charge) / credit	(13.8)	(3.8)	(17.6)	2.0	(13.3)	(11.3)
Total current tax (charge) / credit	(13.8)	(3.8)	(17.6)	2.0	(13.3)	(11.3)
Deferred tax:						
Adjustments in respect of current period	(3.3)		(3.3)	(9.9)	-	(9.9)
Adjustments in respect of prior years	0.4	-	0.4	-	-	-
Total deferred tax	(2.9)		(2.9)	(9.9)	-	(9.9)
Total taxation charge	(16.7)	(3.8)	(20.5)	(7.9)	(13.3)	(21.2)

8. CAPITAL EXPENDITURE

	Capital additions to property, plant and equipment			
	Second Quarter 2023 Unaudited €m	Second Quarter 2022 Unaudited €m	First Half 2023 Unaudited €m	First Half 2022 Unaudited €m
Renewables	8.8	2.6	23.2	5.2
Flexible Generation	3.6	7.9	20.9	16.1
Customer Solutions	0.2	0.4	0.3	1.1
Total	12.6	10.9	44.4	22.4

	Capital additions to intangible assets			
	Second Quarter 2023 Unaudited €m	Second Quarter 2022 Unaudited €m	First Half 2023 Unaudited €m	First Half 2022 Unaudited €m
Renewables	32.3	28.1	70.8	66.2
Customer Solutions	4.5	2.3	8.9	4.4
Total	36.8	30.4	79.7	70.6

	Capital additions to right-of-use assets			
	Second Quarter 2023 Unaudited €m	Second Quarter 2022 Unaudited €m	First Half 2023 Unaudited €m	First Half 2022 Unaudited €m
Customer Solutions	-	-	0.1	-
Total	-	-	0.1	-

9. OTHER FINANCIAL ASSETS

	30 September 2022 Unaudited €m	31 March 2022 Audited €m
Other financial assets		
Financial assets at amortised cost:		
Security deposits	38.5	42.1
Short-term managed funds		1.4
Total other financial assets	38.5	43.5

10. BUSINESS COMBINATIONS AND DISPOSALS

On 1st July 2022, the Group disposed of its 100% interest in Energia Group Insurance Limited, an insurance business incorporated in Isle of Man, which resulted in a loss on disposal of €0.5m and cash proceeds of €0.9m.

11. TRADE AND OTHER RECEIVABLES

	30 September 2022 Unaudited €m	31 March 2022 Audited €m
Trade receivables (including unbilled consumption)	297.3	299.0
Contract assets (accrued income)	72.3	182.1
Prepayments	20.1	4.3
Other receivables	10.2	3.9
	399.9	489.3
Allowance for expected credit losses	(41.5)	(38.2)
	358.4	451.1

12. CASH AND CASH EQUIVALENTS

	30 September 2022 Unaudited €m	31 March 2022 Audited €m
Cash at bank and on hand	418.4	300.9
Short-term bank deposits	140.0	120.0
	558.4	420.9

13. TRADE AND OTHER PAYABLES

	30 September 2022 Unaudited €m	31 March 2022 Audited €m
Trade creditors	194.5	143.6
Other creditors	210.0	123.8
Contract liabilities (payments on account)	60.3	43.1
Tax and social security	5.9	13.8
Accruals	278.9	403.9
	749.6	728.2

14. FINANCIAL LIABILITIES

	30 September 2022 Unaudited €m	31 March 2022 Audited €m
Current financial liabilities:		
Senior revolving credit facility		59.3
Project financed bank facilities (NI)	11.1	11.1
Project financed bank facilities (RoI)	15.2	13.6
Project finance interest accruals	0.5	-
Senior secured notes interest payable	1.2	1.2
Other interest payable	0.6	0.9
Contingent consideration	5.3	6.5
Lease liability	0.9	1.6
Total current financial liabilities	34.8	94.2
Non-current financial liabilities:		
Senior secured notes €350m (2025)	347.2	346.8
Senior secured notes £225m (2024)	254.3	264.7
Project financed bank facilities (NI)	166.0	178.2
Project financed bank facilities (RoI)	125.6	130.7
Contingent consideration	7.2	10.4
Contingent liability	0.2	0.2
Lease liability	31.3	31.9
Total non-current financial liabilities	931.8	962.9
Total current and non-current financial liabilities	966.6	1,057.1

The Senior secured notes (2024) are denominated in Sterling £225.0m (Sterling notes) and the Senior secured notes (2025) are denominated in Euro €350.0m (Euro notes). Interest, which is payable semi-annually, is charged at a fixed rate coupon of 4.75% for the Sterling notes and 4.0% for the Euro notes. The Sterling notes are repayable in one instalment on 15 September 2024 and the Euro notes are repayable in one instalment on 15 September 2025.

At 30 September 2022, the Group had letters of credit issued out of the Senior revolving credit facility of €242.0m resulting in undrawn committed facilities of €104.8m (31 March 2022 - €109.0m). There were no cash drawings under the Senior revolving credit facility at 30 September 2022 (31 March 2022 - €59.3m). Interest is charged under the Senior revolving credit facility at floating interest rates based on Sonia and Euribor.

Project financed bank facilities

The project financed bank loan facilities are repayable in semi-annual instalments to 2035 and are secured on a non-recourse basis over the assets and shares of the specific project finance companies. Interest on the project finance bank loan facilities has been predominantly fixed through interest rate swaps resulting in an effective rate of interest of 3.79% (2022 - 3.62%) on project financed bank facilities NI and 2.41% (2022 - 2.41%) on the project financed bank facilities RoI.

Contingent consideration

Contingent consideration of €12.5m (31 March 2022 - €16.9m) relates to the acquisition of various renewable development projects (onshore wind, bioenergy and solar) and represents the present value of the maximum amount payable with the minimum amount payable being €nil. Payment is contingent on various project milestones being met, with €5.3m expected to be paid in 2022/23 and the remaining €7.2m paid by 2026/27.

Contingent liability

Contingent liability of €0.2m (31 March 2022 - €0.2m) relates to the acquisition of renewable development projects and represents the present value of the maximum amount payable with the minimum amount payable being €nil. Payment is contingent on various project milestones being met.

15. FINANCIAL ASSETS AND FINANCIAL LIABILITIES

Derivative financial assets

	30 September 2022 Unaudited €m	31 March 2022 Audited €m
Derivatives at fair value through other comprehensive income		
Cash flow hedges:		
Foreign exchange forward contracts	1.5	3.2
Commodity swap contracts	1,304.0	928.1
Interest rate swap contracts	40.8	7.8
Total derivatives at fair value through other comprehensive income	1,346.3	939.1
Derivatives at fair value through profit and loss		
Derivatives not designated as hedges:		
Foreign exchange forward contracts	2.0	0.7
Commodity swap contracts	28.8	14.5
Total derivatives at fair value through profit and loss	30.8	15.2
Total derivative financial assets	1,377.1	954.3
Total non-current	188.7	83.1
Total current	1,188.4	871.2

Derivative financial liabilities

	30 September 2022 Unaudited €m	31 March 2022 Audited €m
Derivatives at fair value through other comprehensive income		
Cash flow hedges:		
Foreign exchange forward contracts	(17.8)	(2.3)
Commodity swap contracts	(156.9)	(132.6)
Interest rate swap contracts		(3.6)
Total derivatives at fair value through other comprehensive income	(174.7)	(138.5)
Derivatives at fair value through profit and loss		
Derivatives not designated as hedges:		
Foreign exchange forward contracts	(2.1)	(0.4)
Commodity swap contracts	(18.1)	(10.5)
Total derivatives at fair value through profit and loss	(20.2)	(10.9)
Total derivative financial liabilities	(194.9)	(149.4)
Total non-current	(14.5)	(9.5)
Total current	(180.4)	(139.5)

Fair Values

As indicated in note 3(e) in the consolidated financial statements for the year ended 31 March 2022 the Group uses the hierarchy as set out in IFRS 7 Financial Instruments: Disclosures for categorising financial instruments.

A summary of the fair values of the financial assets and liabilities of the Group together with their carrying values shown in the balance sheet and their fair value hierarchy is as follows:

	30 September 2022		31 March 2022	
	Carrying value €m	Fair value €m	Carrying value €m	Fair value €m
Level 1				
Non-current liabilities				
Senior secured notes (2024 and 2025)	(601.5)	(547.7)	(611.5)	(589.6)
Level 2				
Non-current liabilities				
Project financed bank facilities (NI)	(166.0)	(166.0)	(178.2)	(178.2)
Project financed bank facilities (RoI)	(125.6)	(125.6)	(130.7)	(130.7)
Level 3				
Non-current liabilities				
Financial liabilities (contingent consideration)	(7.2)	(7.2)	(10.4)	(10.4)
Financial liabilities (contingent liability)	(0.2)	(0.2)	(0.2)	(0.2)
Financial liabilities (lease liability)	(31.3)	(31.3)	(31.9)	(31.9)
Current liabilities				
Senior revolving credit facility			(59.3)	(59.3)
Financial liabilities (contingent consideration)	(5.3)	(5.3)	(6.5)	(6.5)
Financial liabilities (lease liability)	(0.9)	(0.9)	(1.6)	(1.6)

The carrying value of cash, trade receivables, trade payables and other current assets and liabilities is equivalent to fair value due to the short-term maturities of these items. Contingent consideration is estimated as the present value of future cash flows disclosed at the market rate of interest at the reporting date. Derivatives are measured at fair value. There have been no transfers between hierarchy.

The fair value of the Group's project financed bank facilities (NI), project financed bank facilities (RoI) and Senior revolving credit facility are determined by using discounted cash flows based on the Group's borrowing rate. The fair value of the Group's Senior secured notes are based on the quoted market price. The fair value of interest rate swaps, foreign exchange forward contracts, foreign

exchange cross currency swaps and commodity contracts has been valued by calculating the present value of future cash flows, estimated using forward rates from third party market price quotations.

The fair value of the Group's project financed bank facilities (NI) and project financed bank facilities (RoI) are a close approximation to their carrying value given that they bear interest at floating rates based on Sonia and Euribor respectively.

The fair value of contingent consideration is considered to fall within the level 3 fair value hierarchy and is measured using the present

value of the pay-out associated with earnouts set out in the relevant purchase agreement. The carrying value of €12.5m is estimated to approximate to its fair value determined by using discounted cash flows based on the Company's borrowing rate.

The fair value of the lease liability is considered to fall within the level 3 fair value hierarchy and is measured using the present value of the future lease payments over the lease term. The carrying value of €32.2m is estimated to approximate to its fair value determined by using discounted cash flows based on the Company's borrowing rate.

16. NOTES TO GROUP CASH FLOW STATEMENT

	Second Quarter 2023 Unaudited €m	Second Quarter 2022 Unaudited €m	First Half 2023 Unaudited €m	First Half 2022 Unaudited €m
Operating activities				
Profit before tax from continuing operations	47.4	82.0	127.7	109.6
Adjustments to reconcile profit before tax to net cash flows:				
Depreciation of property, plant and equipment	11.4	9.7	22.8	18.7
Amortisation of intangible assets	4.1	4.2	8.3	8.3
Amortisation of right-of-use assets	0.5	0.5	1.0	1.0
Derivatives at fair value through income statement	(9.4)	(66.4)	(19.5)	(74.2)
Net finance costs	9.0	11.4	19.3	22.2
Defined benefit less contributions paid		(0.8)		(0.8)
Loss on disposal of subsidiary	0.5	-	0.5	-
Release of contingent consideration	(4.1)	(0.5)	(4.6)	(0.5)
Cash generated from operations before working capital movements	59.4	40.1	155.5	84.3

17. ANALYSIS OF NET DEBT

	Cash and cash equivalents €m	Short term managed funds €m	Debt due within one year €m	Debt due after more than one year €m	Total €m
At 1 April 2021					
Net increase in cash and cash equivalents	216.5	1.4	(25.3)	(937.4)	(744.8)
Proceeds from issue of borrowings	26.4	-	-	-	26.4
Repayment of borrowings	-	-	10.6	-	10.6
Issue costs on new long-term loans	-	-	(0.1)	-	(0.1)
Amortisation	-	-	(1.1)	(0.8)	(1.9)
Reclassifications	-	-	(8.9)	8.9	-
Translation difference	(1.0)	(0.1)	-	4.2	3.3
At 30 September 2021	241.9	1.3	(24.8)	(925.0)	(706.6)

At 1 April 2022	420.9	1.4	(86.1)	(920.4)	(584.2)
Net increase in cash and cash equivalents	150.4	-	-	-	150.4
Disposal of subsidiary	-	(1.4)	-	-	(1.4)
Repayment of borrowings	-	-	68.0	-	68.0
Increase in interest accruals	-	-	(0.1)	-	(0.1)
Amortisation	-	-	(0.7)	(0.8)	(1.5)
Reclassifications	-	-	(10.0)	10.0	-
Translation difference	(12.9)	-	0.3	18.1	5.5
At 30 September 2022	558.4		(28.6)	(893.1)	(363.3)

18. LEASES

The Group has lease contracts for various items of land, buildings and motor vehicles used in its operations. Leases of land and buildings generally have lease terms between 5 and 25 years, while motor vehicles and other equipment generally have lease terms between 3 and 5 years.

Set out below are the carrying amounts of right-of-use assets recognised and the movements during the period:

	Land and buildings €m	Motor vehicles €m	Total €m
As at 1 April 2022	25.6	0.1	25.7
Exchange adjustments	(0.5)	-	(0.5)
Additions	0.1	-	0.1
Amortisation	(1.0)	-	(1.0)
As at 30 September 2022	24.2	0.1	24.3

Set out below are the carrying amounts of lease liabilities included within financial liabilities (as disclosed in note 14) and the movements during the period:

	Lease liabilities €m
As at 1 April 2022	(33.5)
Exchange adjustment	0.7
Additions	(0.1)
Accretion of lease liability	(0.8)
Payments	1.5
As at 30 September 2022	(32.2)
Current	(0.9)
Non-current	(31.3)

19. CAPITAL COMMITMENTS

At 30 September 2022 the Group had contracted future capital expenditure in respect of tangible fixed assets of €51.4m (31 March 2022 - €15.0m) and intangible fixed assets of €4.3m (2022 - €3.6m).

20. DISTRIBUTIONS MADE AND PROPOSED

No dividends were paid in the First Half 2023 (2022- €nil).

21. RELATED PARTY TRANSACTIONS

The nature and type of related party transactions for the Second Quarter 2023 and First Half 2023 do not differ significantly from those in the consolidated financial statements for the year ended 31 March 2022.

22. SEASONALITY OF OPERATIONS

Certain activities of the Group are affected by weather and temperature conditions and seasonal market price fluctuations. As a result of this, the amounts reported for the interim period may not be indicative of the amounts that will be reported for the full year due to seasonal fluctuations in customer demand for gas and electricity, the impact of weather on demand, renewable generation output and commodity prices, market changes in commodity prices and changes in retail tariffs.

In the Customer Solutions Business supply, notable seasonal effects include the impact on customer demand of warmer temperatures in the first half of the financial year. In Flexible generation, there is the impact of lower customer demand on commodity prices, the weather impact on renewable generation and other seasonal effects.

The impact of temperature on customer demand for gas is more volatile than the equivalent demand for electricity.

APPENDIX (UNAUDITED)

APPENDIX (UNAUDITED)

The consolidated financial statements comprise the financial performance and position of the Group's Senior secured notes Restricted Group and its renewable asset portfolio which are

separately project financed. The following sets out the unaudited reconciliations for pro-forma EBITDA and net debt for the Senior secured Restricted Group.

Pro-forma EBITDA for the Senior Secured Notes Restricted Group

The following table shows the reconciliation of Pro-forma EBITDA (pre-exceptional items and certain remeasurements) for the Senior secured notes Restricted Group:

	Second Quarter 2023 Unaudited €m	Second Quarter 2022 Unaudited €m	First Half 2023 Unaudited €m	First Half 2022 Unaudited €m
Group pro-forma EBITDA	65.6	33.9	134.8	61.4
Less EBITDA from project financed renewable assets	(16.6)	(6.6)	(37.0)	(15.9)
Pro-forma EBITDA for the Senior Secured Notes Restricted Group	49.0	27.3	97.8	45.5

All of the above amounts are pre-exceptional items and certain remeasurements

Pro-forma EBITDA for the Senior secured notes Restricted Group (pre-exceptional items and certain remeasurements) for Second Quarter 2023 increased to €49.0m (2022 – €27.3m) primarily reflecting an increase in EBITDA from the Renewable PPA contracts and Flexible Generation businesses, partly offset by a decrease in Customer Solutions business.

Pro-forma EBITDA for the Senior secured notes Restricted Group (pre-exceptional items and certain remeasurements) for First Half 2023 increased to €97.8m (2022 – €45.5m) primarily reflecting an increase in EBITDA from the Renewable PPA contracts and Flexible Generation businesses, partly offset by a decrease in Customer Solutions business.

Pro-forma Net Debt for the Senior Secured Notes Restricted Group

The following table shows the Pro-forma Net Debt for the Senior secured notes Restricted Group:

	30 September 2022 €m	31 March 2022 €m
Investments		1.4
Cash and cash equivalents	506.1	367.9
Senior secured notes €350m (2025)	(347.2)	(346.8)
Senior secured notes £225m (2024)	(254.3)	(264.7)
Senior revolving credit facility		(59.3)
Interest accruals - Senior secured notes	(1.2)	(1.2)
Other interest accruals	(0.6)	(0.9)
Pro-forma Net Debt for the Senior Secured Notes Restricted Group	(97.2)	(303.6)



energia group

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