

QUARTERLY REPORT

FINANCIAL YEAR 2022

Unaudited Interim Consolidated Financial Statements
Q3 2022

ENERGIA GROUP LIMITED
www.energiagroup.com



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KEY FACTS & FIGURES

Underlying Business Results¹

Group Pro-Forma EBITDA	Group Pro-Forma EBITDA		Group Pro-Forma EBITDA	
	Third Quarter 2022 €m	Third Quarter 2021 €m	Nine Months 2022 €m	Nine Months 2021 €m
Group Pro-Forma EBITDA	58.5	51.0	119.9	136.6
Renewables	84.1	23.3	118.8	43.2
Flexible Generation	18.2	8.4	87.6	38.3
Customer Solutions	(43.8)	19.3	(86.5)	55.1
Group pro-forma EBITDA	58.5	51.0	119.9	136.6

Capital expenditure

Third Quarter 2022 - €9.2m (2021 - €13.2m)
 Nine Months 2022 - €34.3m (2021 - €30.3m)



€m
9.2

€m
49.6

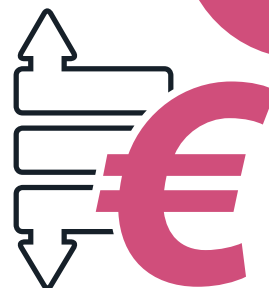
IFRS Results²

Revenue

Third Quarter 2022 - €986.7m (2021 - €532.0m)
 Nine Months 2022 - €2,234.3m (2021 - €1,292.9m)



€m
986.7



Operating profit

Before exceptional items and certain remeasurements for Third Quarter 2022 was €49.6m (2021 - €50.6m)
 Nine Months 2022 - €107.4m (2021 - €131.9m)

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

² Before exceptional items and certain remeasurements.

MW
309

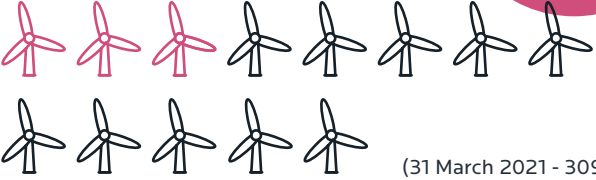
Operational Facts

949



Employee numbers at 31 December 2021
(31 March 2021 - 916)

Wind generation assets operational at 31 December 2021



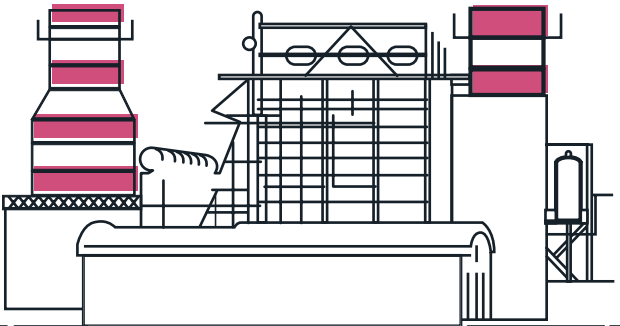
(31 March 2021 - 309MW)

99.7%
76.1%



93.6%

Wind generation assets availability
Third Quarter 2022 - 98.7% (2021 - 98.4%)
Nine Months 2022 - 97.2% (2021 - 97.5%)



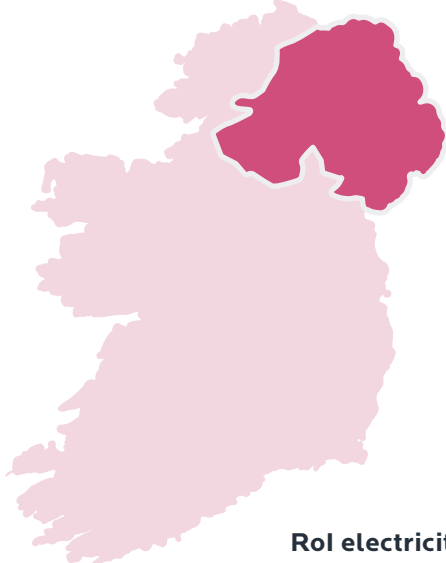
Huntstown CCGT asset availability

Huntstown 1 - Third Quarter 2022 - 99.7% (2021 - 36.7%)
Nine Months 2022 - 99.6% (2021 - 76.2%)
Huntstown 2 - Third Quarter 2022 - 76.1% (2021 - 100.0%)
Nine Months 2022 - 25.6% (2021 - 99.9%)

Northern Ireland electricity sales volumes

Third Quarter 2022 - 0.8TWh (2021 - 0.9TWh)
Nine Months 2022 - 2.1TWh (2021 - 2.2TWh)

736,600
Residential customer sites supplied
(31 March 2021 - 729,500)



TWh
0.8

TWh
1.3

Rol electricity sales volumes

Third Quarter 2022 - 1.3TWh (2021 - 1.1TWh)
Nine Months 2022 - 3.7TWh (2021 - 3.0TWh)



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 31 December 2021 (Third Quarter 2022) and the nine months ended 31 December 2021 (Nine Months 2022) including comparatives for the three months ended 31 December 2020 (Third Quarter 2021) and the nine months ended 31 December 2020 (Nine Months 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 2021, the Group is a leading integrated Irish energy business with substantial businesses in both the RoI and Northern Ireland. During Nine Months 2022 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 1,282MW 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 328,300 customer sites in the RoI and 499,100 customer sites in Northern Ireland through its two retail brands, Energia and Power NI respectively.

Wholesale Prices & I-SEM Market

For the First Half 2022 I-SEM market prices were significantly influenced by high wholesale commodity prices combined with the impact of long-term outages of thermal plants, including Huntstown 2, BGE's Whitegate together with a number of other thermal generators and low wind generation. While Huntstown 2 returned to service on 23 October 2021 and BGE's Whitegate plant returned to service on 4 December 2021 and wind generation increased, gas and carbon prices increased significantly during Third Quarter 2022. As shown in Fig. 1 below, these combined factors have contributed to average I-SEM prices in the First Nine Months 2022 of €162/MWh (2021 - €42/MWh). Gas prices were on average 140p/therm (2021 - 28p/therm) and carbon prices were on average €61/TCO₂ (2021 - €26/TCO₂).

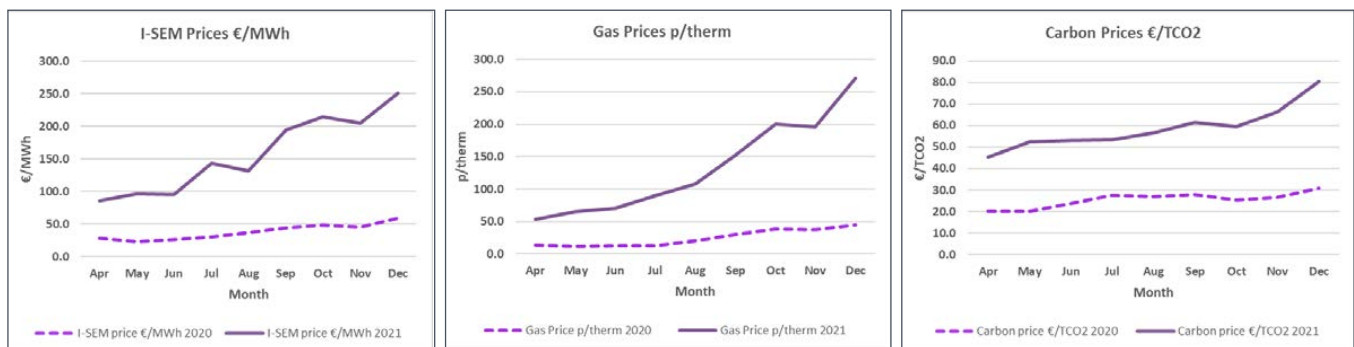


Figure 1

The higher I-SEM market prices throughout First Nine Months 2022 have notably impacted the EBITDA of the Group’s Customer Solutions business (which is outlined in more detail in the Business Review section below) however, as there is no Contract for Difference (CfD) between the Group’s generation and customer retail businesses, this was partially offset by higher EBITDA for the Group’s Renewables and Flexible Generation businesses which have benefitted from the higher I-SEM market prices.

During December 2021 the Group drew its revolving credit facility (RCF) (€59.4m (£50.0m)) in cash in order to manage liquidity over the Christmas holiday period in light of the high commodity price environment noted above. Liquidity at 31 December 2021 comprised €222.3m of cash and cash equivalents excluding project finance cash (31 March - €178.6m) and undrawn committed RCF of €32.3m. The Group expects to shortly conclude a process to increase its RCF by £80m.

High commodity prices have continued to be experienced through January and February 2022 and are expected to remain highly volatile as a result of the current geopolitical situation in Ukraine; however we expect the impact of higher I-SEM market prices on the Group’s Customer Solutions business in the Fourth Quarter 2022 to be offset by the benefit of higher prices to the Group’s Renewables and Flexible Generation businesses combined with higher tariffs.

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

The Renewables financial KPIs are shown below:

KPIs	Third Quarter 2022 €m	Third Quarter 2021 €m	Nine Months 2022 €m	Nine Months 2021 €m
EBITDA	84.1	23.3	118.8	43.2
Capital expenditure	3.3	7.2	7.3	15.3

Renewables EBITDA (pre-exceptional items and certain remeasurements) for Third Quarter 2022 increased to €84.1m (2021 – €23.3m) primarily reflecting higher contributions from the renewable PPAs (due to higher energy prices partly offset by lower wind volumes and lower ROC prices) and higher wind generation assets EBITDA (reflecting higher prices for NI assets partly offset by lower wind volumes across both NI and ROI assets portfolio).

Renewables EBITDA (pre-exceptional items and certain remeasurements) for Nine Months 2022 increased to €118.8m (2021 – €43.2m) primarily reflecting higher contributions from the renewable PPAs (due to higher energy prices partly offset by lower wind volumes) and higher wind generation assets EBITDA (reflecting higher prices for Northern Ireland assets and the

Nine Months 2022 impact of the Derrysallagh windfarm which was commissioned July 2020 partly offset by lower wind volumes) partly offset by increased costs of development projects.

Renewables capital expenditure for Third Quarter 2022 decreased to €3.3m (2021 - €7.2m) and for Nine Months 2022 decreased to €7.3m (2021 - €15.3m) primarily due to lower capital expenditure in respect of development projects.

Operational performance

KPIs	Third Quarter 2022	Third Quarter 2021	Nine Months 2022	Nine Months 2021
Onshore wind generation assets				
Wind generation capacity in operation in the Rol and Northern Ireland				
- average during the period (MW)	309	309	309	297
- at end of period (MW)	309	309	309	309
Availability (%)	98.7	98.4	97.2	97.5
Wind factor (%)	29.1	31.6	19.6	23.7
Renewable PPA portfolio				
Contracted renewable generation capacity in operation in the Rol and Northern Ireland				
- average during the period (MW)	1,282	1,285	1,282	1,287
- at end of period (MW)	1,282	1,284	1,282	1,284

Onshore wind generation assets

The Group owns onshore wind farm assets across the Rol and Northern Ireland. The average onshore wind generation capacity in operation during the Third Quarter 2022 was 309MW (2021 - 309MW) and during Nine Months 2022 was 309MW (2021 – 297MW) with 31 December 2021 operating capacity of 309MW (31 March 2021 – 309MW). This comprised 136MW (31 March 2021 – 136MW) of operating wind generation capacity in the Rol and 173MW (31 March 2021 – 173MW) of operating wind generation capacity in Northern Ireland.

Renewable assets availability for Third Quarter 2022 was 98.7% (2021 – 98.4%) with a wind factor of 29.1% (2021 – 31.6%). Availability for Nine Months 2022 was 97.2% (2021 – 97.5%) with a wind factor of 19.6% (2021 – 23.7%).

Distributions of €18.1m were made in the Nine Months 2022 (2021 - €8.1m) from the wholly 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 Third Quarter 2022 was 1,282MW (2021 – 1,285MW) and during Nine Months 2022 was 1,282MW (2021 - 1,287MW) with 31 December 2021 operating capacity of 1,282MW (31 March 2021 – 1,284MW) of which the Northern Ireland operating capacity was 683MW (31 March 2021 - 685MW) and the Rol operating capacity was 599MW (31 March 2021 – 599MW).

Bioenergy assets

Commissioning of the bioenergy plant at Huntstown in Dublin continues to experience significant delays and the EPC contractor has not yet been able to demonstrate that the plant is capable of meeting the technical and performance parameters required. The Group is assessing various technical solutions to alleviate the issues identified.

In August 2021, Belfast City Council's Planning Committee refused the Group's application for planning permission in respect of its proposed bioenergy plant at Giant's Park in Belfast. In November 2021, the Group initiated an appeal of the decision with the Planning Appeals Commission and an outcome is awaited.

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 313MW.

Hydrogen

The Group is procuring an electrolyser to produce hydrogen from renewable electricity at the Long Mountain wind farm. Civil works continued during Third Quarter 2022 and commissioning of an electrolyser is targeted for April 2022.

Onshore wind development assets

The Group continues to progress the development of its onshore wind pipeline projects (242MW) and expects to enter into Corporate PPAs for such development projects.

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 and public consultation processes are ongoing for both projects. During the period the Group completed the procurement process for geophysical and geotechnical surveys for both projects.

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 at 31 December 2021:

MW	Operating	Under Construction	In Development	Total
Onshore wind generation assets				
- Northern Ireland	173	-	52	225
- Rol	136	-	190	326
	309	-	242	551
Bioenergy Assets				
- Northern Ireland	-	-	4	4
- Rol	-	4	-	4
	-	4	4	8
Solar				
- Rol	-	-	313	313
	309	4	559	872

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



A group of local County Antrim farmers visit the Rathsherry wind farm

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

KPIs	Third Quarter 2022 €m	Third Quarter 2021 €m	Nine Months 2022 €m	Nine Months 2021 €m
EBITDA	18.2	8.4	87.6	38.3
Capital expenditure	2.5	1.3	17.8	3.9

Flexible Generation EBITDA for Third Quarter 2022 increased to €18.2m (2021 – €8.4m) primarily reflecting higher Huntstown 1 margins due to higher availability (last year there was a major outage for Huntstown 1 in the Third Quarter) and higher prices (driven by higher commodities, lower availability of other thermal plants and lower wind generation) partly offset by the lower availability of Huntstown 2 (with the plant returning to service from its outage on 23 October 2021).

Flexible Generation EBITDA for Nine Months 2022 increased to €87.6m (2021 – €38.3m) primarily reflecting higher Huntstown 1 margins due to higher availability (last year there was a major outage for Huntstown 1) and higher prices (driven by higher commodities and lower availability of other thermal plants and lower wind generation) together with the accrual

of the business interruption insurance claim for the Huntstown 2 transformer outage and higher PPB contribution (reflecting partial recognition of the forecast full year gain share) partly offset by the zero availability impact of Huntstown 2 up to its return to service on 23 October 2021.

Flexible Generation capital expenditure for Third Quarter 2022 increased to €2.5m (2021 – €1.3m) and for Nine Months 2022 increased to €17.8m (2021 – €3.9m) primarily reflecting capital expenditure in respect of the 50MW battery storage project in Northern Ireland.

Operational performance

KPIs	Third Quarter 2022	Third Quarter 2021	Nine Months 2022	Nine Months 2021
Huntstown CCGTs				
Availability (%)				
- Huntstown 1	99.7	36.7	99.6	76.2
- Huntstown 2	76.1	100.0	25.6	99.9
Unconstrained utilisation (%)				
- Huntstown 1	46.6	30.1	76.2	76.7
- Huntstown 2	49.3	56.3	49.3	52.1
Incremental impact of constrained utilisation (%)				
- Huntstown 1	9.2	16.7	(5.8)	(5.1)
- Huntstown 2	(5.0)	(3.7)	(5.0)	(5.1)

Huntstown 1 availability for Third Quarter 2022 was 99.7% (2021 – 36.7%) and for Nine Months 2022 was 99.6% (2021 – 76.2%).

Huntstown 1 unconstrained utilisation for Third Quarter 2022 was 46.6% (2021 – 30.1%) and for Nine Months 2022 was 76.2% (2021 – 76.7%). The incremental impact of constrained utilisation for Huntstown 1 in Third Quarter 2022 was 9.2% constrained on (2021 – 16.7%) and for Nine Months 2022 was 5.8% constrained off (2021 – 5.1%).

Huntstown 2 availability for Third Quarter 2022 was 76.1% (2021 – 100%) and for Nine Months 2022 was 25.6% (2021 – 99.9%) reflecting the plant being unavailable since 29 January 2021 due to the generator transformer outage with subsequent return to service on 23 October 2021.

Huntstown 2 unconstrained utilisation for Third Quarter 2022 was 49.3% (2021 – 56.3%) and for Nine Months 2022 was 49.3% (2021 – 52.1%). The incremental impact of constrained utilisation for Huntstown 2 in Third Quarter 2022 was 5.0% constrained off (2021 – 3.7%) and for Nine Months 2022 was 5.0% constrained off (2021 – 5.1%).

On 29 January 2021, a fault was identified on the Huntstown 2 main generator transformer which resulted in the plant not being available to the market. A new replacement transformer was procured and successfully installed and commissioned and the plant returned to service on 23 October 2021. The Group has insurance in place intended to cover both property damage and business interruption to the Group (including the Group's retail operations) in respect of the Huntstown plant. Insurers have confirmed that the transformer failure was an insurable event. The results for the Nine Months 2022 reflect the c.€24m accrual provided for in the First Half 2022 for the business interruption element of the claim for the Huntstown plant pending finalisation and agreement with insurers for the full business interruption claim (Huntstown plant and retail operations) together with the claim for the cost of the replacement transformer c.€8m. An initial payment on account of €13.0m was paid to Huntstown in the Third Quarter 2022 while a second interim payment on account of €9.5m has been approved by insurers. The Group expects to conclude the remaining outstanding items of the business interruption claim in the Fourth Quarter 2022.

Capacity auctions

Final auction results for the T-1 auction for the 2022/23 capacity year were confirmed on 10 December 2021. The final results confirmed that Huntstown 1 had been awarded a reliability option for the 2022/23 capacity year. The auction clearing price was €46,150/MW. The Group's 50MW battery storage project in Belfast was also successful in the auction and was awarded a reliability option for the 2022/23 capacity year at €46,150/MW.

Data centre

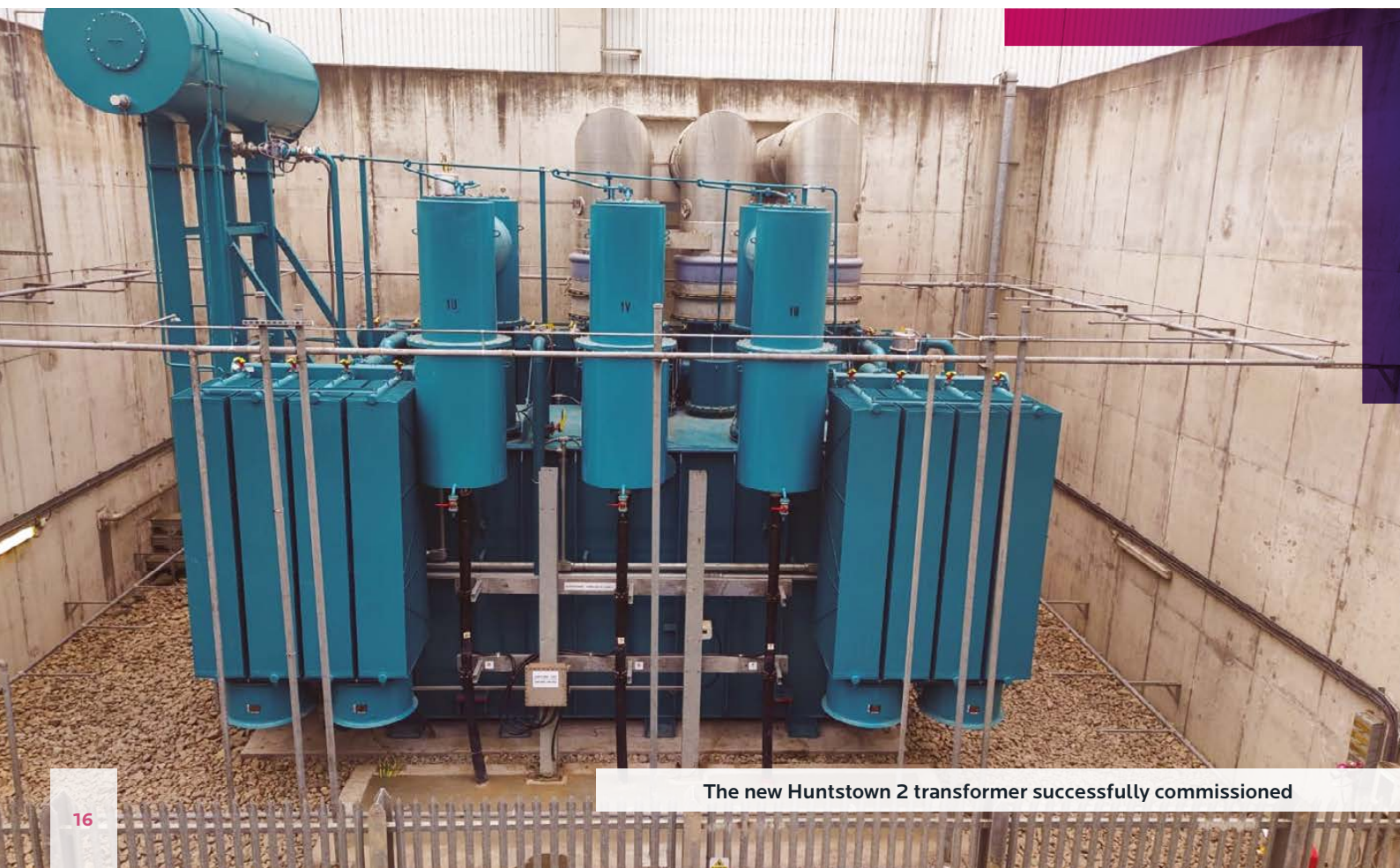
The Group is in preliminary stages of developing a data centre at its Huntstown campus in Dublin adjacent to the CCGT plants. The Group's application for planning permission for the proposed data centre was submitted in August 2021 and a decision is awaited.

Storage

Construction works for the Group's 50MW battery storage project in Belfast continued during Third Quarter 2022. It is targeted to complete construction and commissioning of the battery storage project by the Third Quarter 2023

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.



The new Huntstown 2 transformer successfully commissioned

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	Third Quarter 2022 €m	Third Quarter 2021 €m	Nine Months 2022 €m	Nine Months 2021 €m
EBITDA	(43.8)	19.3	(86.5)	55.1
Capital expenditure	3.4	4.7	9.2	11.1

EBITDA for Third Quarter 2022 decreased to €43.8m loss (2021 – €19.3m profit) and for Nine Months 2022 decreased to €86.5m loss (2021 – €55.1m profit) primarily reflecting lower Energia electricity and gas margins (reflecting higher commodity and energy prices (for which the Renewables and Flexible Generation businesses have benefitted from)), lower Power NI non-residential electricity margins and higher operating costs including an increase in expected credit loss (ECL) provisions as a result of higher commodity prices increasing customer bills.

Customer Solutions capital expenditure for Third Quarter 2022 was €3.4m (2021 - €4.7m) and for Nine Months 2022 was €9.2m (2021 - €11.1m) primarily reflecting lower expenditure in respect of IT projects.

Operational performance

KPIs	At 31 December 2021	At 31 March 2021
Customer sites (number)		
Rol		
- Residential electricity	205,200	204,200
- Residential gas	71,000	72,600
	276,200	276,800
- Non-residential electricity	48,500	49,400
- Non-residential gas	3,600	3,800
	52,100	53,200
Total Rol	328,300	330,000
Northern Ireland		
- Residential electricity	460,400	452,700
- Non-residential electricity	38,700	41,200
Total Northern Ireland	499,100	493,900

Energy sales Rol	Third Quarter 2022	Third Quarter 2021	Nine Months 2022	Nine Months 2021
- Electricity sales (TWh)	1.3	1.1	3.7	3.0
- Gas sales (million therms)	26.5	28.8	62.1	61.8
Northern Ireland				
- Electricity sales (TWh)	0.8	0.9	2.1	2.2
Complaints (number)				
Complaints to the CRU in the Rol	1	-	3	3
Complaints to the CCNI in Northern Ireland	1	2	2	3

Residential electricity and gas customer sites in the RoI were 276,200 at 31 December 2021 (31 March 2021 – 276,800).

Non-residential electricity customer sites in the RoI were 48,500 at 31 December 2021 (31 March 2021 – 49,400). Non-residential gas customer sites in the RoI were 3,600 at 31 December 2021 (31 March 2021 – 3,800).

Residential customer numbers in Northern Ireland were 460,400 at 31 December 2021 (31 March 2021 – 452,700). Non-residential customer numbers in Northern Ireland were 38,700 at 31 December 2021 (31 March 2021 – 41,200).

Total electricity sales volumes in the RoI for Third Quarter 2022 were 1.3TWh (2021 – 1.1TWh) and during Nine Months 2022 were 3.7TWh (2021 – 3.0TWh). Total electricity sales in Northern Ireland for Third Quarter 2022 were 0.8TWh (2021 – 0.9TWh) and for Nine Months 2022 were 2.1TWh (2021 2.2TWh).

RoI gas sales volumes in Third Quarter 2022 were 26.5m therms (2021 – 28.8m therms) and for Nine Months 2022 were 62.1m therms (2021 – 61.8m therms).

During the Third Quarter 2022, the Group received one complaint (2021 – nil) and three complaints for Nine Months 2022 (2021 – three) which were referred to the CRU. During the Third Quarter 2022, the Group received one complaint (2021 – two) and two complaints for the Nine Months 2022 (2021 – three) which were referred to the Consumer Council in Northern Ireland (CCNI).

Tariffs

As outlined in the interim report for Second Quarter 2022, the impact of higher I-SEM market prices as a result of high commodity prices, low availability of thermal generation and low wind generation has resulted in reduced financial performance for First Half 2022 relative to the prior year. Wholesale commodity and I-SEM market prices continued to increase further in the Third Quarter 2022 and primarily impacted the Group's Customer Solutions business.

In response to higher wholesale costs, both Energia and Power NI increased tariffs during the year (as outlined in the interim accounts for Second Quarter 2022). During the Third Quarter 2022, Power NI agreed its second tariff increase of the year with the UR and increased its residential electricity tariff by 21.4% from 1 January 2022.

Both Energia and Power NI will continue to monitor wholesale prices and their implications for tariffs going forward.

Outlook

The Group continues to progress 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

	Third Quarter 2022 €m	Third Quarter 2021 €m	Nine Months 2022 €m	Nine Months 2021 €m
Renewables	111.1	62.0	273.6	164.4
Flexible Generation (based on regulated entitlement)	346.1	88.6	664.3	247.2
Customer Solutions (based on regulated entitlement)	520.2	366.9	1,253.1	851.5
Adjustment for over-recovery	5.2	13.7	29.6	36.7
Inter-business elimination	4.1	0.8	13.7	(6.9)
Total revenue from continuing operations	986.7	532.0	2,234.3	1,292.9

Third Quarter 2022

Total revenue from continuing operations increased to €986.7m (2021 - €532.0m).

Revenue from the Renewables business increased to €111.1m (2021 - €62.0m) primarily reflecting higher energy prices and higher ROC sales, partly offset by lower wind volumes and lower ROC prices.

Flexible Generation revenue increased to €346.1m (2021 - €88.6m) primarily reflecting higher Huntstown 1 revenue driven by higher availability, utilisation and energy prices, higher Huntstown 2 revenue reflecting higher energy prices when the plant returned to service from 23 October 2021 and higher utilisation and energy prices achieved by the Ballylumford plant under contract with PPB.

Customer Solutions revenue increased to €520.2m (2021 - €366.9m) primarily due to higher non-residential electricity revenue (reflecting higher volumes and prices) and higher residential revenue (reflecting higher customer numbers and higher tariffs for Energia and Power NI) and higher gas revenue (reflecting higher prices partly offset by lower volumes).

During the period the regulated businesses of Power NI and PPB combined over-recovered against their regulated entitlement by €5.2m (2021 - €13.7m) and at 31 December 2021 the combined cumulative over-recovery against regulated entitlement was €61.9m. The over-recovery of regulated entitlement reflects the phasing of tariffs.



Energia Group supported local foodbanks at Christmas

Nine Months 2022

Total revenue from continuing operations increased to €2,234.3m (2021 - €1,292.9m).

Revenue from the Renewables business increased to €273.6m (2021 - €164.4m) primarily reflecting higher energy prices and higher ROC sales partly offset by lower volumes (including the benefit of the Derrysallagh wind farm which was commissioned in July 2020) and lower ROC prices.

Flexible Generation revenue increased to €664.3m (2021 - €247.2m) primarily reflecting higher Huntstown 1 revenue driven by higher availability and energy prices, higher utilisation and energy prices achieved by the Ballylumford plant under contract with PPB and higher Huntstown 2 revenue reflecting higher energy prices when the plant returned to service from 23 October 2021 together with the business interruption insurance revenue recognised. Customer Solutions revenue increased to

€1,253.1m (2021 - €851.5m) primarily due to higher non-residential electricity revenue (reflecting higher volumes and prices, partly offset by lower customer numbers) and higher residential revenue (reflecting higher customer numbers, volumes and higher tariffs for Energia and Power NI).

During the period the regulated businesses of Power NI and PPB combined over-recovered against their regulated entitlement by €29.6m (2021 - €36.7m) and at 31 December 2021 the combined cumulative over-recovery against regulated entitlement was €61.9m. The over-recovery of regulated entitlement reflects the phasing of tariffs.

Operating costs

	Third Quarter 2022 €m	Third Quarter 2021 €m	Nine Months 2022 €m	Nine Months 2021 €m
Energy costs	882.2	431.5	1,979.4	1,023.9
Employee costs	12.7	11.7	37.6	33.7
Other operating charges	28.1	24.1	67.8	62.0
Total pre-exceptional items and certain remeasurements	923.0	467.3	2,084.8	1,119.6

Third Quarter 2022

Operating costs (pre-exceptional items and certain remeasurements and excluding depreciation) increased to €923.0m (2021 - €467.3m). The breakdown is as follows:

Energy costs increased to €882.2m (2021 - €431.5m) primarily reflecting higher energy prices, higher non-residential sales volumes, increased utilisation of the Ballylumford plant and higher availability and utilisation of Huntstown 1 partly offset by lower availability of Huntstown 2.

Employee costs increased to €12.7m (2021 - €11.7m) reflecting an increase in staff numbers associated with the underlying growth of the Group's businesses including future development projects being undertaken.

Other operating charges increased to €28.1m (2021 - €24.1m) primarily reflecting higher Customer Solutions operating costs including an increase to ECL provisions as a result of higher billed revenues (with the prior year period benefitting from lower costs associated with COVID-19) and higher operating costs for the Renewables businesses.

Nine Months 2022

Operating costs (pre-exceptional items and certain remeasurements and excluding depreciation) increased to €2,084.8m (2021 - €1,119.6m). The breakdown is as follows:

Energy costs increased to €1,979.4m (2021 - €1,023.9m) primarily reflecting higher energy prices, higher non-residential and residential sales volumes (with last year impacted by COVID-19), higher availability and utilisation of Huntstown 1, increased utilisation of the Ballylumford plant and higher ROC costs (associated with higher sales volumes) partly offset by lower availability of Huntstown 2.

Employee costs increased to €37.6m (2021 - €33.7m) reflecting an increase in staff numbers associated with the underlying growth of the Group's businesses including future development projects being undertaken.

Other operating charges increased to €67.8m (2021 - €62.0m) primarily reflecting higher Customer Solutions operating costs including an increase to ECL provisions as a result of higher billed revenues (with last year benefitting from lower costs associated with COVID-19) and higher operating costs for the Renewables businesses with increased development costs.

Group EBITDA

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

	Third Quarter 2022 €m	Third Quarter 2021 €m	Nine Months 2022 €m	Nine Months 2021 €m
Renewables	84.1	23.3	118.8	43.2
Flexible Generation	18.2	8.4	87.6	38.3
Customer Solutions	(43.8)	19.3	(86.5)	55.1
Group pro-forma EBITDA	58.5	51.0	119.9	136.6
Over-recovery of regulated entitlement	5.2	13.7	29.6	36.7
EBITDA	63.7	64.7	149.5	173.3

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

Third Quarter 2022

Group pro-forma EBITDA (pre-exceptional items and certain remeasurements) increased to €58.5m (2021 – €51.0m) primarily reflecting an increase in EBITDA in the Renewables and Flexible Generation businesses partly offset by a reduction in the Customer Solutions business.

Renewables EBITDA (pre-exceptional items and certain remeasurements) increased to €84.1m (2021 – €23.3m) primarily reflecting higher contributions from the renewable PPAs (due to higher prices partly offset by lower wind volumes and lower ROC prices) and higher wind generation assets EBITDA (reflecting higher prices for NI assets partly offset by lower wind volumes across both NI and ROI assets portfolio).

Flexible Generation EBITDA increased to €18.2m (2021 – €8.4m) primarily reflecting higher Huntstown 1 margins due to higher availability

(last year there was a major outage for Huntstown 1 in the Third Quarter) and higher prices (driven by higher commodities, lower availability of other thermal plants and lower wind generation) partly offset by the lower availability of Huntstown 2 (with the plant returning to service from its outage on 23 October 2021).

Customer Solutions EBITDA decreased to €43.8m loss (2021 – €19.3m profit) primarily reflecting lower Energia electricity and gas margins (reflecting higher commodity and energy prices (for which the Renewables and Flexible Generation businesses have benefitted from)), lower Power NI non-residential electricity margins and higher operating costs including an increase in ECL provisions as a result of higher commodity prices increasing customer bills.

Nine Months 2022

Group pro-forma EBITDA (pre-exceptional items and certain remeasurements) decreased to €119.9m (2021 – €136.6m) primarily reflecting an increase in EBITDA in the Renewables and Flexible Generation businesses, partly offset by a reduction in the Customer Solutions business.

Renewables EBITDA (pre-exceptional items and certain remeasurements) increased to €118.8m (2021 – €43.2m) primarily reflecting higher contributions from the renewable PPAs (due to higher energy prices partly offset by lower wind volumes) and higher wind generation assets EBITDA (reflecting higher prices for NI assets and the Nine Months 2022 impact of the Derrysallagh wind farm which was commissioned July 2020 partly offset by lower wind volumes) partly offset by increased costs of development projects.

Flexible Generation EBITDA increased to €87.6m (2021 – €38.3m) primarily reflecting higher Huntstown 1 margins due to higher

availability (last year there was a major outage for Huntstown 1) and higher prices (driven by higher commodities and lower availability of other thermal plants and lower wind generation) together with the accrual of the business interruption insurance claim for the Huntstown 2 transformer outage and higher PPB contribution (reflecting partial recognition of the forecast full year gain share) partly offset by the zero availability impact of Huntstown 2 up to its return to service on 23 October 2021.

Customer Solutions EBITDA decreased to €86.5m loss (2021 – €55.1m) primarily reflecting lower Energia electricity and gas margins (reflecting higher commodity and energy prices (for which the Renewables and Flexible Generation businesses have benefitted from)), lower Power NI non-residential electricity margins and higher operating costs including an increase in ECL provisions as a result of higher commodity prices increasing customer bills.



Energia launched its new Derrysallagh Wind Farm Fund offering local project grants

Depreciation

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

	Third Quarter 2022 €m	Third Quarter 2021 €m	Nine Months 2022 €m	Nine Months 2021 €m
Renewables	7.6	7.3	22.3	21.0
Flexible Generation	2.3	3.6	7.0	11.2
Customer Solutions	4.2	3.2	12.8	9.2
Total Depreciation	14.1	14.1	42.1	41.4

Depreciation and amortisation for Third Quarter 2022 was €14.1m (2021 - €14.1m) and for Nine Months was €42.1m (2021 - €41.4m).

Group operating profit

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

	Third Quarter 2022 €m	Third Quarter 2021 €m	Nine Months 2022 €m	Nine Months 2021 €m
Renewables	76.5	16.0	96.5	22.2
Flexible Generation	15.9	4.8	80.6	27.1
Customer Solutions	(48.0)	16.1	(99.3)	45.9
Total Operating Profit	44.4	36.9	77.8	95.2

Third Quarter 2022

Group pro-forma operating profit (pre-exceptional items and certain remeasurements) for Third Quarter 2022 increased to €44.4m (2021 - €36.9m) primarily reflecting higher operating profit in the Renewables and Flexible Generation businesses partly offset by lower operating profit in the Customer Solutions business.

Nine Months 2022

Group pro-forma operating profit (pre-exceptional items and certain remeasurements) for Nine Months 2022 decreased to €77.8m (2021 - €95.2m) primarily reflecting lower operating profit in the Customer Solutions business partly offset by higher operating profit in the Renewables and Flexible Generation businesses.

Exceptional items and certain remeasurements

	Third Quarter 2022 €m	Third Quarter 2021 €m	Nine Months 2022 €m	Nine Months 2021 €m
Renewables	(1.3)	(0.2)	(1.1)	0.2
Customer Solutions	(27.0)	2.2	46.8	7.8
Total Exceptional Items and Certain Remeasurements	(28.3)	2.0	45.7	8.0

Third Quarter 2022

Exceptional items and certain remeasurements were a €28.3m cost (2021 - €2.0m credit). The breakdown by business is as follows:

Exceptional items in the Renewables business were a €1.3m cost (2021 - €0.2m) reflecting certain remeasurements relating to the recognition of fair value of derivatives of €1.3m cost (2021 - €0.6m) and €0.1m related to costs associated with acquisitions whether successful or unsuccessful, partly offset by a fair value adjustment to contingent consideration of €0.1m credit (2021 - €0.4m).

Exceptional items in the Customer Solutions business were a €27.0m cost (2021 - €2.2m credit) reflecting certain remeasurements relating to the recognition of fair value of derivatives.

Nine Months 2022

Exceptional items and certain remeasurements were a €45.7m credit (2021 - €8.0m). The breakdown by business is as follows:

Exceptional items in the Renewables business were a €1.1m cost (2021 - €0.2m credit) reflecting certain remeasurements relating to the recognition of fair value of derivatives of €0.9m (2021 - €1.1m) and €0.8m related to costs associated with acquisitions whether successful or unsuccessful partly offset by a fair value adjustment to contingent consideration of €0.6m credit (2021 - €1.3m).

Exceptional items in the Customer Solutions business were a €46.8m credit (2021 - €7.8m) primarily reflecting certain remeasurements relating to the recognition of fair value of derivatives.

Further information is outlined in note 5 to the accounts.

Net finance costs

Net finance costs (pre-exceptional items and certain remeasurements) for Third Quarter 2022 increased from €13.8m to €14.4m and for Nine Months 2022 increased from €32.1m to €36.6m primarily reflecting the impact of foreign exchange movements in the period compared to the same period last year and lower capitalised interest.

Tax charge

The total tax charge (pre-exceptional items and certain remeasurements) for Third Quarter 2022

was €6.2m (2021 – €5.4m) and for Nine Months 2022 was €14.1m (2021 - €13.8m). 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:

	Third Quarter 2022 €m	Third Quarter 2021 €m	Nine Months 2022 €m	Nine Months 2021 €m
Group pro-forma EBITDA¹	58.5	51.0	119.9	136.6
Defined benefit pension charge less contributions paid	-	(0.1)	(0.8)	(0.1)
Net movement in security deposits	(32.4)	1.6	(32.7)	(2.6)
Changes in working capital ²	(20.0)	(69.8)	9.6	(110.0)
Over-recovery of regulated entitlement	5.2	13.7	29.6	36.7
Foreign exchange translation	(0.9)	(1.9)	0.3	1.3
Exceptional items	(0.1)	-	(0.8)	-
Cash flow from operating activities	10.3	(5.5)	125.1	61.9
Net capital expenditure ³	(9.2)	(13.2)	(34.3)	(30.3)
Cash flow before acquisitions, disposals, interest and tax	1.1	(18.7)	90.8	31.6

¹ Includes EBITDA of project financed renewable assets for Third Quarter 2022 of €26.5m (2021 - €14.9m); Nine Months €42.4m (2021 - €28.0m)

² Includes changes in working capital of project financed renewable assets for Third Quarter 2022 of €12.5m increase (2021 – €3.2m increase); Nine Months 2022 €8.6m increase (2021 - €5.7m increase) and net expenditure from the sale and purchases of other intangibles of €14.2m for Third Quarter 2022 (2021 - €49.1m); Nine Months 2022 net proceeds of €16.2m (2021 – €43.2m net expenditure)

³ Includes capital expenditure on project financed renewable assets for Third Quarter 2022 of €3.3m (2021 - €7.2m); Nine Months 2022 €7.3m (2021 - €15.3m) and intangible asset (software and customer acquisition costs) expenditure for Third Quarter 2022 of €3.5m (2021 - €4.4m); Nine Months 2022 €8.2m (2021 - €10.7m)

Group cash flow from operating activities for Third Quarter 2022 increased to a €10.3m inflow (2021 - €5.5m outflow) primarily reflecting a lower increase in working capital of €20.0m (2021 - €69.8m) and an increase in EBITDA from €51.0m to €58.5m, partly offset by an increase in security deposits of €32.4m (2021 - €1.6m decrease) and a lower over-recovery of regulated entitlement of €5.2m (2021 - €13.7m).

Group cash flow from operating activities for Nine Months 2022 increased to €125.1m (2021 - €61.9m) primarily reflecting a decrease in working capital of €9.6m (2021 - €110.0m increase), partly offset by an increase in security deposits of €32.7m (2021 - €2.6m decrease), a lower over-recovery of regulated entitlement of €29.6m (2021 - €36.7m) and a decrease in EBITDA from €136.6m to €119.9m.

Net movement in security deposits

The net movement in security deposits for Third Quarter 2022 was a €32.4m increase (2021 - €1.6m decrease) and for Nine Months 2022 was an increase of €32.7m (2021 - €2.6m) reflecting an increase in pre-funding requirements for the I-SEM market over the Christmas holiday period combined with the increase in commodities as noted previously. As at 31 December 2021 there were €43.9m (31 March 2021 - €13.7m) of security deposits in place.

Changes in working capital

Working capital for Third Quarter 2022 increased by €20.0m (2021 - €69.8m) primarily reflecting an increase in trade and other receivables (reflecting higher prices, a seasonal increase

in volumes, an increase in hedge debtors and timing of ISEM settlement over the Christmas period partly offset by an interim payment of the Huntstown 2 insurance claim and a reduction in ROC debtors) and a net decrease in emissions liabilities/assets (with the annual purchase of carbon credits net of the benefit of deferring some purchases to March 2022) partly offset by an increase in trade and other payables (reflecting higher prices, a seasonal increase in volumes and an increase in the Renewable Energy Feed-in Tariff (REFIT) creditor (previously debtor) for Renewables PPAs resulting from higher market prices) and an increase in ROC liabilities partly offset by a decrease in the Public Service Obligation (PSO) for PPB).

Working capital for Nine Months 2022 decreased by €9.6m (2021 - €110.0m increase) primarily reflecting an increase in trade and other payables (reflecting higher prices, a seasonal increase in volumes, an increase in the REFIT creditor (previously debtor) for Renewables PPAs resulting from higher market prices partly offset by a decrease in ROC liabilities (reflecting the settlement of the annual obligation), a decrease in ROC assets held and a net increase in emissions liabilities/assets (reflecting the net benefit of deferring some purchases to March 2022), partly offset by an increase in trade and other receivables (reflecting higher prices, a seasonal increase in volumes, an increase in hedge debtors, timing of ISEM settlement over the Christmas period and recognition of the Huntstown 2 insurance claim).

Over-recovery of regulated entitlement

As noted previously the regulated businesses of Power NI and PPB combined over-recovered against their regulated entitlement in Third Quarter 2022 by €5.2m (2021 – €13.7m) and in Nine Months 2022 by €29.6m (2021 - €36.7m) and at 31 December 2021 the joint combined over-recovery against regulated entitlement was €61.9m. The over-recovery of regulated entitlement reflects the phasing of tariffs.

Capital expenditure

	Third Quarter 2022 €m	Third Quarter 2021 €m	Nine Months 2022 €m	Nine Months 2021 €m
Renewables	3.3	7.2	7.3	15.3
Flexible Generation	2.5	1.3	17.8	3.9
Customer Solutions	3.4	4.7	9.2	11.1
Total Capital Expenditure	9.2	13.2	34.3	30.3

Net capital expenditure in respect of tangible fixed assets and intangible software assets for Third Quarter 2022 decreased to €9.2m (2021 - €13.2m) and for Nine Months 2022 increased to €34.3m (2021 - €30.3m).

Renewables capital expenditure for Third Quarter 2022 decreased to €3.3m (2021 - €7.2m) for Nine Months 2022 decreased to €7.3m (2021 - €15.3m) primarily due to lower capital expenditure in respect of development projects.

Flexible Generation capital expenditure for Third Quarter 2021 increased to €2.5m (2021 - €1.3m) and for Nine Months 2022 increased to €17.8m (2021 - €3.9m) primarily reflecting capital expenditure in respect of the 50MW battery storage project in Northern Ireland.

Customer Solutions capital expenditure for Third Quarter 2022 was €3.4m (2021 - €4.7m) and for Nine Months 2022 was €9.2m (2021 - €11.1m) primarily reflecting lower expenditure in respect of IT projects.

Other cash flows

Net interest paid

Net interest paid (excluding exceptional finance costs) in Third Quarter 2022 was €0.8m (2021 - €1.0m) and for Nine Months 2022 was €21.5m (2021 - €22.8m).

Dividends

On 2 November 2021 the Board approved the payment of a €40.0m dividend to the parent

undertaking which was subsequently paid on 5 November 2021 (2021 - €40.0m).

Acquisition of subsidiary undertakings

Acquisition of subsidiary undertakings of €27.1m (2021 - €0.1m) for Nine Months 2022 reflects the acquisition of Drumlins as discussed further in note 10.

Net debt

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

	31 December 2021 €m	31 March 2021 €m
Investments	1.4	1.4
Cash and cash equivalents	257.5	216.5
Senior secured notes	(611.8)	(607.5)
Senior revolving credit facility	(59.4)	-
Project finance facilities	(346.5)	(353.3)
Interest accruals	(11.6)	(1.9)
Total net debt	(770.4)	(744.8)

The Group's net debt increased by €25.6m from €744.8m at 31 March 2021 to €770.4m at 31 December 2021. Net debt at 31 December 2021 includes project finance net debt of €314.0m (31 March 2021 - €315.5m). Excluding project financed net debt, net debt was €456.4m (31 March 2021 - €429.3m).

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 31 December 2021, the Group had letters of credit issued out of the Senior revolving credit facility of €175.8m and had €59.4m cash drawings under the Senior revolving credit facility resulting in undrawn committed facilities of €32.3m (31 March 2021 - €109.2m). The Group expects to shortly conclude a process to increase the Senior revolving credit facility by £80m.

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

At 31 December 2021, there was €35.2m (31 March 2021 - €37.9m) 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 2021.

Defined benefit pension liability

The pension liability in the Group's defined benefit scheme under International Accounting Standard (IAS) 19 was €nil at 31 December 2021 (31 March 2021 - €0.1m liability).

Outlook

As noted earlier, the Group has been impacted by low availability of thermal plant and low wind generation in the First Half 2022 and high commodity prices for First Nine Months 2022.

High commodity prices have continued to be experienced through January and February 2022 and are expected to remain highly volatile as a result of the current geopolitical situation in Ukraine. We expect the impact of higher I-SEM market prices on the Group's Customer Solutions business in the Fourth Quarter 2022 to be offset by the benefit of higher prices to the Group's Renewables and Flexible Generation businesses combined with higher tariffs.

In addition, there is potential increased uncertainty over the recoverability of trade receivables (in particular for the Customer Solutions business) however the Group still retains its provisions for expected credit losses as a result of the COVID-19 pandemic and further increased its provisions for expected credit losses in Third Quarter 2022 reflecting the impact of increased commodities on customer bills.

Further detail on the potential impacts of COVID-19 is provided in the "Risk Management and Principal Risks and Uncertainties" section of the Annual Report and consolidated financial statements for the year ended 31 March 2021.

During December 2021 the Group drew its RCF cash facility (€59.4m) in order to manage liquidity over the Christmas holiday period in light of the high commodity price environment noted above. Liquidity at 31 December 2021 comprised €222.3m of cash and cash equivalents excluding project finance cash (31 March 2021 - €178.6m) and undrawn committed RCF of €32.3m. The Group expects to shortly conclude a process to increase its RCF by £80m.



CONSOLIDATED FINANCIAL STATEMENTS

CONSOLIDATED INCOME STATEMENT

for the three month period ended 31 December 2021

		Results before exceptional items and certain remeasurements Third Quarter 2022 Unaudited €m	Exceptional items and certain remeasurements (note 5) Third Quarter 2022 Unaudited €m	Total Third Quarter 2022 Unaudited €m	Results before exceptional items and certain remeasurements Third Quarter 2021 Unaudited €m	Exceptional items and certain remeasurements (note 5) Third Quarter 2021 Unaudited €m	Total Third Quarter 2021 Unaudited €m
Continuing operations	Notes						
Revenue	2	986.7	-	986.7	532.0	-	532.0
Operating (costs) / income	4	(937.1)	(28.3)	(965.4)	(481.4)	2.0	(479.4)
Operating profit	2	49.6	(28.3)	21.3	50.6	2.0	52.6
Finance costs	6	(14.4)	-	(14.4)	(13.8)	-	(13.8)
Net finance cost		(14.4)	-	(14.4)	(13.8)	-	(13.8)
Profit before tax		35.2	(28.3)	6.9	36.8	2.0	38.8
Taxation	7	(6.2)	4.4	(1.8)	(5.4)	-	(5.4)
Profit for the period		29.0	(23.9)	5.1	31.4	2.0	33.4

CONSOLIDATED INCOME STATEMENT

for the nine month period ended 31 December 2021

		Results before exceptional items and certain remeasurements Nine Months 2022 Unaudited €m	Exceptional items and certain remeasurements (note 5) Nine Months 2022 Unaudited €m	Total Nine Months 2022 Unaudited €m	Results before exceptional items and certain remeasurements Nine Months 2021 Unaudited €m	Exceptional items and certain remeasurements (note 5) Nine Months 2021 Unaudited €m	Total Nine Months 2021 Unaudited €m
Continuing operations	Notes						
Revenue	2	2,234.3	-	2,234.3	1,292.9	-	1,292.9
Operating (costs) / income	4	(2,126.9)	45.7	(2,081.2)	(1,161.0)	8.0	(1,153.0)
Operating profit	2	107.4	45.7	153.1	131.9	8.0	139.9
Finance costs	6	(36.6)	-	(36.6)	(32.2)	-	(32.2)
Finance income	6	-	-	-	0.1	-	0.1
Net finance cost		(36.6)	-	(36.6)	(32.1)	-	(32.1)
Profit before tax		70.8	45.7	116.5	99.8	8.0	107.8
Taxation	7	(14.1)	(8.9)	(23.0)	(13.8)	(1.0)	(14.8)
Profit for the period		56.7	36.8	93.5	86.0	7.0	93.0

CONSOLIDATED STATEMENT OF OTHER COMPREHENSIVE INCOME

for the three and nine month periods ended 31 December 2021

	Third Quarter 2022 Unaudited €m	Third Quarter 2021 Unaudited €m	Nine Months 2022 Unaudited €m	Nine Months 2021 Unaudited €m
Profit for the period	5.1	33.4	93.5	93.0
Items that will be reclassified subsequently to profit or loss:				
Exchange differences on translation of foreign operations	20.3	8.9	14.5	(6.4)
Net gain on cash flow hedges	21.5	47.0	737.8	63.9
Transferred (gain) / loss from equity to income statement on cash flow hedges	(230.9)	(3.9)	(378.8)	23.3
Income tax effect	35.8	(6.4)	(62.8)	(10.5)
	(173.6)	36.7	296.2	76.7
	(153.3)	45.6	310.7	70.3
Items that will not be reclassified to profit or loss:				
Remeasurement gain / (loss) on defined benefit scheme	-	0.1	(0.8)	-
	-	0.1	(0.8)	-
Other comprehensive (expense) / income for the period, net of taxation	(153.3)	45.7	309.9	70.3
Total comprehensive (expense) / income for the period	(148.2)	79.1	403.4	163.3

CONSOLIDATED BALANCE SHEET

as at 31 December 2021

ASSETS	Notes	31 December 2021 Unaudited €m	31 March 2021 Audited €m
Non-current assets:			
Property, plant and equipment		588.9	582.5
Intangible assets		683.2	654.7
Right-of-use assets	18	25.8	26.5
Derivative financial instruments	15	72.6	8.0
Deferred tax assets		29.8	27.4
		1,400.3	1,299.1
Current assets:			
Intangible assets		70.9	84.9
Inventories		5.0	4.5
Trade and other receivables	11	503.4	264.8
Derivative financial instruments	15	476.2	63.7
Other current financial assets	9	45.4	12.7
Cash and cash equivalents	12	257.5	216.5
		1,358.4	647.5
TOTAL ASSETS		2,758.7	1,946.2

CONSOLIDATED BALANCE SHEET (continued)

as at 31 December 2021

LIABILITIES	Notes	31 December 2021 Unaudited €m	31 March 2021 Audited €m
Current liabilities:			
Trade and other payables	13	(629.2)	(392.4)
Income tax payable		(5.7)	(1.6)
Financial liabilities	14	(105.4)	(27.8)
Deferred income		(2.5)	(2.2)
Derivative financial instruments	15	(79.3)	(18.0)
		(822.1)	(451.5)
Non-current liabilities:			
Financial liabilities	14	(974.7)	(985.5)
Derivative financial instruments	15	(20.2)	(15.4)
Net employee defined benefit liabilities		-	(0.1)
Deferred tax liabilities		(107.5)	(32.6)
Provisions		(32.4)	(32.2)
		(1,134.8)	(1,065.8)
TOTAL LIABILITIES		(1,956.9)	(1,507.8)
NET ASSETS		801.8	438.4
Equity			
Share capital		-	-
Share premium		785.4	775.9
Retained earnings		(327.4)	(404.9)
Capital contribution reserve		2.7	42.4
Hedge reserve		332.3	30.7
Foreign currency translation reserve		8.8	(5.7)
TOTAL EQUITY		801.8	438.4

The financial statements were approved by the Board and authorised for issue on 2 March 2022.

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

for the nine month period ended 31 December 2021

	Notes	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 2020		-	746.5	(490.0)	40.8	(65.6)	(31.2)	200.5
Exchange adjustment		-	(8.9)	9.6	(1.0)	0.3	-	-
Profit for the period		-	-	93.0	-	-	-	93.0
Other comprehensive income / (expense)		-	-	-	-	76.7	(6.4)	70.3
Total comprehensive (expense) / income		-	(8.9)	102.6	(1.0)	77.0	(6.4)	163.3
At 31 December 2020		-	737.6	(387.4)	39.8	11.4	(37.6)	363.8
At 1 April 2021		-	775.9	(404.9)	42.4	30.7	(5.7)	438.4
Exchange adjustment		-	9.5	(15.2)	0.3	5.4	-	-
Profit for the period		-	-	93.5	-	-	-	93.5
Other comprehensive (expense) / income		-	-	(0.8)	-	296.2	14.5	309.9
Total comprehensive income		-	9.5	77.5	0.3	301.6	14.5	403.4
Dividends paid	20	-	-	-	(40.0)	-	-	(40.0)
At 31 December 2021		-	785.4	(327.4)	2.7	332.3	8.8	801.8

CONSOLIDATED STATEMENT OF CASH FLOWS

for the three and nine month periods ended 31 December 2021

	Notes	Third Quarter 2022 Unaudited €m	Third Quarter 2021 Unaudited €m	Nine Months 2022 Unaudited €m	Nine Months 2021 Unaudited €m
Cash generated from operations before working capital movements	16	63.6	64.6	147.9	173.2
Working capital adjustments:					
Increase in inventories		-	(0.4)	(0.5)	(0.8)
Increase in trade and other receivables		(198.7)	(65.3)	(241.2)	(14.9)
(Increase) / decrease in security deposits		(32.4)	1.6	(32.7)	(2.6)
Increase / (decrease) in trade and other payables		192.9	45.0	235.1	(51.1)
Effects of foreign exchange		(0.9)	(1.9)	0.3	1.3
		24.5	43.6	108.9	105.1
Interest received		-	-	-	0.1
Interest paid		(0.8)	(1.0)	(21.5)	(22.9)
		(0.8)	(1.0)	(21.5)	(22.8)
Income tax paid		(5.8)	(1.1)	(9.3)	(1.6)
Net cash flows from operating activities		17.9	41.5	78.1	80.7

CONSOLIDATED STATEMENT OF CASH FLOWS (continued)

for the three and nine month periods ended 31 December 2021

	Notes	Third Quarter 2022 Unaudited €m	Third Quarter 2021 Unaudited €m	Nine Months 2022 Unaudited €m	Nine Months 2021 Unaudited €m
Investing activities					
Purchase of property, plant and equipment		(5.7)	(8.8)	(26.1)	(19.6)
Purchase of intangible assets		(61.5)	(77.2)	(146.0)	(155.3)
Proceeds from sale of intangible assets		43.8	23.7	154.0	101.4
Disposal of subsidiary, net of cash disposed		-	-	(0.2)	(0.2)
Receipt of government grants		0.1	-	0.3	0.8
Acquisition of subsidiaries		-	-	(27.1)	(0.1)
Net cash flows used in investing activities		(23.3)	(62.3)	(45.1)	(73.0)
Financing activities					
Proceeds from issue of borrowings		59.4	0.4	59.4	50.1
Repayment of borrowings		-	-	(10.6)	(15.1)
Issue costs of new long term loans		-	-	-	(1.4)
Payment of lease liabilities		(0.7)	(0.7)	(2.1)	(1.9)
Dividend paid to parent undertaking		(40.0)	(40.0)	(40.0)	(40.0)
Net cash flows from / (used in) financing activities		18.7	(40.3)	6.7	(8.3)
Net increase / (decrease) in cash and cash equivalents		13.3	(61.1)	39.7	(0.6)
Net foreign exchange difference		2.3	2.3	1.3	(0.9)
Cash and cash equivalents at period start	12	241.9	278.1	216.5	220.8
Cash and cash equivalents at period end	12	257.5	219.3	257.5	219.3

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

as at 31 December 2021

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 2021.

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 1,282MW 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-recovery outlined in the segmental analysis below represents the amount by which the regulated businesses over-recovered against their regulated entitlement). The Board also monitors revenue on a regulated entitlement basis.

(a) Revenue by segment

	Third Quarter 2022 Unaudited €m	Third Quarter 2021 Unaudited €m	Nine Months 2022 Unaudited €m	Nine Months 2021 Unaudited €m
Renewables	111.1	62.0	273.6	164.4
Flexible Generation	346.1	88.6	664.3	247.2
Customer Solutions	520.2	366.9	1,253.1	851.5
Inter-group eliminations	4.1	0.8	13.7	(6.9)
Group	981.5	518.3	2,204.7	1,256.2
Adjustment for over-recovery	5.2	13.7	29.6	36.7
Total	986.7	532.0	2,234.3	1,292.9

The adjustment for over-recovery represents the amount by which the regulated businesses over-recovered against their regulated entitlement

(b) Operating Profit

	Third Quarter 2022 Unaudited €m	Third Quarter 2021 Unaudited €m	Nine Months 2022 Unaudited €m	Nine Months 2021 Unaudited €m
Segment Pro-Forma EBITDA				
Renewables	84.1	23.3	118.8	43.2
Flexible Generation	18.2	8.4	87.6	38.3
Customer Solutions	(43.8)	19.3	(86.5)	55.1
Group Pro-Forma EBITDA	58.5	51.0	119.9	136.6
Adjustment for over-recovery	5.2	13.7	29.6	36.7
Group EBITDA	63.7	64.7	149.5	173.3
Depreciation/amortisation				
Renewables	(7.6)	(7.3)	(22.3)	(21.0)
Flexible Generation	(2.3)	(3.6)	(7.0)	(11.2)
Customer Solutions	(4.2)	(3.2)	(12.8)	(9.2)
Group depreciation and amortisation	(14.1)	(14.1)	(42.1)	(41.4)
Operating profit pre-exceptional items and certain remeasurements				
Renewables	76.5	16.0	96.5	22.2
Flexible Generation	15.9	4.8	80.6	27.1
Customer Solutions	(48.0)	16.1	(99.3)	45.9
Group Pro-Forma operating profit	44.4	36.9	77.8	95.2
Adjustment for over-recovery	5.2	13.7	29.6	36.7
Operating profit pre exceptional items and certain remeasurements	49.6	50.6	107.4	131.9
Exceptional items and certain remeasurements				
Renewables	(1.3)	(0.2)	(1.1)	0.2
Customer Solutions	(27.0)	2.2	46.8	7.8
Group operating profit post exceptional items and certain remeasurements	21.3	52.6	153.1	139.9
Finance cost	(14.4)	(13.8)	(36.6)	(32.2)
Finance income	-	-	-	0.1
	(14.4)	(13.8)	(36.6)	(32.1)
Profit on ordinary activities before tax	6.9	38.8	116.5	107.8

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 Third Quarter 2022 and Third Quarter 2021:

Third Quarter 2022 Unaudited	Renewables €m	Flexible Generation €m	Customer Solutions €m	Total €m
Type of goods or service:				
Supply of electricity and gas	-	-	518.0	518.0
Electricity generation	110.8	346.1	-	456.9
Other	0.3	-	2.2	2.5
Inter-group eliminations	-	6.1	(2.0)	4.1
Group	111.1	352.2	518.2	981.5
Adjustment for over / (under) - recovery	-	8.3	(3.1)	5.2
Total revenue from contracts with customers	111.1	360.5	515.1	986.7

Third Quarter 2021 Unaudited	Renewables €m	Flexible Generation €m	Customer Solutions €m	Total €m
Type of goods or service:				
Supply of electricity and gas	-	-	366.8	366.8
Electricity generation	61.6	88.6	-	150.2
Other	0.4	-	0.1	0.5
Inter-group eliminations	-	0.9	(0.1)	0.8
Group	62.0	89.5	366.8	518.3
Adjustment for over-recovery	-	11.9	1.8	13.7
Total revenue from contracts with customers	62.0	101.4	368.6	532.0

3.1 Disaggregated revenue information (continued)

Set out below is the disaggregation of the Group's revenue from contracts with customers for the Nine Months 2022 and Nine Months 2021:

Nine Months 2022 Unaudited	Renewables €m	Flexible Generation €m	Customer solutions €m	Total €m
Type of goods or service:				
Supply of electricity and gas	-	-	1,246.5	1,246.5
Electricity generation	272.9	664.3	-	937.2
Other	0.7	-	6.6	7.3
Inter-group eliminations	-	19.8	(6.1)	13.7
Group	273.6	684.1	1,247.0	2,204.7
Adjustment for over / (under) - recovery	-	31.7	(2.1)	29.6
Total revenue from contracts with customers	273.6	715.8	1,244.9	2,234.3

Nine Months 2021 Unaudited	Renewables €m	Flexible Generation €m	Customer solutions €m	Total €m
Type of goods or service:				
Supply of electricity and gas	-	-	850.9	850.9
Electricity generation	162.6	247.2	-	409.8
Other	1.8	-	0.6	2.4
Inter-group eliminations	-	(6.6)	(0.3)	(6.9)
Group	164.4	240.6	851.2	1,256.2
Adjustment for over-recovery	-	24.8	11.9	36.7
Total revenue from contracts with customers	164.4	265.4	863.1	1,292.9

3.1 Disaggregated revenue information (continued)

Geographical markets:	Third Quarter 2022 Unaudited €m	Third Quarter 2021 Unaudited €m	Nine Months 2022 Unaudited €m	Nine Months 2021 Unaudited €m
UK	388.3	232.6	942.8	558.4
RoI	598.4	299.4	1,291.5	734.5
Total revenue from contracts with customers	986.7	532.0	2,234.3	1,292.9
Timing of revenue recognition:				
Transferred over time	965.1	508.0	2,092.3	1,216.5
Transferred at a point in time	21.6	24.0	142.0	76.4
Total revenue from contracts with customers	986.7	532.0	2,234.3	1,292.9

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

4. OPERATING COSTS

	Third Quarter 2022 Unaudited €m	Third Quarter 2021 Unaudited €m	Nine Months 2022 Unaudited €m	Nine Months 2021 Unaudited €m
Operating costs are analysed as follows:				
Energy costs	882.2	431.5	1,979.4	1,023.9
Employee costs	12.7	11.7	37.6	33.7
Depreciation and amortisation	14.1	14.1	42.1	41.4
Other operating charges	28.1	24.1	67.8	62.0
Total pre-exceptional items and certain remeasurements	937.1	481.4	2,126.9	1,161.0
Exceptional items and certain remeasurements:				
Energy costs / (income)	28.3	(1.6)	(45.9)	(6.7)
Other operating (income) / charges	-	(0.4)	0.2	(1.3)
Total exceptional items and certain remeasurements	28.3	(2.0)	(45.7)	(8.0)
Total operating costs	965.4	479.4	2,081.2	1,153.0

4.1 Depreciation and amortisation

	Third Quarter 2022 Unaudited €m	Third Quarter 2021 Unaudited €m	Nine Months 2022 Unaudited €m	Nine Months 2021 Unaudited €m
Depreciation	9.4	10.5	28.1	30.9
Amortisation of intangible assets	4.3	3.2	12.6	9.1
Amortisation of right-of-use assets	0.4	0.4	1.4	1.4
Total depreciation and amortisation	14.1	14.1	42.1	41.4

5. EXCEPTIONAL ITEMS AND CERTAIN REMEASUREMENTS

	Third Quarter 2022 Unaudited €m	Third Quarter 2021 Unaudited €m	Nine Months 2022 Unaudited €m	Nine Months 2021 Unaudited €m
Exceptional items in arriving at profit from continuing operations:				
Release of contingent consideration ¹	0.1	0.4	0.6	1.3
Acquisition costs ²	(0.1)	-	(0.8)	-
	-	0.4	(0.2)	1.3
Certain remeasurements in arriving at profit				
Net (loss) / gain on derivatives at fair value through operating costs ³	(28.3)	1.6	45.9	6.7
	(28.3)	1.6	45.9	6.7
Exceptional items and certain remeasurements before taxation	(28.3)	2.0	45.7	8.0
Taxation on exceptional items and certain remeasurements	4.4	-	(8.9)	(1.0)
Exceptional items and certain remeasurements after taxation	(23.9)	2.0	36.8	7.0

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

	Third Quarter 2022 Unaudited €m	Third Quarter 2021 Unaudited €m	Nine Months 2022 Unaudited €m	Nine Months 2021 Unaudited €m
Fair valued derivatives through profit & loss	4.4	-	(8.9)	(1.0)
	4.4	-	(8.9)	(1.0)

¹ Release of contingent consideration for Third Quarter 2022 of €0.1m (2021 - €0.4m) and Nine Months 2022 of €0.6m (2021 - €1.3m) relates to a fair value adjustment to contingent consideration for renewable generation development projects.

² Exceptional acquisition costs for Third Quarter 2022 of €0.1m (2021 - €nil) and Nine Months 2022 of €0.8m (2021 - €nil) relates to costs associated with acquisitions whether successful or unsuccessful.

³ Net profit on derivatives at fair value through operating costs for Third Quarter 2022 of €28.3m loss (2021 - €1.6m profit) and for Nine Months 2022 of €45.9m profit (2021 - €6.7m) relates to fair value movements in commodity swap contracts and foreign exchange forward contracts relating to commodity purchases.

6. FINANCE COSTS / INCOME

	Third Quarter 2022 Unaudited €m	Third Quarter 2021 Unaudited €m	Nine Months 2022 Unaudited €m	Nine Months 2021 Unaudited €m
Finance costs				
Interest on external bank loans and borrowings	(3.8)	(3.7)	(11.3)	(11.7)
Interest on senior secured notes	(6.7)	(6.5)	(19.9)	(19.5)
Total interest expense	(10.5)	(10.2)	(31.2)	(31.2)
Amortisation of financing charges	(0.6)	(0.5)	(2.5)	(2.4)
Unwinding of discount on decommissioning provision	-	(0.1)	(0.1)	(0.2)
Unwinding of discount on contingent consideration	(0.4)	(0.4)	(1.0)	(1.0)
Accretion of lease liability	(0.4)	(0.4)	(1.1)	(1.1)
Other finance income / (charges)	0.2	(0.1)	-	(0.5)
Total other finance charges	(1.2)	(1.5)	(4.7)	(5.2)
Net exchange (loss) / gain on net foreign currency borrowings	(3.0)	(2.9)	(1.5)	1.9
Less interest capitalised in qualifying asset	0.3	0.8	0.8	2.3
Total finance costs	(14.4)	(13.8)	(36.6)	(32.2)
Finance income				
Interest income on bank deposits	-	-	-	0.1
Total finance income	-	-	-	0.1

The average capitalisation rate applied in determining the amount of borrowing costs to be capitalised in the Third Quarter 2022 was 3.5% (Third Quarter 2021 – 5.7%) and in Nine Months 2022 was 3.5% (2021 – 5.5%).

7. INCOME TAX

The major components of the tax (charge) / credit for the periods ended 31 December 2021 and 31 December 2020 are:

	Results before exceptional items and certain remeasurements Third Quarter 2022 Unaudited €m	Exceptional items and certain remeasurements Third Quarter 2022 Unaudited €m	Total Third Quarter 2022 Unaudited €m	Results before exceptional items and certain remeasurements Third Quarter 2021 Unaudited €m	Exceptional items and certain remeasurements Third Quarter 2021 Unaudited €m	Total Third Quarter 2021 Unaudited €m
Current tax:						
Current tax (charge) / credit	(6.4)	4.4	(2.0)	(3.1)	-	(3.1)
Total current tax (charge) / credit	(6.4)	4.4	(2.0)	(3.1)	-	(3.1)
Deferred tax:						
Adjustments in respect of current period	0.2	-	0.2	(2.3)	-	(2.3)
Total deferred tax	0.2	-	0.2	(2.3)	-	(2.3)
Total taxation (charge) / credit	(6.2)	4.4	(1.8)	(5.4)	-	(5.4)
	Results before exceptional items and certain remeasurements Nine Months 2022 Unaudited €m	Exceptional items and certain remeasurements Nine Months 2022 Unaudited €m	Total Nine Months 2022 Unaudited €m	Results before exceptional items and certain remeasurements Nine Months 2021 Unaudited €m	Exceptional items and certain remeasurements Nine Months 2021 Unaudited €m	Total Nine Months 2021 Unaudited €m
Current tax:						
Current tax charge	(4.4)	(8.9)	(13.3)	(4.8)	(1.0)	(5.8)
Total current tax charge	(4.4)	(8.9)	(13.3)	(4.8)	(1.0)	(5.8)
Deferred tax:						
Adjustments in respect of current period	(9.7)	-	(9.7)	(9.0)	-	(9.0)
Total deferred tax	(9.7)	-	(9.7)	(9.0)	-	(9.0)
Total taxation charge	(14.1)	(8.9)	(23.0)	(13.8)	(1.0)	(14.8)

8. CAPITAL EXPENDITURE

	Capital additions to property, plant and equipment			
	Third Quarter 2022 Unaudited €m	Third Quarter 2021 Unaudited €m	Nine Months 2022 Unaudited €m	Nine Months 2021 Unaudited €m
Renewables	6.7	4.3	11.9	17.4
Flexible Generation	1.8	1.6	17.9	3.8
Customer Solutions	-	0.3	1.1	0.5
Total	8.5	6.2	30.9	21.7

	Capital additions to intangible assets			
	Third Quarter 2022 Unaudited €m	Third Quarter 2021 Unaudited €m	Nine Months 2022 Unaudited €m	Nine Months 2021 Unaudited €m
Renewables	44.8	40.3	111.0	97.2
Flexible Generation	30.5	40.0	30.5	40.0
Customer Solutions	3.6	4.9	8.0	10.4
Total	78.9	85.2	149.5	147.6

	Capital additions to right-of-use assets			
	Third Quarter 2022 Unaudited €m	Third Quarter 2021 Unaudited €m	Nine Months 2022 Unaudited €m	Nine Months 2021 Unaudited €m
Customer Solutions	0.6	-	0.6	-
Total	0.6	-	0.6	-

9. OTHER FINANCIAL ASSETS

	31 December 2021 Unaudited €m	31 March 2021 Audited €m
Other financial assets		
Financial assets at amortised cost:		
Security deposits	44.0	11.3
Short-term managed funds	1.4	1.4
Total other financial assets	45.4	12.7

10. BUSINESS COMBINATIONS AND DISPOSALS

Acquisitions in Nine Months 2022

On 27 May 2021, the Group completed the acquisition of the entire issued share capital of Drumlins Park Limited (Drumlin), a 49MW wind farm development project in County Monaghan

The acquisition contributes towards the Group's aim of growing its renewable generation business in Ireland.

Assets acquired and liabilities assumed

The fair value of the identifiable assets and liabilities of the wind farm acquired was:

	Fair value recognised on acquisitions in Nine Months 2022 €m
Assets	
Fixed assets - development costs	0.6
	0.6
Liabilities	
Shareholder loan	(2.0)
Total identifiable net liabilities at fair value	(2.0)
Intangible assets (development assets) arising on acquisition	26.5
Purchase consideration transferred	25.1
Purchase consideration is made up of:	
Cash	25.1
	25.1
Analysis of cash flows on acquisition:	
Cash	25.1
Discharge of liabilities	2.0
Net cash flows on acquisition	27.1

Transaction costs of €0.6m were expensed in the Nine Months 2022.

11. TRADE AND OTHER RECEIVABLES

	31 December 2021 Unaudited €m	31 March 2021 Audited €m
Trade receivables (including unbilled consumption)	318.5	209.6
Contract assets (accrued income)	194.5	60.2
Prepayments	10.7	4.5
Other receivables	8.2	14.5
	531.9	288.8
Allowance for expected credit losses	(28.5)	(24.0)
	503.4	264.8

12. CASH AND CASH EQUIVALENTS

	31 December 2021 Unaudited €m	31 March 2021 Audited €m
Cash at bank and on hand	154.8	163.7
Short-term bank deposits	102.7	52.8
	257.5	216.5

13. TRADE AND OTHER PAYABLES

	31 December 2021 Unaudited €m	31 March 2021 Audited €m
Trade creditors	132.5	84.9
Other creditors	130.1	53.6
Contract liabilities (payments on account)	42.7	36.1
Tax and social security	21.7	10.0
Accruals	302.2	207.8
	629.2	392.4

14. FINANCIAL LIABILITIES

	31 December 2021 Unaudited €m	31 March 2021 Audited €m
Current financial liabilities:		
Senior revolving credit facility	59.4	-
Project financed bank facilities (Northern Ireland)	11.2	11.0
Project financed bank facilities (RoI)	11.8	12.4
Project finance interest accruals	2.7	0.1
Senior secured notes interest payable	7.9	1.2
Other interest payable	1.0	0.6
Contingent consideration	9.7	0.9
Lease liability	1.7	1.6
Total current financial liabilities	105.4	27.8
Non-current financial liabilities:		
Senior secured notes €350m (2025)	346.6	346.0
Senior secured notes £225m (2024)	265.2	261.5
Project financed bank facilities (Northern Ireland)	185.4	188.0
Project financed bank facilities (RoI)	138.1	141.9
Contingent consideration	7.4	15.8
Lease liability	32.0	32.3
Total non-current financial liabilities	974.7	985.5
Total current and non-current financial liabilities	1,080.1	1,013.3

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 31 December 2021, the Group had letters of credit issued out of the Senior revolving credit facility of €175.8m resulting in undrawn committed facilities of €32.3m (31 March 2021 - €109.2m). There were €59.4m cash drawings under the Senior revolving credit facility at 31 December 2021 (31 March 2021 - €nil). Interest is charged under the Senior revolving credit facility at floating interest rates based on Libor and Euribor.

14. FINANCIAL LIABILITIES (continued)

Project financed bank facilities

The project financed bank loan facilities are repayable in semi-annual instalments to 2034 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 2.41% (2021 - 3.74%) on project financed bank facilities Northern Ireland and 3.62% (2021 - 3.06%) on the project financed bank facilities Rol.

Contingent consideration

Contingent consideration of €17.1m (31 March 2021 - €16.7m) 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, primarily the construction and commissioning of the plant, with €9.7m expected to be paid in 2022/23 and the remaining €7.4m paid by 2025/26.

15. FINANCIAL ASSETS AND FINANCIAL LIABILITIES

Derivative financial assets

	31 December 2021 Unaudited €m	31 March 2021 Audited €m
Derivatives at fair value through other comprehensive income		
Cash flow hedges:		
Foreign exchange forward contracts	9.2	7.8
Commodity swap contracts	469.5	58.9
Interest rate swap contracts	2.5	0.5
Total derivatives at fair value through other comprehensive income	481.2	67.2
Derivatives at fair value through profit and loss		
Derivatives not designated as hedges:		
Foreign exchange forward contracts	0.5	0.5
Commodity swap contracts	67.1	4.0
Total derivatives at fair value through profit and loss	67.6	4.5
Total derivative financial assets	548.8	71.7
Total non-current	72.6	8.0
Total current	476.2	63.7

15. FINANCIAL ASSETS AND FINANCIAL LIABILITIES (continued)

Derivative financial liabilities

	31 December 2021 Unaudited €m	31 March 2021 Audited €m
Derivatives at fair value through other comprehensive income		
Cash flow hedges:		
Foreign exchange forward contracts	(1.1)	(1.4)
Commodity swap contracts	(64.4)	(10.3)
Interest rate swap contracts	(15.6)	(19.6)
Total derivatives at fair value through other comprehensive income	(81.1)	(31.3)
Derivatives at fair value through profit and loss		
Derivatives not designated as hedges:		
Foreign exchange forward contracts	(0.5)	(0.7)
Commodity swap contracts	(17.9)	(1.4)
Total derivatives at fair value through profit and loss	(18.4)	(2.1)
Total derivative financial liability	(99.5)	(33.4)
Total non-current	(20.2)	(15.4)
Total current	(79.3)	(18.0)

Fair Values

As indicated in note 3(e) in the consolidated financial statements for the year ended 31 March 2021 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:

	31 December 2021		31 March 2021	
	Carrying value €m	Fair value €m	Carrying value €m	Fair value €m
Level 1				
Non-current liabilities				
Senior secured notes (2024 and 2025)	(611.8)	(614.7)	(607.5)	(622.7)
Level 2				
Non-current liabilities				
Project financed bank facilities (Northern Ireland)	(185.4)	(185.4)	(188.0)	(188.0)
Project financed bank facilities (RoI)	(138.1)	(138.1)	(141.9)	(141.9)
Level 3				
Non-current liabilities				
Financial liabilities (contingent consideration)	(7.4)	(7.4)	(15.8)	(15.8)
Financial liabilities (lease liability)	(32.0)	(32.0)	(32.3)	(32.3)
Current liabilities				
Financial liabilities (senior revolving credit facility)	(59.4)	(59.4)		
Financial liabilities (contingent consideration)	(9.7)	(9.7)	(0.9)	(0.9)
Financial liabilities (lease liability)	(1.7)	(1.7)	(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 (Northern Ireland), 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 (Northern Ireland) and project financed bank facilities (RoI) are a close approximation to their carrying value given that they bear interest at floating rates based on Libor/Euribor.

15. FINANCIAL ASSETS AND FINANCIAL LIABILITIES (continued)

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 €16.1m 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 €33.7m 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

	Third Quarter 2022 Unaudited €m	Third Quarter 2021 Unaudited €m	Nine Months 2022 Unaudited €m	Nine Months 2021 Unaudited €m
Operating activities				
Profit before tax from continuing operations	6.9	38.8	116.5	107.8
Depreciation of property, plant and equipment	9.4	10.5	28.1	30.9
Amortisation of intangible assets	4.3	3.2	12.6	9.1
Amortisation of right-of-use assets	0.4	0.4	1.4	1.4
Derivatives at fair value through income statement	28.3	(1.6)	(45.9)	(6.7)
Net finance costs	14.4	13.8	36.6	32.1
Defined benefit less contributions paid	-	(0.1)	(0.8)	(0.1)
Release of contingent consideration	(0.1)	(0.4)	(0.6)	(1.3)
Cash generated from operations before working capital movements	63.6	64.6	147.9	173.2

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 2020	220.8	1.4	(25.9)	(910.6)	(714.3)
Net decrease in cash and cash equivalents	(0.6)	-	-	-	(0.6)
Proceeds from issue of borrowings	-	-	-	(50.1)	(50.1)
Repayment of borrowings	-	-	15.1	-	15.1
Issue costs on new long-term loans	-	-	-	1.4	1.4
Increase in interest accruals	-	-	(8.8)	-	(8.8)
Amortisation	-	-	(1.4)	(1.0)	(2.4)
Reclassifications	-	-	(17.3)	17.3	-
Translation difference	(0.9)	-	0.1	5.3	4.5
At 31 December 2020	219.3	1.4	(38.2)	(937.7)	(755.2)
At 1 April 2021	216.5	1.4	(25.3)	(937.4)	(744.8)
Net increase in cash and cash equivalents	39.7	-	-	-	39.7
Proceeds from issue of borrowings	-	-	(59.4)	-	(59.4)
Repayment of borrowings	-	-	10.6	-	10.6
Increase in interest accruals	-	-	(9.7)	-	(9.7)
Amortisation	-	-	(1.5)	(1.0)	(2.5)
Reclassifications	-	-	(8.7)	8.7	-
Translation difference	1.3	-	-	(5.6)	(4.3)
At 31 December 2021	257.5	1.4	(94.0)	(935.3)	(770.4)

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 2021	26.4	0.1	26.5
Additions	0.6	-	0.6
Exchange adjustment	0.1	-	0.1
Amortisation	(1.4)	-	(1.4)
As at 31 December 2021	25.7	0.1	25.8

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 2021	(33.9)
Additions	(0.6)
Exchange adjustment	(0.2)
Accretion of lease liability	(1.1)
Payments	2.1
As at 31 December 2021	(33.7)
Current	(1.7)
Non-current	(32.0)

19. CAPITAL COMMITMENTS

At 31 December 2021 the Group had contracted future capital expenditure in respect of tangible fixed assets of €13.1m (31 March 2021 - €6.2m).

20. DISTRIBUTIONS MADE AND PROPOSED

Dividends of €40.0m, at €9,950.25 per share, were declared during the period ended 31 December 2021 and were paid on 5 November 2021. Dividends of €40.0m were paid during the Nine Months 2021.

21. RELATED PARTY TRANSACTIONS

The nature and type of related party transactions for the Third Quarter 2022 and Nine Months 2022 do not differ significantly from those in the consolidated financial statements for the year ended 31 March 2021.

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



APPENDIX

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:

	Third Quarter 2022 Unaudited €m	Third Quarter 2021 Unaudited €m	Nine Months 2022 Unaudited €m	Nine Months 2021 Unaudited €m
Group pro-forma EBITDA	58.5	51.0	119.9	136.6
Less EBITDA from project financed renewable assets	(26.5)	(14.9)	(42.4)	(28.0)
Pro-forma EBITDA for the Senior secured notes Restricted Group	32.0	36.1	77.5	108.6

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 Third Quarter 2022 decreased to €32.0m (2021 – €36.1m) primarily reflecting a decrease in EBITDA from the Customer Solutions business, partly offset by an increase in EBITDA from the Renewable PPA contracts and Flexible Generation businesses.

Pro-forma EBITDA for the Senior secured notes Restricted Group (pre-exceptional items and certain remeasurements) for Nine Months 2022 decreased to €77.5m (2021 – €108.6m) primarily reflecting a decrease in EBITDA from the Customer Solutions business, partly offset by an increase in EBITDA from the Renewable PPA contracts and Flexible Generation businesses.

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:

	31 December 2021 €m	31 March 2021 €m
Investments	1.4	1.4
Cash and cash equivalents	222.3	178.6
Senior secured notes €350m (2025)	(346.6)	(346.0)
Senior secured notes £225m (2024)	(265.2)	(261.5)
Senior revolving credit facility	(59.4)	-
Interest accruals - Senior secured notes	(7.9)	(1.2)
Other interest accruals	(1.0)	(0.6)
Pro-forma Net Debt for the Senior secured notes Restricted Group	(456.4)	(429.3)

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