



edp

Interim Report 3rd Quarter 2023

We Choose Earth



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History of Operational Indicators

RENEWABLES, CLIENTS & ENERGY MANAGEMENT	UN	9M23	9M22	9M21	9M20
WIND AND SOLAR INSTALLED CAPACITY					
Installed Capacity	MW	14,077	13,226	12,268	10,988
Portugal	MW	1,393	1,142	1,238	1,164
Spain	MW	1,955	2,058	2,177	1,974
Rest of Europe	MW	1,960	1,772	1,616	1,383
North America	MW	6,823	6,474	6,569	6,135
LatAm	MW	1,114	1,114	639	331
Asia	MW	832	666	28	0
Capacity under Construction	MW	4,479	3,692	2,385	1,893
Portugal	MW	21	218	125	6
Spain	MW	200	189	61	18
Rest of Europe	MW	457	342	553	205
North America	MW	2,529	2,045	626	1,393
LatAm	MW	1,153	764	1,021	0
Asia	MW	120	133	0	0
Equity Installed Capacity ¹	MW	1,070	1,105	781	560
Portugal	MW	31	31	31	10
Spain	MW	120	156	156	152
Rest of Europe	MW	311	311	43	0
North America	MW	592	592	552	398
LatAm	MW	0	0	0	0
Ásia	MW	16	15	0	0
Capacity under Construction MEP ¹	MW	729	578	269	269
Portugal	MW	0	0	0	14
Rest of Europe	MW	728	578	269	269
Ásia	MW	1	0	0	0
WIND AND SOLAR NET ELECTRICITY GENERATION					
	GWh	25,187	24,380	21,455	20,355
Portugal	GWh	1,954	1,937	2,114	1,808
Spain	GWh	3,196	3,513	3,489	3,088
Rest of Europe	GWh	3,109	3,185	2,270	2,271
North America	GWh	12,664	13,424	12,365	12,403
LatAm	GWh	3,354	1,901	1,204	785
Asia	GWh	909	419	0	0

RENEWABLES, CLIENTS & ENERGY MANAGEMENT	UN	9M23	9M22	9M21	9M20
WIND AND SOLAR TECHNICAL AVAILABILITY		94	95	97	97
Portugal	%	98	99	98	98
Spain	%	95	96	96	95
Rest of Europe	%	97	97	98	98
North America	%	92	93	96	96
LatAm	%	96	96	99	98
Asia	%	n.a.	n.a.	0	0
HYDRO INSTALLED CAPACITY	MW	6,921	7,127	7,127	8,785
Portugal	MW	5,076	5,076	5,076	6,759
Spain	MW	444	451	451	426
Brazil	MW	1,401	1,599	1,599	1,599
EQUITY HYDRO INSTALLED CAPACITY¹					
Installed Capacity	MW	551	551	551	551
Brazil	MW	551	551	551	551
Capacity under Construction	MW	0	78	78	78
Brazil	MW	0	0	0	0
Peru	MW	0	78	78	78
HYDRO NET ELECTRICITY GENERATION	GWh	8,967	7,747	11,325	13,590
Portugal	GWh	5,195	3,229	7,112	9,148
Spain	GWh	443	337	544	448
Brazil	GWh	3,329	4,181	3,670	3,994
HYDRO TECHNICAL AVAILABILITY					
Portugal	%	85	90	91	93
Spain	%	96	99	100	100
Brazil	%	98	96	98	96
THERMAL INSTALLED CAPACITY					
Installed Capacity	MW	5,599	5,604	5,034	7,077
Portugal	MW	2,049	2,049	2,049	3,229
CCGT	MW	2,031	2,031	2,031	2,031
Coal	MW	0	0	0	1,180
Cogeneration	MW	17	17	17	17
Spain	MW	2,830	2,835	2,265	3,128
CCGT	MW	854	854	854	1,698
Coal	MW	1,820	1,820	1,250	1,250
Nuclear	MW	156	156	156	156
Cogeneration and Waste	MW	0	5	5	25
Brazil	MW	720	720	720	720
Coal	MW	720	720	720	720

RENEWABLES, CLIENTS & ENERGY MANAGEMENT	UN	9M23	9M22	9M21	9M20
Equity Installed Capacity ¹	MW	10	10	10	10
Portugal	MW	0	0	0	0
Spain	MW	10	10	10	10
THERMAL NET ELECTRICITY GENERATION	GWh	6,710	13,541	10,407	11,979
Portugal	GWh	1,344	4,103	2,781	5,449
CCGT	GWh	1,255	3,995	2,678	4,531
Coal	GWh	0	0	0	817
Cogeneration	GWh	89	108	103	101
Spain	GWh	5,366	9,434	5,156	6,010
CCGT	GWh	2,104	2,920	1,689	3,285
Coal	GWh	2,394	5,646	2,618	1,820
Nuclear	GWh	868	851	807	857
Cogeneration and Waste	GWh	0	17	42	48
Brazil	GWh	0	4	2,470	519
Coal	GWh	0	4	2,470	519
THERMAL TECHNICAL AVAILABILITY					
Portugal	%	72	73	83	96
CCGT	%	72	73	83	96
Coal	%	0	0	0	96
Cogeneration	%	97	100	88	93
Spain	%	81	73	79	96
CCGT	%	95	89	86	99
Coal	%	73	64	73	94
Nuclear	%	89	86	82	88
Cogeneration	%	n.d.	100	98	100
Waste	%	n.d.	n.d.	n.d.	94
Brazil	%	100	97	93	92
Coal	%	100	97	93	92
ELECTRICITY CUSTOMERS	'000	8,621	8,479	8,601	9,781
Portugal	'000	4,756	4,898	4,929	5,048
Last Resort	'000	941	926	915	983
Liberalised Market	'000	3,815	3,971	4,013	4,065
Market Share EDP - Liberalised Market	%	n.a.	73	74	76
Spain	'000	19	21	22	1,160
Last Resort	'000	0	0	0	234
Liberalised Market	'000	19	21	22	926

RENEWABLES, CLIENTS & ENERGY MANAGEMENT	UN	9M23	9M22	9M21	9M20
Brazil	'000	3,846	3,560	3,650	3,573
Last Resort	'000	3,846	3,559	3,649	3,573
Liberalised Market	'000	0.7	0.6	0.7	0.4
Social Tariff	'000	1,055	967	889	915
Portugal	'000	507	529	555	583
Spain	'000	0	0	0	51
Brazil	'000	547	438	334	281
Special Needs	'000	1.2	0.9	1	1
Portugal	'000	0.2	0.2	0.2	0.1
Brazil	'000	0.9	0.6	0.8	0.9
Green Tariff	'000	937	744	473	1,266
Portugal	'000	928	737	466	228
Spain	'000	10	7	7	1,038
Brazil	'000	n.a.	n.a.	n.a.	n.a.
ELECTRICITY SUPPLIED	GWh	51,059	49,090	44,220	53,427
Portugal	GWh	14,916	15,514	14,625	14,406
Last Resort	GWh	2,243	2,033	1,663	1,767
Liberalised Market	GWh	12,673	13,481	12,962	12,640
Market Share EDP – Liberalised Market	%	n.a.	42	42	41
Spain	GWh	7,310	9,230	8,060	8,255
Last Resort	GWh	0	0	0	350
Liberalised Market	GWh	7,310	9,230	8,060	7,906
Market Share EDP – Liberalised Market	%	5	6	4	11
Brazil	GWh	28,832	24,346	21,535	30,765
Last Resort	GWh	10,446	10,333	10,239	9,863
Liberalized Market	GWh	18,387	14,013	11,296	20,902
Social Tariff	GWh	934	697	1,380	522
Portugal	GWh	103	99	116	121
Spain	GWh	0	0	0	90
Brazil	GWh	831	599	1,264	311
Green Tariff	GWh	5,108	4,691	6,115	4,760
Portugal	GWh	768	1,994	1,101	799
Spain	GWh	4,340	2,697	5,014	3,962
Brazil	GWh	n.a.	n.a.	n.a.	n.a.

RENEWABLES, CLIENTS & ENERGY MANAGEMENT	UN	9M23	9M22	9M21	9M20
GAS CUSTOMERS	'000	598	663	687	1,591
Portugal	'000	595	659	683	688
Last Resort	'000	107	31	32	35
Liberalised Market	'000	488	628	650	653
Spain	'000	3	4	5	903
Last Resort	'000	0	0	0	55
Liberalised Market	'000	3	4	5	848
GAS SUPPLIED	GWh	16,491	8,842	6,131	12,216
Portugal	GWh	1,987	2,910	3,303	3,134
Last Resort	GWh	321	137	126	137
Liberalised Market	GWh	1,666	2,773	3,176	2,996
Market Share EDP - Liberalised Market	%	n.a.	11	10	11
Spain	GWh	14,504	5,932	2,828	9,082
Last Resort	GWh	0	0	0	155
Liberalised Market	GWh	14,504	5,932	2,828	8,927
Market Share EDP - Liberalised Market	%	3	3	6	25
INSTALLED CAPACITY SOLAR DG	MW	277	156	0	0
Portugal	MW	183	91	0	0
Spain	MW	20	9	0	0
Brazil	MW	74	56	0	0

¹ Share of the MW installed in plants owned by companies equity consolidated

ELECTRICITY NETWORKS	UN	9M23	9M22	9M21	9M20
DISTRIBUTION					
Electricity distributed	GWh	63.928	64.023	63.304	56.276
Portugal	GWh	34.141	34.013	33.197	32.665
Spain	GWh	9.473	10.129	10.603	5.562
Brazil	GWh	20.314	19.881	19.503	18.048
Electricity supply points	'000	11.711	11.545	11.380	10.550
Portugal	'000	6.475	6.413	6.355	6.306
Spain	'000	1.388	1.382	1.375	670
Brazil	'000	3.848	3.751	3.651	3.574
Grid extension	Km	382.911	379.973	377.204	342.943
Portugal	Km	233.375	231.553	229.919	228.242
Overhead lines	Km	182.863	181.519	180.381	179.119
Underground lines	Km	50.512	50.034	49.538	49.123
Spain	Km	52.759	52.557	52.532	20.805
Overhead lines	Km	39.607	39.546	39.642	15.740
Underground lines	Km	13.152	13.011	12.891	5.065
Brazil	Km	96.777	95.864	94.753	93.897
Overhead lines	Km	96.466	95.581	94.478	93.630
Underground lines	Km	311	283	275	266
GRID LOSSES					
Portugal ¹	%	7,7	8,9	8,4	9,6
Spain	%	4,5	4,7	4,4	3,7
Brazil	%	9,3	9,5	10	10,4
SERVICE QUALITY					
Portugal					
Installed Capacity Equivalent Interruption Time ²	Min	34	36,7	37,7	38,5
Spain					
Installed Capacity Equivalent Interruption Time ²	Min	13,4	12	15,5	7,4
Brazil					
Average Interruption Duration per Consumer					
EDP São Paulo	Hours	10,6	11,1	11,8	6,8
EDP Espírito Santo	Hours	12,4	12,3	13	7,9
Frequency of Interruptions per Consumer					
EDP São Paulo	#	5,2	5,9	7,8	4,3
EDP Espírito Santo	#	5,5	6,1	6,8	4,2

ELECTRICITY NETWORKS	UN	9M23	9M22	9M21	9M20
TRANSMISSION					
Grid extension	Km	2.535	2.535	1.846	1.439
Grid extension in Operation	Km	2.185	2.185	486	316
Grid extension Under Construction	Km	350	350	1.361	1.123

¹In 2021, the loss indicator was changed to consider the energy input in the grid, and not the output (as until 2020), according to the expectation that the regulator will incorporate this change in the next regulatory period, to align with common practice in other countries (namely Spain and Brazil).

²ICEIT in MV grid, excluding extraordinary events

History of Sustainability Indicators

ENVIROMENTAL INDICATORS	UN	9M23	9M22	9M21	9M20
ENVIRONMENTAL CERTIFICATION (ISO 14001)					
ISO 14001 Certification ¹	%	94	85	92	95
PRIMARY ENERGY CONSUMPTION					
Coal	TJ	49,847	106,380	87,361	82,661
Fuel oil	TJ	19,790	51,659	47,346	27,214
Natural gas	TJ	10	18	14	109
Residual gases	TJ	24,154	47,433	31,230	51,149
Diesel oil	TJ	5,624	6,945	8,571	4,011
Fuel for fleet	TJ	100	161	77	64
ENERGY INTENSITY ²	MJ/EUR	168	165	123	113
ELECTRICITY CONSUMPTION					
Generation self-consumption	MWh	4.1	7.2	8.7	9.1
Administrative service	MWh	2,064,814	2,282,509	4,010,144	2,080,059
Grid losses	%	21,704	22,998	23,914	20,841
GHG EMISSION					
Direct emissions (scope 1)	ktCO _{2eq}	7.8	8.5	8.3	9.3
Stationary combustion ³	ktCO _{2eq}	3,242	7,557	6,651	5,545
SF ₆ Emissions	ktCO _{2eq}	3,226	7,539	6,639	5,532
Company fleet	ktCO _{2eq}	4.76	6.52	3.33	5.88
Natural gas consumption	ktCO _{2eq}	12	11	8	8
Indirect emissions (scope 2) ⁴	ktCO _{2eq}	0.11	0.11	0.19	0.05
Electricity consumption in office buildings	ktCO _{2eq}	349.6	676.8	493.5	539.7
Electricity losses	ktCO _{2eq}	1.1	1.0	0.5	0.2
Renewable plants self-consumption	ktCO _{2eq}	328	657	469	528
GHG EMISSIONS INTENSITY ⁵	kgCO ₂ /EUR	20.1	18.4	24.4	11.5
CO ₂ AVOIDED EMISSIONS ⁶	ktCO ₂	0.3	0.5	0.7	0.6
SPECIFIC OVERALL EMISSIONS					
CO ₂ ^{3,7}	g/kWh	16,710	18,041	17,446	18,937
NO _x	g/kWh	76	167	156	122
SO ₂	g/kWh	0.05	0.09	0.13	0.08
Particulate matter	g/kWh	0.02	0.04	0.21	0.07
WATER COLLECTED	10 ³ x m ³	0.002	0.004	0.021	0.014
Salt and estuary	10 ³ x m ³	428,668	517,541	266,254	365,288
Fresh	10 ³ x m ³	424,455	508,637	255,722	358,061
		4,213	8,904	10,531	7,227

ENVIROMENTAL INDICATORS	UN	9M23	9M22	9M21	9M20
WASTE MATERIALS	t	197,006	294,711	238,750	186,498
Total waste	t	176,576	255,415	200,855	128,160
Total hazard waste	t	4,911	3,640	4,909	3,895
By-products	t	20,430	39,296	41,183	58,338
Gypsum	t	20,430	39,296	37,895	27,685
Fly ash	t	0	0	3,017	30,638
Slag	t	0	0	271	15
SUSTAINABLE MOBILITY					
Light-duty fleet electrification	%	28	15	12	10
Electric charging points	#	7,748	4,272	2,906	1,320
Customers with electric mobility solutions	k#	97.3	60.7	38.7	15.2

¹ Aggregated certification indicator due to assets with potential environmental impacts.

² Primary energy consumption by turnover.

³ The stationary emissions do not include those produced by the burning of ArcelorMittal steel gases in EDP's power plants in Spain.

⁴ Calculation according with GHG Protocol based location methodology.

⁵ Scope 1 and Scope 2 emissions by turnover.

⁶ CO₂ emissions that would have occurred if the electricity generated by renewable energy sources were produced by thermal power plants. For each country, it is obtained by multiplying the net renewable energy production by the emission factor of the thermoelectric mix of that country.

⁷ Includes only stationary combustion emissions.

SOCIAL INDICATORS	UN	9M23	9M22	9M21	9M20
EMPLOYMENT					
Employees	#	13,235	12,992	12,232	11,781
Executive Board of Directors	#	5	5	5	9
Senior Management	#	395	365	962	862
Supervisors	#	1,203	1,329	849	814
Specialists	#	6,629	6,298	5,209	4,716
Technicians	#	5,003	4,995	5,207	5,380
Male employees	%	72	72	74	74
Female employees	%	28	27	26	26
Not declared	%	0.1	1.1	n.a.	n.a.
Employees by types of contract	#	13,235	12,992	12,232	11,781
Executive bodies	#	55	57	60	58
Male	#	40	41	45	53
Female	#	15	16	15	5
Not declared	#	0	n.a.	n.a.	n.a.
Permanent workforce	#	13,044	12,874	12,122	11,674
Male	#	9,379	9,277	8,925	8,641
Female	#	3,658	3,457	3,197	3,033
Not declared	#	7	n.a.	n.a.	n.a.
Fixed-term contracts	#	136	61	50	49
Male	#	77	29	31	33
Female	#	59	32	19	16
Not declared	#	0	n.a.	n.a.	n.a.
Employees by occupational contract	#	13,235	12,992	12,232	11,781
Full-Time	#	13,231	12,987	12,185	11,739
Male	#	9,495	9,349	8,995	8,723
Female	#	3,729	3,498	3,190	3,016
Not declared	#	7	n.a.	n.a.	n.a.
Part-time	#	4	5	47	42
Male	#	1	1	6	4
Female	#	3	4	41	38
Not declared	#	0	n.a.	n.a.	n.a.
New employees	#	1,286	1,541	1,246	954
Male	#	745	918	810	643
Female	#	430	475	436	311
Not declared	#	111	148	n.a.	n.a.
F/M new admissions rate	x	0.58	0.52	0.54	0.48
Employees leaving	#	1,105	1,282	1,194	832
Male	#	802	946	913	649
Female	#	298	328	281	183
Not declared	#	5	8	n.a.	n.a.
Turnover	%	8.30	9.87	9.76	7.06

SOCIAL INDICATORS	UN	9M23	9M22	9M21	9M20
Average age of workforce	years	41	41	42	42
Absenteeism rate	%	3.79	3.34	3.18	2.75
Pay ratio by gender (F/M)	x	0.97	0.98	1.05	1.05
TRAINING					
Total hours of training	hours	184,295	191,080	234,471	156,771
Average training per employee (h/p)	h/p	14	15	19	13
Employees with training	%	96	97	99	88
HEALTH AND SAFETY (H&S)					
Employees					
Accidents with lost workdays ¹	#	30	15	15	11
Fatal work-related injuries	#	0	0	0	0
Total lost days due to accidents ²	#	1,725	1,338	964	948
Frequency rate ³	Tf	1.60	0.87	0.89	0.67
Severity rate ⁴	Tg	92	77	57	58
Overall severity rate ⁵	Tgt	94	83	62	427
Contractors					
Accidents with lost workdays ¹	#	101	73	102	69
Fatal work-related injuries	#	2	5	6	3
Hours worked	hours	44,628,952	36,669,523	51,180,155	38,746,687
Frequency rate ³	Tf	2.31	2.13	2.11	1.86
Severity rate ⁴	Tg	121	149	115	106
Overall severity rate ⁵	Tgt	398	971	846	569
EDP employees and contractors					
Frequency rate ³	Tf	2.10	1.72	1.81	1.51
Severity rate ⁴	Tg	112	126	100	87
Overall severity rate ⁵	Tgt	308	687	651	527
Near accidents	#	380	343	409	266
People outside the activity					
Fatal electrical accidents involving third parties ⁶	#	7	9	13	9
VOLUNTEER INVESTMENT IN THE COMMUNITY (B4SI METHODOLOGY)					
Volunteer investment/EBITDA	%	0.51	0.54	0.42	0.41

¹ Accidents occurred at the place and working time or on a journey, with 1 or more days of absence and fatal accidents.

² Sum of the number of absence calendar days resulting of work accidents occurred in the reference period, plus the number of days lost by accidents in the previous period, which lasted until the reference period without interruption. The lost time is measured from the day following the accident to the day right before the return to work.

³ Number of accidents at work with absence/fatalities, per million hours worked.

⁴ Number of calendar days lost due to work accident per million hours worked, in the reference period.

⁵ Number of calendar days lost due to work accidents per million hours worked, in the reference period, including days for permanent disability and a portion of 6,000 days for each fatal accident.

⁶ Accidents involving persons outside EDP's activity.

ECONOMIC INDICATORS	UN	9M23	9M22	9M21	9M20
ECONOMIC VALUE GENERATED	000€	13,939,945	17,284,710	10,801,269	9,819,752
Economic value distributed	000€	12,124,781	15,784,285	9,763,177	8,391,029
Economic value accumulated	000€	1,815,164	1,500,425	1,038,092	1,428,723
ENERGY EFFICIENCY AND SUPPLEMENTARY ENERGY SERVICES REVENUES¹	000€	1,441,516	1,255,850	944,479	730,037
Energy efficiency services revenues	000€	400,452	338,960	270,417	171,965
Supplementary energy services revenues ²	000€	1,041,064	916,889	674,062	558,071
FINES AND PENALTIES	000€	8,777	9,772	5,019	3,445
ENVIRONMENTAL MATTERS	000€	411,811	703,115	243,574	210,386
Investments	000€	80,325	70,965	61,670	42,995
Expenses	000€	331,486	632,149	181,904	167,391
SOCIAL MATTERS					
Personnel costs	000€	555,997	506,025	428,307	413,619
Employee benefits	000€	63,559	64,054	63,329	51,014
Direct training investment	000€	3,284	2,175	2,135	1,719
Direct training investment per employee	€/p	248	167	175	146
HC ROI per employee	€/p	6.98	6.24	6.14	6.82

¹ Energy Efficiency and Supplementary Energy Services: services provided under energy supply, installation of more efficient and/or building retrofit, and sustainable mobility, which generate revenues for the company.

² Supplementary Energy Services Revenues include the following categories: Energy Management, Maintenance and Operation, Property/Facility Management, Energy and/or Equipment Supply, Provision of Service (example: steam) and other.

Condensed Financial Statements 30 September 2023

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Condensed Consolidated Income Statements
for the nine-month periods ended at 30 September 2023 and 2022

Thousand Euros	Notes	2023	2022
Revenues from energy sales and services and other	7	12,258,265	15,846,914
Cost of energy sales and other	7	-7,099,161	-11,514,746
		5,159,104	4,332,168
Other income	8	752,013	622,157
Supplies and services	9	-836,885	-782,023
Personnel costs and employee benefits	10	-619,555	-570,079
Other expenses	11	-649,190	-648,543
Impairment losses on trade receivables and debtors		-50,588	-49,480
		-1,404,205	-1,427,968
Joint ventures and associates	20	65,077	141,505
		3,819,976	3,045,705
Provisions	33	-21,104	-9,994
Depreciation, amortisation and impairment		-1,388,275	-1,208,613
		2,410,597	1,827,098
Financial income	13	864,590	674,133
Financial expenses	13	-1,499,655	-1,254,426
Profit before income tax and CESE		1,775,532	1,246,805
Income tax expense	14	-422,327	-228,434
Extraordinary contribution to the energy sector (CESE)	37	-49,359	-51,084
		-471,686	-279,518
Net profit for the period		1,303,846	967,287
Attributable to:			
Equity holders of EDP	28	945,580	517,597
Non-controlling Interests	30	358,266	449,690
Net profit for the period		1,303,846	967,287
Earnings per share (Basic and Diluted) - Euros	28	0.23	0.13

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THE MANAGEMENT

THE EXECUTIVE BOARD OF DIRECTORS

**Condensed Consolidated Statements of Comprehensive Income
for the nine-month periods ended at 30 September 2023 and 2022**

Thousand Euros	2023		2022	
	Equity holders of EDP	Non-controlling Interests	Equity holders of EDP	Non-controlling Interests
Net profit for the period	945,580	358,266	517,597	449,690
Items that will never be reclassified to profit or loss (i)				
Actuarial gains/(losses) (iii)	40,736	-6,459	232,996	6,068
Tax effect from the actuarial gains/(losses)	-12,697	2,196	-73,601	-2,063
Fair value reserve of assets measured at fair value through other comprehensive income with no recycling (ii)	2,039	-	-17,712	-
Tax effect from the Fair value reserve of assets measured at fair value through other comprehensive income with no recycling (ii)	-491	-	4,191	-
	<u>29,587</u>	<u>-4,263</u>	<u>145,874</u>	<u>4,005</u>
Items that may be reclassified to profit or loss (i)				
Currency translation reserve	188,010	110,295	303,090	363,832
Fair value reserve (cash flow hedge) (ii)	1,284,610	233,173	-3,515,062	-180,954
Tax effect from the fair value reserve (cash flow hedge) (ii)	-269,749	-57,688	741,074	43,333
Fair value reserve of assets measured at fair value through comprehensive income with recycling (ii)	-	179	-	-401
Share of comprehensive income of joint ventures and associates, net of taxes	13,042	5,999	90,040	31,194
	<u>1,215,913</u>	<u>291,958</u>	<u>-2,380,858</u>	<u>257,004</u>
Other comprehensive income for the period (net of income tax)	<u>1,245,500</u>	<u>287,695</u>	<u>-2,234,984</u>	<u>261,009</u>
Total comprehensive income for the period	<u>2,191,080</u>	<u>645,961</u>	<u>-1,717,387</u>	<u>710,699</u>

(i) See Consolidated Statement of Changes in Equity

(ii) See Note 29

(iii) See Note 32

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THE CERTIFIED ACCOUNTANT
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THE MANAGEMENT

THE EXECUTIVE BOARD OF DIRECTORS

**Condensed Consolidated Statements of Financial Position
as at 30 September 2023 and 31 December 2022**

Thousand Euros	Notes	2023	2022
Assets			
Property, plant and equipment	15	26,061,259	24,216,807
Right-of-use assets	16	1,338,169	1,320,270
Intangible assets	17	4,878,103	4,984,002
Goodwill	18	3,447,822	3,469,228
Investments in joint ventures and associates	20	1,693,354	1,605,743
Equity instruments at fair value	21	223,881	216,418
Investment property		26,506	27,294
Deferred tax assets	22	1,797,344	1,784,292
Debtors and other assets from commercial activities	24	4,804,998	3,772,126
Other debtors and other assets	25	1,924,594	1,924,510
Non-Current tax assets	26	133,852	109,902
Collateral deposits associated to financial debt	31	38,822	23,765
Total Non-Current Assets		46,368,704	43,454,357
Inventories	23	824,255	1,256,300
Debtors and other assets from commercial activities	24	4,558,130	4,888,220
Other debtors and other assets	25	1,843,723	3,371,795
Current tax assets	26	701,897	814,298
Collateral deposits associated to financial debt	31	26,575	29,336
Cash and cash equivalents	27	1,996,205	4,900,205
Non-Current Assets held for sale	38	1,601,047	101,900
Total Current Assets		11,551,832	15,362,054
Total Assets		57,920,536	58,816,411
Equity			
Share capital	28	4,184,022	3,965,681
Treasury stock		-49,879	-51,288
Share premium	28	1,970,996	1,196,522
Reserves and retained earnings	29	4,404,815	3,093,533
Consolidated net profit attributable to equity holders of EDP		945,580	679,001
Total Equity attributable to equity holders of EDP		11,455,534	8,883,449
Non-controlling Interests	30	5,229,150	4,951,159
Total Equity		16,684,684	13,834,608
Liabilities			
Financial debt	31	15,826,453	15,782,604
Employee benefits	32	573,403	644,299
Provisions	33	915,438	922,059
Deferred tax liabilities	22	1,470,743	1,244,593
Institutional partnerships in North America	34	2,120,834	2,212,162
Trade payables and other liabilities from commercial activities	35	1,461,421	1,412,454
Other liabilities and other payables	36	3,730,291	5,159,496
Non-current tax liabilities	37	149,841	179,250
Total Non-Current Liabilities		26,248,424	27,556,917
Financial debt	31	5,011,802	4,239,869
Employee benefits	32	140,111	126,767
Provisions	33	57,168	51,285
Trade payables and other liabilities from commercial activities	35	5,926,266	8,404,970
Other liabilities and other payables	36	1,846,048	3,600,893
Current tax liabilities	37	1,115,319	1,001,102
Non-Current Liabilities held for sale	38	890,714	-
Total Current Liabilities		14,987,428	17,424,886
Total Liabilities		41,235,852	44,981,803
Total Equity and Liabilities		57,920,536	58,816,411

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THE MANAGEMENT

THE EXECUTIVE BOARD OF DIRECTORS

Condensed Consolidated Income Statements
for the three-month periods from 1 July to 30 September 2023 and 2022

Thousand Euros	2023	2022
Revenues from energy sales and services and other	4,012,905	5,680,271
Cost of energy sales and other	-2,517,955	-4,258,217
	<u>1,494,950</u>	<u>1,422,054</u>
Other income	540,419	280,892
Supplies and services	-287,779	-289,729
Personnel costs and employee benefits	-199,148	-190,861
Other expenses	-180,522	-195,260
Impairment losses on trade receivables and debtors	-18,302	-20,704
	<u>-145,332</u>	<u>-415,662</u>
Joint ventures and associates	16,151	45,285
	<u>1,365,769</u>	<u>1,051,677</u>
Provisions	-128	-7,149
Depreciation, amortisation and impairment	-427,637	-409,021
	<u>938,004</u>	<u>635,507</u>
Financial income	166,284	304,278
Financial expenses	-385,254	-500,018
	<u>719,034</u>	<u>439,767</u>
Profit before income tax and CESE	<u>719,034</u>	<u>439,767</u>
Income tax expense	-71,804	-84,568
Extraordinary contribution to the energy sector (CESE)	-	-593
	<u>-71,804</u>	<u>-85,161</u>
Net profit for the period	647,230	354,606
Attributable to:		
Equity holders of EDP	<u>508,821</u>	<u>211,112</u>
Non-controlling Interests	<u>138,409</u>	<u>143,494</u>
Net profit for the period	<u>647,230</u>	<u>354,606</u>
Earnings per share (Basic and Diluted) – Euros	0.16	0.09

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THE EXECUTIVE BOARD OF DIRECTORS

**Condensed Consolidated Statements of Comprehensive Income
for the three-month periods from 1 July to 30 September 2023 and 2022**

Thousand Euros	2023		2022	
	Equity holders of EDP	Non-controlling Interests	Equity holders of EDP	Non-controlling Interests
Net profit for the period	508,821	138,409	211,112	143,494
Items that will never be reclassified to profit or loss				
Actuarial gains/(losses)	870	-	123,517	-917
Tax effect from the actuarial gains/(losses)	-358	-	-38,878	312
Fair value reserve with no recycling (financial assets)	-2,453	-	-3,780	-
Tax effect from the fair value reserve with no recycling (financial assets)	585	-	939	-
	-1,356	-	81,798	-605
Items that may be reclassified to profit or loss				
Currency translation reserve	59,389	26,407	63,773	100,240
Fair value reserve (cash flow hedge)	483,928	20,859	-1,584,486	-44,822
Tax effect from the fair value reserve (cash flow hedge)	-72,030	-7,346	335,472	10,637
Fair value reserve of assets measured at fair value through comprehensive income with recycling	-	3,182	-	-
Share of comprehensive income of joint ventures and associates, net of taxes	3,292	4,308	51,177	19,943
	474,579	47,410	-1,134,064	85,998
Other comprehensive income for the period (net of income tax)	473,223	47,410	-1,052,266	85,393
Total comprehensive income for the period	982,044	185,819	-841,154	228,887

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THE MANAGEMENT

THE EXECUTIVE BOARD OF DIRECTORS

**Condensed Consolidated Statements of Changes in Equity
for the nine-month periods ended at 30 September 2023 and 2022**

Thousand Euros	Total Equity	Share capital (i)	Share premium (i)	Legal reserve	Reserves and retained earnings (ii)				Treasury stock	Equity attributable to equity holders of EDP	Non-controlling interests (iii)
					Other reserves and retained earnings	Fair value reserve (cash flow hedge)	Fair value reserve (financial assets)	Currency translation reserve			
Balance as at 31 December 2021	13,977,565	3,965,681	1,196,522	782,932	5,223,309	-780,860	17,362	-1,029,477	-52,660	9,322,809	4,654,756
Comprehensive income:											
Net profit for the period	967,287	-	-	-	517,597	-	-	-	-	517,597	449,690
Changes in the fair value reserve (cash flow hedge) net of taxes	-2,911,609	-	-	-	-	-2,773,988	-	-	-	-2,773,988	-137,621
Changes in the fair value reserve of assets measured at fair value through other comprehensive income, net of taxes	-13,922	-	-	-	-	-	-13,521	-	-	-13,521	-401
Share of other comprehensive income of joint ventures and associates net of taxes	121,234	-	-	-	6,638	75,064	-	8,338	-	90,040	31,194
Actuarial gains/(losses) net of taxes	163,400	-	-	-	159,395	-	-	-	-	159,395	4,005
Exchange differences arising on consolidation	666,922	-	-	-	-	-	-	303,090	-	303,090	363,832
Total comprehensive income for the period	-1,006,688	-	-	-	683,630	-2,698,924	-13,521	311,428	-	-1,717,387	710,699
Transfer to legal reserve	-	-	-	10,204	-10,204	-	-	-	-	-	-
Dividends paid	-749,802	-	-	-	-749,802	-	-	-	-	-749,802	-
Dividends attributable to non-controlling interests	-113,664	-	-	-	-	-	-	-	-	-	-113,664
Purchase and sale of treasury stock	-982	-	-	-	-	-	-	-	-982	-982	-
Share-based payments	3,273	-	-	-	919	-	-	-	2,354	3,273	-
Acquisition of partnership in Sunseap	29,951	-	-	-	-	-	-	-	-	-	29,951
Changes resulting from acquisitions/sales, equity increases/decreases and other	-115,248	-	-	-	9,694	-	-	-	-	9,694	-124,942
Balance as at 30 September 2022	12,024,405	3,965,681	1,196,522	793,136	5,157,546	-3,479,784	3,841	-718,049	-51,288	6,867,605	5,156,800
Balance as at 31 December 2022	13,834,608	3,965,681	1,196,522	793,136	5,347,766	-1,495,102	15,660	-888,926	-51,288	8,883,449	4,951,159
Comprehensive income:											
Net profit for the period	1,303,846	-	-	-	945,580	-	-	-	-	945,580	358,266
Changes in the fair value reserve (cash flow hedge) net of taxes	1,190,346	-	-	-	-	1,014,861	-	-	-	1,014,861	175,485
Changes in the fair value reserve of assets measured at fair value through other comprehensive income, net of taxes	1,727	-	-	-	-	-	1,548	-	-	1,548	179
Share of other comprehensive income of joint ventures and associates net of taxes	19,041	-	-	-	1,984	14,882	-7,565	3,741	-	13,042	5,999
Actuarial gains/(losses) net of taxes	23,776	-	-	-	28,039	-	-	-	-	28,039	-4,263
Exchange differences arising on consolidation	298,305	-	-	-	-	-	-	188,010	-	188,010	110,295
Total comprehensive income for the period	2,837,041	-	-	-	975,603	1,029,743	-6,017	191,751	-	2,191,080	645,961
Transfer to legal reserve	-	-	-	42,428	-42,428	-	-	-	-	-	-
Dividends paid	-791,427	-	-	-	-791,427	-	-	-	-	-791,427	-
Dividends attributable to non-controlling interests	-148,901	-	-	-	-	-	-	-	-	-	-148,901
Share Capital increase	992,815	218,341	774,474	-	-	-	-	-	-	992,815	-
Purchase and sale of treasury stock	-1,134	-	-	-	-	-	-	-	-1,134	-1,134	-
Share-based payments	4,176	-	-	-	1,633	-	-	-	2,543	4,176	-
Dilution in the financial interest by capital increase and scrip dividend EDP R S. A.	988,492	-	-	-	387,067	32,112	-739	-36,861	-	381,579	606,913
Acquisition of the remaining partnership in EDP Brasil	-1,076,446	-	-	-	180,455	-1,234	55	-380,257	-	-200,981	-875,465
Changes resulting from acquisitions/sales, equity increases/decreases and other	45,460	-	-	-	-4,023	-	-	-	-	-4,023	49,483
Balance as at 30 September 2023	16,684,684	4,184,022	1,970,996	835,564	6,054,646	-434,481	8,959	-1,114,293	-49,879	11,455,534	5,229,150

(i) See note 28
(ii) See note 29
(iii) See note 30

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THE MANAGEMENT

THE EXECUTIVE BOARD OF DIRECTORS

**Condensed Consolidated and Company Statements of Cash Flows
for the nine-month periods ended at 30 September 2023 and 2022**

Thousand Euros	Notes	Group		Company	
		2023	2022	2023	2022
Operating activities					
Profit before income tax and CESE					
		1,775,532	1,246,805	773,015	55,101
Adjustments for:					
Amortisation and impairment		1,388,275	1,208,613	28,489	25,647
Provisions	33	21,104	9,994	-57	-423
Joint ventures and associates		-75,492	-141,505	-	-
Financial (income)/expenses	13	635,065	580,293	-728,874	-124,457
Other non recurring income and expenses	12	-	-	-940,653	-
Changes in working capital:					
Trade and other receivables		665,948	172,377	-33,882	315,776
Trade and other payables		-1,041,350	500,726	59,754	389,051
Personnel		-97,377	-125,777	2,798	3,388
Regulatory assets		-2,461,924	212,802	-	-
Other changes in assets/liabilities related with operating activities i)		-137,048	-1,658,800	406,402	-909,570
Income tax and CESE		-243,541	-174,534	5,464	48,732
Net cash flows from operations		429,192	1,830,994	-427,544	-196,755
Net (gains) / losses with Asset Rotations		-393,412	-263,440	-	-
Net cash flows from operating activities		35,780	1,567,554	-427,544	-196,755
Investing activities					
Cash receipts relating to:					
Sale of business/assets/subsidiaries with loss of control ii)		662,895	917,850	1,169,510	-
Other financial assets and investments iii)		228,836	34,015	2,734,379	49
Other financial assets at amortised cost		-	-	256,856	153,973
Changes in cash resulting from consolidation perimeter variations		10,392	173,738	-	-
Property, plant and equipment and intangible assets		36,892	13,090	3,468	673
Other receipts relating to tangible fixed assets		12,467	10,181	-	-
Interest and similar income		120,824	58,778	59,028	24,684
Dividends		52,281	49,249	654,362	270,843
Loans to related parties		374,665	444,945	291,057	814,000
		1,499,252	1,701,846	5,168,660	1,264,222
Cash payments relating to:					
Acquisition of assets/subsidiaries iv)		-1,087,220	-1,164,061	-	-
Other financial assets and investments v)		-270,265	-564,520	-1,033,258	-32,177
Changes in cash resulting from consolidation perimeter variations		-69,485	-87,287	-	-
Property, plant and equipment and intangible assets		-3,908,685	-2,232,456	-26,672	-26,980
Loans to related parties		-416,614	-726,557	-3,726,847	-363,595
		-5,752,269	-4,774,881	-4,786,777	-422,752
Net cash flows from investing activities		-4,253,017	-3,073,035	381,883	841,470
Financing activities					
Receipts relating to financial debt (include Collateral Deposits)		4,344,468	4,542,795	1,950,000	2,124,236
(Payments) relating to financial debt (include Collateral Deposits)		-3,175,944	-1,390,365	-5,364,456	-1,594,679
Interest and similar costs of financial debt including hedge derivatives		-644,965	-535,122	-247,020	-204,648
Receipts/(payments) relating to loans from non-controlling interests		-12,307	228,366	-	-
Interest and similar costs relating to loans from non-controlling interests		-8,715	-8,214	-	-
Receipts/(payments) relating to loans from related parties		-	-	14,301,668	-338,065
Share capital increases/(decreases) (includes subscribed by non-control. interests vi)		1,958,389	-76,703	990,905	-
Receipts/(payments) relating to derivative financial instruments		2,385	-2,047	44,503	121,025
Dividends paid to equity holders of EDP		-791,427	-749,802	-791,427	-749,802
Dividends paid to non-controlling interests		-146,725	-178,865	-	-
Treasury stock sold/(purchased)		-1134	-982	-1134	-982
Lease (payments) vii)		-105,997	-97,215	-9,775	-9,448
Receipts/(payments) from institutional partnerships in North America viii)		-40,042	-69,379	-	-
Net cash flows from financing activities		1,377,986	1,662,467	-1,998,236	-652,363
Changes in cash and cash equivalents					
Effect of exchange rate fluctuations on cash held		46,627	145,460	312	1,261
Cash and cash equivalents reclassified as held for sale		-111,376	-10,844	-	-
Cash and cash equivalents at the beginning of the period		4,900,205	3,222,409	4,145,074	2,490,453
Cash and cash equivalents at the end of the period ix)		1,996,205	3,514,011	2,101,489	2,484,066

- i) Relates, essentially, to payments/receipts related to commodity derivatives and constitution of collaterals to operate in energy markets;
- ii) On a consolidated basis, relates essentially to the receivements related to the sale of 11 companies fully owned by EDP Renováveis Brasil S.A. (see note 25) and the sale of two companies fully owned by EDP Renewables Europe S.L.U. (see note 6). On an individual basis, relates to the receivement for the sale of the energy management business unit (see note 12);
- iii) Relates essentially to the impact with the sale of the stake in Principle Power, Inc. (see note 20) and receivements related to the scope of transactions in North America;
- iv) Relates, essentially, to the acquisition by EDP of the remaining stake in EDP - Energias do Brasil S.A. (see note 6 and 30);
- v) Relates essentially to the capital increase in OW Offshore S.L. (see note 20) and payments made within the scope of transactions in North America;
- vi) Relates to the capital increase in Grupo EDP and the capital increase in EDP Renováveis S.A. not accompanied by EDP S.A. (see notes 28 and 29);
- vii) Includes capital and interest;
- viii) On a consolidated basis, refers to the receipts and payments net of transaction costs (transactions included in note 34);
- ix) See details of Cash and cash equivalents in note 27 and the Consolidated and Company Reconciliation of Changes in the responsibilities of Financing activities in note 45 of the Financial Statements.

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THE EXECUTIVE BOARD OF DIRECTORS

Condensed Company Income Statements
for the nine-month periods ended at 30 September 2023 and 2022

Thousand Euros	Notes	2023	2022
Revenues from energy sales and services and other	7	2,811,016	6,474,764
Cost of energy sales and other	7	-2,451,021	-6,320,412
		359,995	154,352
Other income		15,781	10,907
Supplies and services	9	-153,045	-134,731
Personnel costs and employee benefits	10	-67,056	-64,831
Other expenses		-8,663	-9,809
Impairment losses on trade receivables and debtors		-873	-20
Other non recurring income and expenses	12	-73,566	-
		-287,422	-198,484
		72,573	-44,132
Provisions		57	423
Depreciation, amortisation and impairment		-28,489	-25,647
		44,141	-69,356
Financial income	13	1,481,260	1,037,962
Financial expenses	13	-752,386	-913,505
Profit before income tax		773,015	55,101
Income tax expense	14	9,810	46,399
Net profit for the period		782,825	101,500
Earnings per share (Basic and Diluted) - Euros	28	0.19	0.03

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THE EXECUTIVE BOARD OF DIRECTORS

**Condensed Company Statements of Comprehensive Income
for the nine-month periods ended at 30 September 2023 and 2022**

Thousand Euros	2023	2022
Net profit for the period	782,825	101,500
Items that will never be reclassified to profit or loss (i)		
Actuarial gains/(losses)	-	-
Tax effect from the actuarial gains/(losses)	-	-30
	-	-30
Items that may be reclassified to profit or loss (i)		
Fair value reserve (cash flow hedge) (ii)	789,867	-2,596,267
Tax effect from the fair value reserve (cash flow hedge) (ii)	-165,872	553,515
	623,995	-2,042,752
Other comprehensive income for the period (net of income tax)	623,995	-2,042,782
Total comprehensive income for the period	1,406,820	-1,941,282

(i) See Company Statement of Changes in Equity

(ii) See note 29

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THE MANAGEMENT THE EXECUTIVE BOARD OF DIRECTORS

**Condensed Company Statements of Financial Position
as at 30 September 2023 and 31 December 2022**

Thousand Euros	Notes	2023	2022
Assets			
Property, plant and equipment		31,155	43,548
Right-of-use assets		95,164	96,845
Intangible assets		144,463	150,695
Investments in subsidiaries	19	13,870,278	15,427,399
Investments in joint ventures and associates		5,891	2,229
Equity instruments at fair value		1,299	1,328
Investment property		140,427	117,277
Deferred tax assets	22	174,440	314,760
Debtors and other assets from commercial activities		1,550	1,515
Other debtors and other assets	25	4,565,120	3,080,145
Total Non-Current Assets		19,029,787	19,235,741
Inventories		-	30,875
Debtors and other assets from commercial activities	24	170,446	2,113,792
Other debtors and other assets	25	4,556,534	4,202,640
Current tax assets	26	50,799	194,240
Cash and cash equivalents	27	2,101,489	4,145,074
Total Current Assets		6,879,268	10,686,621
Total Assets		25,909,055	29,922,362
Equity			
Share capital	28	4,184,022	3,965,681
Treasury stock		-49,879	-51,288
Share premium	28	1,970,996	1,196,522
Reserves and retained earnings	29	3,006,605	2,323,839
Net profit for the period		782,825	848,565
Total Equity		9,894,569	8,283,319
Liabilities			
Financial debt	31	7,504,417	5,754,070
Employee benefits		5,827	7,399
Provisions		5,047	5,142
Trade payables and other liabilities from commercial activities		20	20
Other liabilities and other payables	36	1,201,909	2,183,162
Total Non-Current Liabilities		8,717,220	7,949,793
Financial debt	31	4,426,087	8,189,632
Employee benefits		929	221
Provisions		933	895
Trade payables and other liabilities from commercial activities	35	307,492	2,070,498
Other liabilities and other payables	36	2,140,752	3,393,302
Current tax liabilities	37	421,073	34,702
Total Current Liabilities		7,297,266	13,689,250
Total Liabilities		16,014,486	21,639,043
Total Equity and Liabilities		25,909,055	29,922,362

LISBON, 2 NOVEMBER 2023

THE CERTIFIED ACCOUNTANT
N.º 17,713

THE MANAGEMENT

THE EXECUTIVE BOARD OF DIRECTORS

Condensed Company Income Statements
for the three-month periods from 1 July to 30 September 2023 and 2022

Thousand Euros	2023	2022
Revenues from energy sales and services and other	61,887	2,371,559
Cost of energy sales and other	-4	-1,766,773
	<u>61,883</u>	<u>604,786</u>
Other income	4,441	3,365
Supplies and services	-51,658	-47,789
Personnel costs and employee benefits	-21,538	-20,749
Other expenses	-172	-1,144
Impairment losses on trade receivables and debtors	-436	-35
	<u>-69,363</u>	<u>-66,352</u>
	<u>-7,480</u>	<u>538,434</u>
Provisions	-	316
Depreciation, amortisation and impairment	-9,248	-8,673
	<u>-16,728</u>	<u>530,077</u>
Financial income	407,900	351,317
Financial expenses	-164,298	-380,277
	<u>226,874</u>	<u>501,117</u>
Profit before income tax	226,874	501,117
Income tax expense	5,119	-104,253
	<u>231,993</u>	<u>396,864</u>
Net profit for the period	231,993	396,864

LISBON, 2 NOVEMBER 2023

THE CERTIFIED ACCOUNTANT
N.º 17,713

THE MANAGEMENT

THE EXECUTIVE BOARD OF DIRECTORS

**Condensed Company Statements of Comprehensive Income
for the three-month periods from 1 July to 30 September 2023 and 2022**

Thousand Euros	2023	2022
Net profit for the period	231,993	396,864
Items that are or may be reclassified to profit or loss		
Fair value reserve (cash flow hedge)	-10,023	-1,742,169
Tax effect from the fair value reserve (cash flow hedge)	2,104	365,856
	-7,919	-1,376,313
Other comprehensive income for the period (net of income tax)	-7,919	-1,376,313
Total comprehensive income for the period	224,074	-979,449

LISBON, 2 NOVEMBER 2023

THE CERTIFIED ACCOUNTANT
N.º 17,713

THE MANAGEMENT

THE EXECUTIVE BOARD OF DIRECTORS

**Condensed Company Statements of Changes in Equity
for the nine-month periods ended at 30 September 2023 and 2022**

Thousand Euros	Total Equity	Share capital (i)	Share premium (i)	Reserves and retained earnings (ii)			
				Legal reserve	Other Reserves and retained earnings	Fair value reserve (cash flow hedge)	Treasury stock
Balance as at 31 December 2021	9,213,104	3,965,681	1,196,522	782,932	2,891,903	428,726	-52,660
Comprehensive income:							
Net profit for the period	101,500	-	-	-	101,500	-	-
Changes in the fair value reserve (cash flow hedge) net of taxes	-2,042,752	-	-	-	-	-2,042,752	-
Actuarial gains / (losses) net of taxes	-30	-	-	-	-30	-	-
Total comprehensive income for the period	-1,941,282	-	-	-	101,470	-2,042,752	-
Transfer to legal reserve	-	-	-	10,204	-10,204	-	-
Dividends paid	-749,802	-	-	-	-749,802	-	-
Purchase and sale of treasury stock	-982	-	-	-	-	-	-982
Share-based payments	3,273	-	-	-	919	-	2,354
Balance as at 30 September 2022	6,524,311	3,965,681	1,196,522	793,136	2,234,286	-1,614,026	-51,288
Balance as at 31 December 2022	8,283,319	3,965,681	1,196,522	793,136	2,983,401	-604,133	-51,288
Comprehensive income:							
Net profit for the period	782,825	-	-	-	782,825	-	-
Changes in the fair value reserve (cash flow hedge) net of taxes	623,995	-	-	-	-	623,995	-
Total comprehensive income for the period	1,406,820	-	-	-	782,825	623,995	-
Transfer to legal reserve	-	-	-	42,428	-42,428	-	-
Share Capital increase	992,815	218,341	774,474	-	-	-	-
Dividends paid	-791,427	-	-	-	-791,427	-	-
Purchase and sale of treasury stock	-1,134	-	-	-	-	-	-1,134
Share-based payments	4,176	-	-	-	1,633	-	2,543
Balance as at 30 September 2023	9,894,569	4,184,022	1,970,996	835,564	2,934,004	19,862	-49,879

(i) See note 28
(ii) See note 29

LISBON, 2 NOVEMBER 2023

THE CERTIFIED ACCOUNTANT
N.º17,713

THE MANAGEMENT

THE EXECUTIVE BOARD OF DIRECTORS

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1. Economic activity of EDP Group

EDP - Energias de Portugal, S.A. (hereinafter referred to as EDP), currently with head office in Lisbon, Avenida 24 de Julho 12 and with its shares listed on the Euronext Lisbon stock exchange, results from the transformation of Electricidade de Portugal, E.P., incorporated in 1976 following the nationalization and consequent merger of the main companies in the electricity sector in Portugal. During 1994, as established by Decree-laws 7/91 and 131/94, the EDP Group (EDP Group or Group) was set up following the split of EDP, which led to a number of directly or indirectly wholly owned subsidiaries of EDP.

The Group's businesses are currently focused on the generation, transmission, distribution and supply of electricity and supply of gas. Additionally, the Group also operates in related areas such as engineering, laboratory tests, professional training, energy services and property management.

EDP Group operates essentially in the European (Portugal, Spain, France, Poland, Romania, Italy, Belgium, United Kingdom, Greece, Germany and Netherlands), American (Brazil, Colombia and North America) and Southeast Asia energy sectors.

2. Accounting policies

a) Basis of presentation

The accompanying condensed consolidated and company financial statements of EDP - Energias de Portugal, S.A. reflect the results of the company's operations and its subsidiaries (EDP Group or Group) and the Group's interest in its joint ventures and associated companies, for the periods ended on 30 September 2023 and 2022 and EDP S.A.'s Executive Board of Directors approved them on 2 November 2023. The financial statements are presented in thousand Euros, rounded to the nearest thousand.

In accordance with Regulation (EC) 1606/2002 of the European Council and Parliament, of 19 July 2002, as transposed into Portuguese legislation through Decree-law 158/2009 of 13 July and the changes introduced through Decree-law 98/2015 of 2 June, the condensed company's financial statements and the condensed Group's consolidated financial statements are prepared in accordance with International Financial Reporting Standards (IFRS), as endorsed by the European Union (E.U). IFRS comprise accounting standards issued by the International Accounting Standards Board (IASB) as well as interpretations issued by the International Financial Reporting Interpretations Committee (IFRIC) and their predecessor bodies. The EDP Group's condensed consolidated and company financial statements for the period ended at 30 September 2023 were prepared in accordance with IFRS as adopted by the E.U. until 1 January 2023 and considering the International Financial Reporting Standard IAS 34 - Interim Financial Reporting. These financial statements do not include all the information required to be published on the annual financial statements, and should, therefore, be read together with the consolidated financial statements of the Group for the year ended 31 December 2022.

As at 30 September 2023, following the Strategic Plan Update 2023-2026, the Executive Board of Directors reorganized the business segments in order to be aligned with this new view, with effect from 1 January 2023. Despite of this change in the composition of the segments, EDP Group has not identified any significant changes in key assumptions used in impairment tests performed in the end of 2022, which could indicate that an asset may be impaired.

The EDP Group's activity does not present, on a quarter basis, a level of seasonality that can be considered significant.

Selected explanatory notes are included to explain events and transactions that are significant to understand the changes in the EDP Group's financial position and performance since the last annual financial statements.

3. Recent accounting standards and interpretations issued

Standards, amendments and interpretations issued effective for the Group

The amendments to standards already issued and effective that the Group applied in the preparation of its financial statements, can be analysed as follows:

- IAS 12 (Amended) - Deferred tax related to assets and liabilities arising from a Single Transaction

The IASB amended IAS 12, "Income taxes", in order to clarify the recognition of deferred tax on particular transactions that, on initial recognition, give rise to equal amounts of taxable and deductible temporary differences.

The amendments target the recognition of deferred tax in respect of:

- Right-of-use assets and lease liabilities; and
- Provision for dismantling, decommissioning and the corresponding tangible fixed assets.

As part of the adoption of these amendments, effective on 1 January 2023, the EDP Group proceeded with the breakdown of deferred tax assets and deferred tax liabilities related with: i) assets under right of use and lease liabilities; and ii) provisions for dismantling and decommissioning and corresponding tangible fixed assets, where and whenever these amounts are not deductible until the payment date.

Thus, on 30 September 2023, the impacts of this amendment are disclosed in note 22.

- IFRS 17 – Insurance Contracts (and amendments related to initial application and comparative information)

In preparation of the adoption of IFRS 17, effective as of 1 January 2023, the EDP Group carried out an analysis of the contracts of the subsidiary Energia RE – Sociedade Cativa de Resseguro. From the analysis performed, it was concluded that all contracts are eligible, and thus classified, within the Premium Allocation Approach (simplified model) measurement method provided for in IFRS 17. Thus, no material accounting impacts were determined for the EDP Group resulting from the adoption of IFRS 17, in replacement of IFRS 4.

The amendments that have been issued and that are already effective and that the Group has applied on its financial statements, with no significant impacts, are the following:

- IAS 1 (Amended) – Disclosure of Accounting Policies; and
- IAS 8 (Amended) – Definition of Accounting Estimates.

Standards, amendments and interpretations issued but not yet effective for the Group

The standards, amendments and interpretations issued but not yet effective for the Group (whose effective application date has not yet occurred or, despite their effective dates of application, they have not yet been endorsed by the EU), for which no significant impact is expected, are the following:

- IAS 1 (Amended) – Classification of Liabilities as Current or Non-current;
- IAS 1 (Amended) – Non-current Liabilities with Covenants;
- IFRS 16 (Amended) – Lease liability in a sale and leaseback; and
- IAS 12 (Amended) – International Tax Reform: Pillar Two Model Rules.

4. Critical accounting estimates and judgements in preparing the financial statements

IFRS requires the use of judgement and the making of estimates in the decision process regarding certain accounting treatments, with impact in total assets, liabilities, equity, costs and income. The actual effects may differ from these estimates and judgements, namely in relation to the effect of actual costs and income.

The critical accounting estimates and judgements made by management in applying EDP Group's accounting policies were the same as those applied to the consolidated financial statements as at 31 December 2022, with a special note for the following items.

Considering that in many cases there are alternatives to the accounting treatment adopted by EDP Group, the reported results could differ if a different treatment was chosen. The Executive Board of Directors believes that the choices made are appropriate and that the financial statements present fairly the Group operations in all material respects.

"Clawback" – Portuguese regulatory mechanism to ensure the competitive balance in the wholesale electricity market, in particular Iberian

Following some tax changes occurred in Spain, which affected electricity generators operating in this country, Decree-Law 74/2013, of 4 June, was approved in Portugal, which aimed to rebalance the competition between electricity generators operating in Portugal and other players operating in Europe.

Pursuant to relate diploma and its regulations, in order to restore such balance, the power plants operating on a market regime situated in Portugal, which were not covered by the PPA or CMEC regime, should pay to the System an amount per MWh produced.

The amount payable should consider, on one hand, an estimate of the impact that the off-market events in the European Union (such as the above-mentioned tax changes in Spain) would have in pool prices, and on the other hand, the existence of national extra-market events that affect the competitiveness of electricity generators operating in Portuguese territory. Consequently, a net competition advantage would allegedly arise to generators operating in Portugal.

Under this mechanism regulation – commonly known as clawback – Social tariff and CESE were determined by Dispatch 11566-A/2015, of 3 October, as off-market events that should be considered as competitive disadvantages of generators operating in Portugal.

Dispatch 7557-A/2017, of 25 August, superseded Dispatch 11566-A/2015 (which defined the variables for the computation formula of the amount to be paid by each of the power-generating plants under Decree-Law 74/2013, of 4 June, for each injected MWh). It states that ERSE, after consulting DGEG, should present proposals for a new definition of the variables, as well as reference terms for the new study.

Subsequently, the Dispatch 9371/2017, of 24 October, partially nullified the Dispatch 11566-A/2015, in relation to the decisions presented under its numbers 11 and 12 (the deduction of social tariff and CESE costs in the unit price). ERSE was asked to consider in 2018 UGS tariff, the recovery, in benefit of the consumers, of the amounts allegedly improperly included in previous years' tariffs (2016 and 2017). Dispatch 9955/2017, of 17 November, defines a new amount for the estimate of the off-market events' impact in EU, which is -4.75 €/MWh, with retroactive effects as at August 24. Following these Dispatches, the document of prices and tariffs for 2018 has included a clawback amount of around 90 million Euros to be returned to tariffs, which includes power plants operating under CMEC and estimated generation.

Based on its interpretation of the Law, as well as on legal opinions obtained, EDP Produção considers that the Decree-Law 74/2013, of 4 of June, aims to re-establish a situation of competition balance between generators operating in Portugal and their peers operating in other European countries, which means to consider as off-market events all the taxes and contributions that fall only over generators located outside of Portugal (particularly in Spain), as well as all the taxes and contributions that fall only over generators located in Portugal. Consequently, in the EDP Produção's understanding, supported by legal opinions, Dispatch 9371/2017 and 9955/2017 have completely distorted the clawback mechanism, having filed its legal action in January 2018.

In the Financial statements as at 31 December 2018, EDP Group has included the clawback amount as calculated by EDP Produção, regarding the legislation in place in each period, namely Decree-Law 74/2013, of 4 of June, Order 225/2015, Ordinance 9371/2017 and Dispatch 9955/2017. It is important to notice that this mechanism is not applicable to power plants in 2018 still operating under CMEC regime. However, this situation was subsequently changed and disputed by EDP Produção, as mentioned below.

On 5 October 2018, the Spanish legislature, by the sixth and seventh additional lines on Article 21 of Royal Decree-Law 15/2018, suspended the 7% tax on electricity generation approved in 2012 for a period of six months, from the beginning of October 2018 to the end of March 2019. This tax suspension corresponds to the suspension of the off-market event verified within the European Union, which is considered in the clawback calculation.

Following the temporary suspension of the tax on electricity generation in Spain:

- Order 895/2019 of 23 January, establishing the suspension of the "Clawback" was approved for a period of 6 months as from 1 October 2018;
- The Tariff and Price Document for 2019, published on 17 December 2018, estimates a Clawback value of € 4.18/MWh, to be applied after the end of the suspension period (more specifically from 6 April 2019);
- ERSE informed EDP Produção that any clawback invoicing relating to the referred suspension period should be deleted or cancelled; and
- The State Budget Law for 2019 provided that "the Government shall, until the end of the first quarter of 2019, review the regulatory mechanism designed to ensure the balance of competition in the wholesale electricity market in Portugal, provided for under DL 74/2013, of 4 June, adapting it to the new rules of the Iberian Electricity Market, with the aim of creating harmonized regulatory mechanisms that reinforce competition and protect consumers".

On 1 April 2019, the suspension of the tax on the generation of electric energy in Spain was terminated, and it became effective again. From that moment, the "clawback" invoiced to EDP Produção was resumed, based on a value of 4.75€/MWh.

On 9 August 2019, Decree-Law 104/2019 was published, which makes the first amendment to Decree-Law 74/2013, of 4 June, by changing the scope of the clawback mechanism. Previously, "electricity producers under the ordinary regime and other producers not covered by the guaranteed remuneration regime" were subject to clawback. With the publication of this diploma, the CMEC centrals are now included in the scope of the clawback. Considering that this scope contradicts the Decree Law 240/2004, of 27 of December, EDP Produção proceeded to its challenge.

The same Decree-Law introduced the possibility to define CIT (corporate income tax) – advanced payment, and on 26 September 2019 was published the Order 8521/2019, which set the amounts of advanced payment related to the clawback mechanism at 2.71€/MWh for coal-fired power plants and 4.18€/MWh for other power plants.

In the Tariff and Price Document for 2020, published on 16 December 2019, ERSE considered the unit values defined in Dispatch 8521/2019, correcting only the value applicable to coal to 1.23 €/MWh, due to the increase in the ISP tax percentage and CO₂ addition planned for 2020. EDP Produção presented on 10 March of 2020 an action seeking a declaration of nullity or annulment of that administrative act by ERSE.

On 27 December 2019, Dispatch 12424-A/2019 was published, which identifies as national extra-market events to be considered in the Study to be prepared by ERSE until April 2020 (with reference to 2019) under the Clawback mechanism, the taxation of petroleum and energy products used in the generation of electricity (ISP), CESE and the Social Electricity Tariff.

On 30 June 2020, Dispatch 6740/2020 was published by the Secretary State of Energy (SEAE) which establishes the CIT (corporate income tax) – advanced payment to be applied in 2020 to electric power producers covered by the "Clawback" mechanism. The value of CIT – advanced payment for the year 2020 is set at € 2.24/MWh for plants that are not subject to extra market internal events, that is, only to some renewable energy producers in the market with the exception of the power generation centers included in the scope of internal extra-market events identified.

On 22 October 2020, Dispatch 10177/2020, issued by the SEAE Office, was published, which determines the final compensation of the "Clawback" for the year 2019, considering the ISP regime as the only internal off-market event within the National Electrical System (SEN), thus determining a value of € 2.24/MWh for hydro, gas and PRE on the market and 0.68€/MWh for coal power plants. This determination is not consistent with that contained in Dispatch 12424-A/2019, of 27 December, which identifies ISP, CESE and Social Tariff as internal off-market events for 2019. EDP Produção challenged Order 10177/2020 on 22 January 2021.

On 25 June 2021, the Spanish legislator, within the scope for the adoption of urgent measures regarding energy taxation due to the high prices verified in the MIBEL, published the Royal Decree-Law 12/2021, which, among others, proceeds the suspension of the 7% tax on the generation of electricity, approved in 2012, for a period between 1 July and 30 September 2021 (3 months), and with effects on the determination of the "Clawback". Following Royal Decree-Law 17/2021, the Spanish legislator has once again suspended the 7% tax on electricity generation for another 3 months, between 1 October and 31 December of 2021.

Following the temporary suspension of the tax on the generation of electricity in Spain, Dispatch 6398-A/2021, of 29 June, was published, which established the suspension of the "Clawback" in the period between 1 July 2021 and 30 September 2021, and Order 9975/2021, of 14 October, which determines the suspension of this mechanism between 1 October and 31 December 2021.

On 14 October 2021, Order 9974/2021, of the SEAE Office, was published, which determines the final compensation of the "Clawback" for the year 2020, considering as the only extra-market event within the National Electric System the regime of ISP (noting that it is consistent with the Dispatch that approved the final value for the year 2019), resulting in the following "Clawback" values: 3.64€/MWh for hydro plants and Special Regime generation (PRE) in the market; 3.42€/MWh for CCGTs; and 2.16€/MWh for coal plants. This determination is not coherent with the goals and rationale underlying the "Clawback" mechanism, as it does not admit the Social Tariff and CESE as internal extramarket events. EDP Produção challenged Order 9974/2021 on 14 January 2022.

The Spanish legislator suspended again the 7% tax on electricity generation for another 6 months, through Royal Decree-Ley 29/2021, of 21 December (for the period between 1 January and 31 March 2022) and Royal Decree-Ley 6/2022, of 29 March (for the period between 1 April and 30 June 2022). Following this temporary suspension of the tax on electricity generation in Spain, Order 1322/2022 of 1 February was published, which established the suspension of the "Clawback" between 1 January and 31 March 2022, and Order 6287/2022, of 19 May, which extended this suspension until 30 June 2022.

More recently, the Spanish legislator, due to the maintenance of high prices in the MIBEL resulting, above all, from the Russia-Ukraine conflict, resumed the suspension of the 7% tax on electricity generation until the end of 2022, through the Royal Decree-Ley 11/2022, of 25 June, and Order 9838/2022, of 9 August, determined the suspension of the "Clawback" for the period between 1 July and 31 December 2022 in Portugal.

In the year 2023 the tax on generation in Spain is suspended, in accordance with Royal Decree-Ley 20/2022 of 27 December. In Portugal, Order 5748/2023, of 22 May, of the Secretary of State for Energy and Climate, also suspended the "Clawback" during the year 2023.

Social Tariff Scheme

EDP Group filed a request to the European Commission whether the compliance of the Social Tariff funding mechanism, which is fully supported by ordinary regime generators, complies with the rules and principles of European Union law. EDP has already been charged more than 540 million Euros for his since 2011. EDP does not question the existence of the Social Tariff, and agrees with its purpose. However, considering the current regime, EDP cannot conform with the terms in which the legislator enshrined its method of financing. In fact, in Spain, similar mechanisms for financing the price of electricity were considered not to comply with the legal framework, and were therefore subject to modification.

The verification request aimed to obtain confirmation on the inadequacy of the current national social tariff financing mechanism and to prompt the review of national legislation on this financing mechanism.

The European Commission acknowledged the discriminatory nature of the financing mechanism for social tariffs in Portugal and informed that it would keep surveilling the evolution of social tariffs in Portugal, particularly in the context of tariff reviews for 2023. On 12 October 2023, the Council of Ministers made an announcement that a decree-law had been approved. The decree-law aims to change the financing model of the social tariff, with the goal of providing comprehensive coverage for electricity producers, retailers, and other market agents involved in the consumption function. The publication of the decree is currently pending.

Ancillary Services

i) Secondary regulation band service

On 3 September 2018 the Autoridade da Concorrência (AdC) adopted a Note of Illegality, under which it intended to attribute to EDP Produção a behaviour of abuse of a dominant position in the secondary regulation band service. AdC claimed that EDP Produção restricted the offer of a segment of the Electricity System (the secondary regulation band or teleregulation service) between January 2009 and December 2013, limiting the capacity offer of its plants under CMEC regime to benefit market power plants, in order to benefit twice, to the detriment of consumers. On 28 November 2018, EDP Produção exercised its right to be heard and to defend itself in relation to the wrongful act that was imputed and the sanctions it could incur, that is, it responded to the Note of Illegality.

On 18 September 2019, AdC informed EDP Produção of its decision to condemn, imposing a fine of 48 million Euros, for alleged abuse of dominant position in the secondary regulation band market in mainland Portugal between January 2009 and December 2013.

According to AdC, EDP Produção would have manipulated its offer of tele-regulation service or secondary regulation band, limiting the capacity offer of its CMEC power plants to offer it through its market power plants, benefiting in two ways:

- Highest compensation paid to CMEC plants (annual revisability), as their lower participation in the provision of secondary regulation band service would be below what would be expected (according to competitive market criteria); and
- The increase of the market price of the secondary bandwidth service, as a result of the limited supply by CMEC plants, favouring market-based power plants.

On 30 October 2019, EDP Produção filed an appeal against this decision before the Competition, Regulation and Supervision Court (TCRS), awaiting the AdC's counter-allegations. On 20 May 2020, EDP Produção was notified of an order from TCRS, which, among other things, admitted its Appeal of Judicial Contestation, establishing a purely return effect and determining the payment of the fine imposed within 20 days. In this context, EDP Produção submitted requests, invoking supervening facts to demonstrate the considerable damage associated with a putative payment of the fine, and arguing defects in the decision that determined the attribution of a merely devolutive effect to the Judicial Challenge Appeal. However, despite EDP Produção's well-founded convictions about the possibility of providing a bank guarantee or bond, instead of paying the fine, the TCRS ended up determining the payment of the fine, which occurred on 20 October 2021. The trial started in September 2021 and on 10 August 2022, the TCRS confirmed the AdC's decision, maintaining the fine of 48 million Euros to EDP Produção for alleged abuse of dominant position. EDP Produção filed an appeal against the aforementioned decision to the Lisbon Court of Appeal (TRL) on 30 September 2022. On 30 June 2023, an oral hearing was held at the aforementioned Court, which dealt only with legal aspects.

On 25 September 2023, TRL partially rejected the appeal filed by EDP Produção, confirming the sentence of TCRS that had convicted it, and also judged the appeal to be valid regarding the reduction of the fine amount. Consequently, TRL decided to reduce the fine imposed on EDP Produção from 48 million Euros to 40 million Euros. On 2 October 2023, EDP Produção filed a request with TRL to argue various issues in the ruling issued by the said court. On 9 October 2023, a request for an appeal to the Constitutional Court was filed, raising the unconstitutionality issues that had been raised by EDP Produção throughout the process and fulfilling the legal requirements necessary for the case to be sent to that jurisdiction. A decision from the Constitutional Court on the admissibility of the appeal is awaited, as well as notification for the submission of written arguments against the TRL decision.

The EDP Group still considers that EDP Produção did not abuse any dominant position, having acted strictly in accordance with the legal framework in force.

On 29 September 2021, EDP Produção was cited in a class action filed by Associação IUS Omnibus based on the alleged abuse of dominant position in the secondary regulation band market between the beginning of 2009 and the end of 2013, requesting, in representation of consumers, a compensation in the amount of 94.8 million euros, as estimated by AdC in the scope of process PRC/2016/05. EDP Produção has already presented its defense within the legal deadline established for that purpose.

A ruling was issued in which the court decided, among other things, to suspend the proceedings until a final decision is made in the administrative offense case 309/19.0YUSTR. By ruling on 23 March 2023, adopted following an appeal filed by EDP Produção, TRL confirmed the decision to suspend the proceedings. EDP Produção filed a common appeal and, alternatively, an exceptional review appeal with the Supreme Court of Justice, and this court dismissed the appeals by ruling on 15 September 2023.

ii) CMEC's revisibility overcompensation

On 20 October 2020, EDP Produção became aware, by letter sent by DGEG, of the dispatch of the SEAE regarding the approval of the revisibility for the year 2015, which is deducted in the amount of 72.9 million Euros, relating to the alleged overcompensation. In this respect, the EDP Group has registered a provision in the amount of 72.9 million Euros, and carried out a judicial appeal against the order of SEAE at the Administrative Court of the Lisbon Circle at 19 January 2021.

Hydro power plants of Fridão and Alvito

On 17 December 2008, EDP Produção and the Portuguese State signed the Contract for the Implementation of the National Program for High Hydroelectric Potential Power Plants (PNBEPH) regarding the Hydro Power Plants of Fridão (AHF) and Alvito (AHA), with the payment, by EDP Produção of 231,700 thousand Euros. Of this amount, 217,798 thousand Euros relates to the exclusive right to explore the AHF during the concession period.

EDP Produção followed up on the procedures for the implementation of these projects, having, in the case of the AHF, obtained a Favourable Environmental Impact Declaration and an Environmental Compliance Report of the Execution Project (RECAPE).

On 22 October 2013, EDP Produção requested to the Minister of the Environment, Land Management and Energy, based on a change of circumstances, to postpone the signing of the concession contract for the AHF. This request was formally rejected on 2 May 2014, and the terms of the concession contract, were subsequently negotiated between EDP Produção and the Portuguese Environmental Agency (APA) and a specific date for the respective signature for 30 September 2015, which was revoked by the Government without rescheduling a new date.

In 2016, following the beginning of the XXI Constitutional Government, the Government Program provided the reassessment of the PNBEPH. In this context, it was suspended, for three years, the execution of the Contract for the implementation of the AHF, as well as was agreed the annulment of the implementation Contract regarding AHA, through a Memorandum of Understanding signed on 5 December 2016, concluded by an agreement between the Portuguese State and EDP Produção on 11 April 2017.

On 16 April 2019 EDP Produção received, by email, an official letter from the Ministry of the Environment and Energy Transition, dated 11 April 2019, informing the State's conclusion that there is no need for implementation of AHF to meet national targets for energy production from renewable sources and for reducing the emission of Greenhouse Gases, as well as "that the State does not find any reason to inhibit the construction of the Fridão Hydro Power Plant".

Simultaneously, the Minister of the Environment and Energy Transition announced at the National Assembly, in a hearing at the Environment, Land-use Planning, Decentralization, Local Power and Housing Committee, that the State's decision was not to build the AHF and that "the State will always comply with the contract but believes there are no reasons for any repayment of the amount that was given to the State ten years ago". It acknowledged, however, that there was no agreement with EDP on this matter.

EDP Produção notified the Portuguese State to clarify that at no time did EDP express its intention to not proceed with the construction of power plants and to return all the investment already made, including the consideration paid on the provisional award, and, as well, to compensate it for other losses and damages resulting from the non-compliance, to be settled in a timely manner. The Group reclassified these Assets under construction to Other debtors and other assets and valued them in accordance with the principles defined in IFRS 9 (see note 25).

On 24 January 2020, EDP Produção initiated an arbitration process against the State in which it claimed its rights. The arbitration hearing sessions took place during the month of April 2021 and in July 2021 the closing arguments were presented. In July 2022, the competent Arbitration Decision was handed down, obliging the State to refund to EDP Produção the aforementioned amount of 217,798 thousand Euros, which concerns the exclusive right to explore the AHF during the concession period. The other requests by EDP Produção and the State were dismissed. On 7 October 2022, the Portuguese State filed an appeal against the aforementioned Arbitration decision and EDP Produção presented its counter-claims on the 11 November 2022. On the 15 December 2022, the Supreme Administrative Court delivered the Judgment admitting the review appeal filed by the Portuguese State. In view of the decision of the Supreme Administrative Court to admit the State's appeal, EDP Produção filed an appeal with the Constitutional Court, that was admitted, and EDP Produção presented the respective allegations in March 2023 and the State the respective counter-allegations. Recognizing the impact of the decision that the Constitutional Court will adopt, on 5 May 2023, the Supreme Administrative Court issued an order suspending the instance until the result of that appeal is known.

At the same time, EDP Produção submitted, on 13 December 2022, an application for the execution of the Arbitration Decision, demanding the payment of the amount in which the Portuguese State was condemned, in the amount of 217,798 thousand Euros. This application was admitted and the Ministry of the Environment and Climate Action, on 13 February 2023, filed opposition to the execution, requesting the acquittal of the Ministries of Economy and Digital Transition, Finance and Environment and Climate Action and, consequently, requesting the citation of the Public Prosecutor's Office, as a representative of the Portuguese State. The Court, by Order of 5 April 2023, ordered the summons of the Public Ministry, which presented its Opposition on 24 April 2023. EDP Produção filed its Reply on 4 May 2023.

By order on 24 July 2023, the Administrative Court of Lisbon determined the suspension of the enforcement proceedings until a decision is made in the appeal filed before the Supreme Administrative Court. On 27 September 2023, EDP Produção filed an appeal to the Southern Central Administrative Court against the aforementioned order, and a decision is awaited. By ruling on 10 October 2023, the Constitutional Court did not find the provision of article 185-A, paragraph 3, letter b) of the CPTA unconstitutional and, consequently, dismissed the appeal filed by EDP Produção, confirming the decision of the STA to admit the appeal for review. EDP Produção informed the Supreme Administrative Court of the aforementioned ruling by the Constitutional Court, in order to lift the suspension of the proceedings that had been ordered on 5 May 2023, and decide on the pending appeal.

5. Financial risk management policies

Exchange-rate and interest rate risk management

Sensitivity analysis – exchange rate

Regarding the financial instruments that result in an exchange rate risk exposure, a fluctuation of 10% in the EUR/USD exchange rate, as at 30 September 2023 and 2022, would lead to an increase/(decrease) in the EDP Group results and/or equity as follows:

Thousand Euros	Sep 2023			
	Profit or loss		Equity	
	+10%	-10%	+10%	-10%
USD	24,501	-27,154	-27,017	33,021

Thousand Euros	Sep 2022			
	Profit or loss		Equity	
	+10%	-10%	+10%	-10%
USD	30,974	-37,857	-64,058	78,293

This analysis assumes that all other variables, namely interest rates, remain unchanged.

Sensitivity analysis – Interest rates (excluding the Brazilian operations)

Based on the Group's debt portfolio, except for Brazil, and the related derivative financial instruments used to hedge the related interest rate risk, a 100 basis points change in the reference interest rates at 30 September 2023 and 2022 would lead to an increase/(decrease) in the EDP Group results and/or equity as follows:

Thousand Euros	Sep 2023			
	Profit or loss		Equity	
	100 bp increase	100 bp decrease	100 bp increase	100 bp decrease
Cash flow effect:				
Hedged debt	-10,103	10,103	-	-
Unhedged debt	-15,285	15,285	-	-
Fair value effect:				
Cash flow hedging derivatives	-	-	29,161	-29,161
Trading derivatives (accounting perspective)	13	-13	-	-
	-25,375	25,375	29,161	-29,161

Thousand Euros	Sep 2022			
	Profit or loss		Equity	
	100 bp increase	100 bp decrease	100 bp increase	100 bp decrease
Cash flow effect:				
Hedged debt	-10,103	10,103	-	-
Unhedged debt	-16,840	16,840	-	-
Fair value effect:				
Cash flow hedging derivatives	-	-	16,297	-16,297
Trading derivatives (accounting perspective)	178	-178	-	-
	<u>-26,765</u>	<u>26,765</u>	<u>16,297</u>	<u>-16,297</u>

This analysis assumes that all other variables, namely exchange rates, remain unchanged.

Brazil – Sensitivity analysis – exchange rate

Two Brazilian subsidiaries are mainly exposed to the USD/BRL exchange rate, arising from USD debt for which the exposure is completely offset by cross currency interest rate swaps.

Brazil – Sensitivity analysis – Interest rates

Based on the portfolio of operations, a 25% change in the interest rates, to which the Brazilian subsidiaries are exposed to, would have an impact to EDP Energias do Brasil Group in the amount of:

Thousand Euros	Sep 2023		Sep 2022	
	+ 25%	- 25%	+ 25%	- 25%
Financial instruments – assets	6,699	-6,353	12,476	-12,440
Financial instruments – liabilities	-41,766	50,155	-150,178	134,727
Derivative financial instruments	-14,151	15,192	-17,035	18,626
	<u>-49,218</u>	<u>58,994</u>	<u>-154,737</u>	<u>140,913</u>

Liquidity risk management

The table below shows the contractual undiscounted cash flows and the estimated interests due, computed using the rates available at 30 September 2023:

Thousand Euros	Sep 2024	Dec 2024	Dec 2025	Dec 2026	Dec 2027	Following years	Total
Bank loans	610,020	39,748	267,720	73,625	80,331	1,789,854	2,861,298
Bond loans	3,313,393	34,226	1,925,466	2,116,708	1,785,093	3,402,923	12,577,809
Hybrid bond	43,795	-	-	-	-	4,077,200	4,120,995
Commercial paper	1,044,252	-	342,175	-	-	-	1,386,427
Other loans	1,559	-	-	252	-	20,470	22,281
Interest payments (i)	497,144	121,699	472,580	375,322	298,622	414,665	2,180,032
	<u>5,510,163</u>	<u>195,673</u>	<u>3,007,941</u>	<u>2,565,907</u>	<u>2,164,046</u>	<u>9,705,112</u>	<u>23,148,842</u>

(i) The coupons of the hybrid bonds were included taking into consideration the earliest possible call date.

Energy market risk management

Energy market risk management (excluding the Brazilian operations)

Since 2022, following the strategic decision of implementing in the EDP Group a new platform management model, Energy market risk management is done through the Global Energy Management platform (GEM). GEM acts as an interface between the Generation and Renewable platforms and the Clientes platform, ensuring access to energy markets as a way of optimizing the group's risk positions across different geographies, being the preferred interlocutor in the energy markets.

Managing the merchant energy as single portfolio seeks to capture the benefits resulting from the integrated management of the diversified portfolio, achieving an aggregate view of market risk, maximizing knowledge and operation synergies in the market. GEM's main functions are to optimize and manage the risks associated with the Group's position, resulting from the equilibrium between the production of its traditional and renewable assets and the needs of clients, by using short and long term, physical and financial energy markets.

The portfolio is managed through the engagement of operations with financial and physical settlement on the forward/future energy markets. The objective of these operations is to reduce volatility of the financial impact resulting from the managed positions and to benefit from arbitration or positioning within the trading limits approved by the Executive Board of Directors. The activity is therefore subject to a series of variables which are identified and classified based on their common uncertainty characteristics (or risk). Such risks include market price evolution, volume, and shape risk as well as credit risk of the counterparties.

The financial instruments traded mainly include energy commodities swaps and futures, for which, in the hedge relationships, the main source of ineffectiveness are: (i) the effect of the counterparty's and the Group's own credit risk on the fair value of the financial derivatives, which is not reflected in the change in the fair value of the hedged cash flows attributable to the change in market prices and (ii) the timing of the hedged transactions, that may differ from the settlement of the hedging instrument.

Monitoring the risks includes their quantification in terms of positions at risk which can be adjusted through market operations. This quantification is made by using specific models that value positions to determine the maximum loss that can be incurred, with a given probability and a determined time frame.

Risks are managed in accordance with the strategies defined by the Executive Board of Directors, which are subject to a periodic review based on the evolution of the operations, to change the profile of the positions and adjust them to the established management objectives.

Risks are monitored by means of a series of actions involving daily monitoring of different risk indicators, of the operations grouped in the systems and the prudence limits defined by management area and risk component, as well as regular backtesting and supplementary validation of the models and assumptions used. This monitoring not only ensures the effectiveness of the strategies implemented, but also provides elements to enable initiatives to be taken to correct them, if necessary.

As of September 2023, the most important risk indicator is the Margin@Risk metric, which is a parametric calculation of the Value@Risk that gives visibility on individual risk elements of the Portfolio and different timeframe granularities but at the same time it provides the aggregated overall metric that considers diversification effect. The Margin@Risk distribution by business segments is as follows:

Thousand Euros		Margin@Risk distribution for next 24 months by business segment	
		Sep 2023	Sep 2022
Business	Portfolio		
Electricity	Trading	1,880	16,800
Electricity	Trading + Hedging	696,083	1,437,383
Gas	Hedging	78,817	375,410
Diversification effect		-144,448	-295,247
		632,332	1,534,346

Regarding credit risk, the quantification of exposure considers the amount and type of transaction (e.g. swap or forward), the rating of the counterparty risk that depends on the probability of default and the expected value of credit to recover, which varies depending on the guarantees received or the existence of netting agreements. The EDP Group's exposure to credit risk rating is as follows:

	Sep 2023	Dec 2022
Credit risk rating (S&P)		
A+ to A-	30.42%	22.45%
BBB+ to BBB-	45.98%	49.88%
No rating assigned	23.60%	27.67%
	100.00%	100.00%

Brazil – Energy market risk management

For sensitivity analysis, the exposure of portfolio of operations is evaluated through 25% and 50% changes in the forward curve of market energy prices. Below shows the scenario with the highest probability of occurrence (25%).

Thousand Euros	Sep 2023		Sep 2022	
	+ 25%	- 25%	+ 25%	- 25%
Differences Settlement Price – PLD	-3,557	2,425	763	-9

6. Consolidation perimeter

During the nine-month period ended 30 September 2023, the following changes occurred in the EDP Group consolidation perimeter:

Companies acquired:

The following acquisitions were classified as asset purchases, out of scope of IFRS 3 – Business Combinations, due to the substance of these transactions, the type of assets acquired and the very early stage of the projects:

Acquiring company	Acquired company	Acquired %	Obs.
Sunseap China Energy (Shanghai) Ltd.	Chuzhou Huitai Photovoltaic Power Generation Co., Ltd.	100%	
	Fangxian Tianhang New Energy Co., Ltd.	100%	
	Siping Lvsheng Energy Technology Co., Ltd.	100%	
	Jingmen Zhongbei New Energy Co., Ltd.	100%	
	Tianjin Pengling Funeng New Energy Technology Co., Ltd.	100%	
	Jiaxing Luken Energy Technology Co., Ltd.	100%	
	Harbin Panshuo Energy Technology Co., Ltd.	100%	
	Anhui Jinyang New Energy Co., Ltd.	100%	
RE Capital Co., Ltd.	Godo Kaisha NW-3	100%	
EDP Renovables España, S.L.U.	Global Pracima, S.L. (including 3 subsidiaries)	100%	
EDPR PT – Promoção e Operação, S.A.	SPEE – Sociedade Produção Energia Eólica, S.A.	100%	
EDP Renewables Italia Holding, S.R.L.	Solar Italy XXIII, S.r.l.	100%	
	Wind Energy Castelluccio, S.r.l.	100%	
	Windergr Valleverde, S.r.l.	60%	
EDP Renewables Polska, Sp. z o.o.	Farma Fotowoltaiczna Iłża, Sp. z o.o.	100%	
	Farma Fotowoltaiczna Pakosław, Sp. z o.o.	100%	
EDPR Sunseap Korea Holdings Pte. Ltd.	Angang Wind Power Corporation	100%	
Sunseap Commercial & Industrial Assets (Vietnam) Co., Ltd.	Millennium Energy Investment Co., Ltd. (including 4 subsidiaries)	100%	
	9 companies in North America	100%	

Additionally, the following companies were acquired in the scope of IFRS 3 – Business Combinations:

- EDP Comercial – Comercialização de Energia, S.A. acquired 100% of Enerdeal Group S.A. and its subsidiaries (see note 18);
- EDP Renováveis, S.A., through a North American subsidiary, acquired the 100% stake in a distributed solar generation portfolio, which includes 44 MW solar operational projects, for an amount of 17,294 thousand Euros, and the assessment to determine its fair value allocation is still in progress (see note 18);
- EDP Renovables España, S.L.U. acquired a 52.99% stake in the company San Juan de Bargas Eólica S.L., in which it previously held a 47.01% stake, increasing its participation to a 100% stake and obtaining control over the company. The total amount paid for this transaction has been 13,898 thousand Euros and the assessment to determine its fair value allocation is in progress (see note 18); and
- EDP Solar España, S.A. acquired a 100% stake in the companies Azul y Verde Energía y Sostenibilidad S.L. and Leuk Soluciones Energéticas, S.L.

Sale of companies / investments:

Entity holding the stake	Company / investment sold	% sold	Previous %	Obs.
EDPR France Holding, S.A.S.	Eoles Montjean, S.A.S.	100%	100%	(1)
Sunseap Australia Investments Pty. Ltd.	Todae Solar Pty. Ltd.	49%	49%	(2)
EDP Renewables Europe, S.L.U.	EDPR Investment Hungary, Kft.	100%	100%	(2)
	Viesgo Europa, S.L.U.	100%	100%	(3)
	Viesgo Renovables, S.L.U.	100%	100%	
EDP Renováveis, S.A. / EDP Ventures, S.A.	Principle Power, Inc	25.41%	25.41%	(4)
EDP Ventures, S.A. / Fundo EDP CleanTech FCR	Zypho, S.A.	40.27%	40.27%	(5)
Viesgo Renovables, S.L.U.	Geólica Magallón, S.L.	36.23%	36.23%	(6)
Sunseap Group Pte. Ltd.	Charge+ Pte. Ltd.	26.25%	26.25%	(2)
Sunseap Taiwan Solar Holdings Ltd.	Sunseap Solutions Taiwan Ltd.	49%	49%	(2)
EDP Renewables Polska, Sp. z o.o.	EW Dobrzyca, Sp. z o.o.	100%	100%	
	Ujazd, Sp. z o.o.	100%	100%	(7)
	Wind Field Wielkopolska, Sp. z o.o.	100%	100%	

(1) Sale occurred in first quarter, for an amount of 1,126 thousand Euros.

(2) Sale with no significant impacts in the condensed consolidated financial statements.

(3) In the third quarter, these shares were sold for 482,681 thousand Euros, generating a gain of 184,478 thousand Euros (see notes 8 and 18).

(4) Sale of direct stakes held in the associated company to OW Offshore, S.L., for a total amount of 25,816 thousand Euros (25,799 thousand US Dollars), generating a gain of 23,556 thousand Euros (see note 20).

(5) Sale of stakes held in the associated company for a total amount of 3,518 thousand Euros, generating a gain of 3,275 thousand Euros (see note 20).

(6) Sale of stake held in the associated company, generating a loss of 10,566 thousand Euros (see note 20).

(7) Sale occurred in the third quarter for an amount of 346,866 thousand Euros. The transaction generated a net gain, after the impact of associated derivative financial instruments, of 271,383 thousand Euros (see notes 7 and 8).

Companies liquidated:

Companies Viesgo Mantenimiento, S.L.U., fully owned by Viesgo Renovables, S.L.U., and Yuzhou Yixing Energy Technology Co., Ltd., fully owned by Sunseap China Energy (Shanghai) Ltd., as well as 27 companies in North America (of which 26 were 100% owned and 1 was a joint venture held by 50%) have been liquidated.

Companies merged:

Acquiring company	Merged company	Previous %	Obs.
EDPR PT - Promoção e Operação, S.A.	EDP Renewables SGPS, S.A.	100%	

Companies incorporated:

Company	Company
EDP Transmissão Norte 2 S.A.	Fengcheng Xingtai New Energy Technology Co., Ltd.
EDPR Sicilia Quattro, S.r.l.	Gumisan Wind Power Co., Ltd.
Desarrollos Renovables de Alfajarin, S.L.U.	KS SPV 81 to 85 Limited (5 companies)
Central Eólica Itaúna III, S.A.	Central Eólica São Domingos IV and V, S.A. (2 companies)
KSD 41 UG to KSD 60 UG (20 companies)	Renewables Energy Colombia S.A.S.
EDP Group Brussels Representation	Fransol 51 to 70, S.A.S. (20 companies)
Putian Xingsheng New Energy Co., Ltd.	Jingmen Xingsheng New Energy Co., Ltd.
Jiangsu Xingsheng New Energy Technology Co., Ltd.	Changchun Xingsheng Jinhu Photovoltaic New Energy Co., Ltd.
Wuhu Xingsheng New Energy Co., Ltd.	KS SPV 00 Limited
Promotores Villarrubia Elevación, S.L. (owned by 32.9%)	Promotores Villarrubia Morata 200KV, S.L. (owned by 43.6%)
39 companies in North America	Miyagi Motoyoshi Solar GK

Other changes:

- On 3 March 2023, EDP Renováveis S.A. concluded a capital increase of 1,000,000,008 Euros through the issue of 50,968,400 new shares at a subscription price of 19.62 Euros per share. Following the capital increase, EDP kept the same 720,191,372 shares of EDP Renováveis that it previously held, and its stake in EDPR and its subsidiaries was diluted from 74.98% to 71.20%.

On 4 April 2023, the Annual General Shareholders's Meeting of EDP Renováveis S.A. approved for 2022 profits distribution through a scrip dividend to be executed as a share capital increase, through the issuance of new ordinary shares, with a par value of 5 Euros, without share premium.

On 25 May 2023, EDP Renováveis S.A. capital increase has been completed, through the incorporation of reserves, for a nominal amount of 62,257,695 Euros and through the issuance of 12,451,539 ordinary shares of the Company with a par value of 5 Euros each, having the scrip dividend been executed by 92.32% of the Shareholders.

EDP S.A., as per the intention communicated on 27 February 2023, opted to receive EDPR shares under this Programme, increasing its stake to 71.27% and holding 729,793,922 shares in EDP Renováveis.

This changes in EDPR's participation resulted in a global gain of 381,579 thousand Euros. As a current operation with non-controlling interests and therefore with no loss of control, this gain was recorded in equity (see Condensed Consolidated Statements of Changes in Equity, notes 29 and 30);

- In the second quarter, EDP Ventures, S.A. reduced its stake in the joint venture ARQUILED - Proj. Iluminação, S.A. in 32.1%, maintaining a 17.8% financial interest in the company, which is recognized as an Equity Instrument at Fair Value through Profit or Loss. This change generated a loss of 857 thousand Euros, which has been registered within the "Joint Ventures and Associates" caption of the consolidated income statement;
- In the third quarter, and as communicated to the market on 11 July 2023, EDP S.A., through its subsidiary EDP International Investments and Services, S.L., acquired 185,169,240 common shares issued by EDP - Energias do Brasil S.A. ("EDP Brasil"), representing 31.86% of its share capital, following the result of the Public Tender Offer ("Offer") auction, having reached the quorum for "Novo Mercado" Delisting. Therefore the necessary measures were taken for EDP Brasil's Registration Conversion and delisting of its shares from "Bolsa de Valores B3".

Additionally, on 25 July 2023, and as communicated to the market on 26 July 2023, as a result of the acquisitions carried out in the context of the EDP's obligation to extend the possibility of sale to those shareholders who did not sell on the Offer's auction during the subsequent three-month period, EDP's aggregate shareholding in EDP Brasil's share capital reached 538,259,059 common shares, representing approximately 92.62% of the total common shares issued by EDP Brasil.

Therefore, and considering the total number of treasury shares (2.51%), EDP Brasil's outstanding shares came to represent less than 5% of the total common shares issued, reaching the threshold that allowed for the compulsory acquisition of the remaining outstanding shares, under the terms of the Offer notice.

On 30 August 2023, as communicated to the market on the same date, the compulsory acquisition of all the remaining outstanding shares of EDP Brasil (21,494,341 shares, representing 3.70% of its total share capital) was approved at a General Shareholders' Meeting, with EDP now holding, in aggregate, 100% of EDP Brasil's share capital.

As a result of these changes in the context of the Offer for EDP Brasil, a loss of 200,981 thousand Euros has been recognised. Given that these operations occurred with non-controlling interests, and therefore without changes in control, this loss was recorded in equity (see Condensed Consolidated Statements of Changes in Equity, notes 29 and 30).

7. Revenues and cost of Energy Sales and Services and Other

Revenues from energy sales and services and other are as follows:

Thousand Euros	Group		Company	
	Sep 2023	Sep 2022	Sep 2023	Sep 2022
Energy and access	11,021,174	14,942,782	588,920	6,018,722
Revenue from assets assigned to concessions	729,547	564,338	-	-
Other	507,544	339,794	2,222,096	456,042
	12,258,265	15,846,914	2,811,016	6,474,764

Revenues from energy sales and services and other, by geographical market, for the Group, are as follows:

Thousand Euros	Sep 2023					
	Portugal	Spain	Brazil	USA	Other	Group
Energy and access	5,428,526	2,513,967	1,884,702	480,320	713,659	11,021,174
Revenue from assets assigned to concessions	250,702	-	478,845	-	-	729,547
Other	278,092	49,460	118,914	20,392	40,686	507,544
	5,957,320	2,563,427	2,482,461	500,712	754,345	12,258,265

Thousand Euros	Sep 2022					
	Portugal	Spain	Brazil	USA	Other	Group
Energy and access	6,220,033	5,507,326	1,795,389	481,673	938,361	14,942,782
Revenue from assets assigned to concessions	172,702	-	391,636	-	-	564,338
Other	108,567	43,928	157,078	23,251	6,970	339,794
	6,501,302	5,551,254	2,344,103	504,924	945,331	15,846,914

The caption Energy and access in Portugal, on a consolidated basis, includes a net revenue of 1,229,718 thousand Euros (cost in 30 September 2022: 330,380 thousand Euros) regarding tariff adjustments of the period (see notes 24 and 35). This caption also includes, in Brazil, a net cost of 119,236 thousand Euros (30 September 2022: net cost of 90,301 thousand Euros) related to recognition of tariff adjustments for the period (see note 35).

Additionally, the caption Energy and access includes, on a consolidated basis, a positive amount of 42,229 thousand Euros (30 September 2022: positive amount of 49,855 thousand Euros) related to the contractual stability compensation (CMEC) as a result of the power purchase agreements (PPA) termination, including an income of 10,569 thousand Euros related to the CMEC final adjustment (30 September 2022: positive amount of 12,669 thousand Euros), net from the recognised provision due to the final adjustment official approval.

The caption Others includes, on a consolidated and individual basis, 257,169 thousand Euros (30 September 2022: 119,395 thousand Euros) and 2,044,467 thousand Euros (30 September 2022: 298,810 thousand Euros), respectively, related to the sale of CO2 licenses.

The caption Energy and access, on a company basis, includes 258,042 thousand Euros (30 September 2022: 1,551,539 thousand Euros) related with energy sales under the purchase and sale agreement of evolutive energy between EDP, S.A. and EDP Comercial S.A. This agreement was included in the transfer of the energy management business unit to EDP GEM Portugal S.A. (see note 12).

The breakdown of Revenues from energy sales and services and other by segment, are as follows (see note 44 - Operating Segments):

Thousand Euros	Sep 2023				
	Reported Operating Segments			Other Segments	Group
	Renewables, Clients & EM	Networks	Total		
Energy and access	10,618,179	403,077	11,021,256	-82	11,021,174
Revenue from assets assigned to concessions	11	729,536	729,547	-	729,547
Other	411,807	89,126	500,933	6,611	507,544
	11,029,997	1,221,739	12,251,736	6,529	12,258,265

Thousand Euros	Sep 2022				
	Reported Operating Segments			Other Segments	Group
	Renewables, Clients & EM	Networks	Total		
Energy and access	14,439,166	503,649	14,942,815	-33	14,942,782
Revenue from assets assigned to concessions	125	564,213	564,338	-	564,338
Other	247,404	80,625	328,029	11,765	339,794
	14,686,695	1,148,487	15,835,182	11,732	15,846,914

The segment "Renewables, Clients & Energy Management" includes sales of renewable energy, hydro and wind, carried out by EDP S.A.'s energy management business unit, as part of its intermediation activity. This activity was transferred to EDP GEM Portugal, S.A. under the signed transfer agreement (see note 12).

Revenues from energy sales and services and other by segment are considered globally as "overtime" and not as "at a point in time".

Cost of energy sales and other are as follows:

Thousand Euros	Group		Company	
	Sep 2023	Sep 2022	Sep 2023	Sep 2022
Cost of energy	5,212,090	8,348,488	395,133	4,816,713
Expenditure with assets assigned to concessions	555,089	433,690	-	-
Changes in inventories and cost of raw materials and consumables used				
Fuel, steam and ashes	257,093	496,809	-	-
CO2 Licenses	548,368	728,589	2,037,223	318,503
Gas and other costs	526,521	1,507,170	18,665	1,185,196
	1,331,982	2,732,568	2,055,888	1,503,699
	7,099,161	11,514,746	2,451,021	6,320,412

Cost of electricity includes, on a company basis, the cost of 183,238 thousand Euros (30 September 2022: 1,682,562 thousand Euros) with the purchase of energy under the agreement for management, purchase and resale of energy signed between EDP, S.A. and EDP Gestão da Produção de Energia, S.A. This contract was revoked on 1 February 2023 and was replaced by the Mandate Contract for the placement (purchase and sale) of electricity on the market. EDP S.A.'s contractual position in this Agreement was also assigned to EDP GEM, with all associated rights and obligations, in the context of the transfer of energy management activity (see note 12).

Under the terms of concession contracts of EDP Group to which IFRIC 12 is applicable, the construction activities are outsourced to external specialised entities. The revenue and the expenditure with the acquisition of these assets are as follows:

Thousand Euros	Group	
	Sep 2023	Sep 2022
Revenue from assets assigned to concessions	729,547	564,338
Expenditure with assets assigned to concessions		
Subcontracts and other materials	-493,274	-376,826
Personnel costs capitalised (see note 10)	-57,594	-54,058
Capitalised borrowing costs (see note 13)	-4,221	-2,806
	-555,089	-433,690

Revenue from assets assigned to concessions include 469,697 thousand Euros (30 September 2022: 379,802 thousand Euros) relative to electricity distribution concessions in Portugal and in Brazil resulting from the application of the mixed model. Additionally, it also includes the revenue related to the asset to be received by EDP Group under the transmission concessions in Brazil (see note 24).

On an individual basis, the changes that occurred in these captions are justified by the transfer of the energy management activity on 1 February 2023 to EDP GEM Portugal, S.A. (see note 12).

On a consolidated basis, the variation of the caption Revenues and cost of Energy Sales and Services and Other is explained by the recovery in electricity and gas prices, and by the changes in consolidation perimeter that occurred when compared to the homologous period.

8. Other income

Other income, for the Group, are as follows:

Thousand Euros	Group	
	Sep 2023	Sep 2022
Income arising from institutional partnerships (see note 34)	169,061	173,893
Gains on disposals – electricity business assets – Asset Rotation	453,630	263,440
Gains from contractual indemnities and insurance companies	34,165	54,119
Other	95,157	130,705
	752,013	622,157

The caption Gains on disposals – electricity business assets – Asset Rotation corresponds to gains from asset rotation strategy. This strategy aimed at crystallizing the value of a project by selling with loss of control, and reinvesting the proceeds in another projects, targeting greater growth. As at 30 September 2023, the caption includes essentially the gains resulting from the sale of three companies 100% owned by EDP Renewables Polska, Sp. z o.o., and from the sale of two companies fully owned by EDP Renewables Europe, S.L.U. (see note 6).

The caption Other includes gains on: i) reinsurance activity; ii) on the sale of property, plant and equipment; and iii) changes in fair value of contingent prices of sales transactions. Additionally, on 30 September 2022, this caption included a gain of 23 million Euros resulting from a favorable decision by the Regional Economic-Administrative Court of the Principality of Asturias in favor of EDP España relating to the fee for the use of the public hydric domain called "Canon hidráulico".

9. Supplies and services

Supplies and services are as follows:

Thousand Euros	Group		Company	
	Sep 2023	Sep 2022	Sep 2023	Sep 2022
Consumables and communications	24,664	23,443	3,541	4,071
Rents and leases	38,922	41,441	3,613	3,053
Maintenance and repairs	331,083	301,277	26,948	20,625
Specialised works:				
- Commercial activity	140,780	126,322	88	-37
- IT services, legal and advisory fees	122,894	122,805	66,931	59,198
- Other services	83,292	59,120	28,782	24,499
Provided personnel	-	-	7,179	5,969
Other supplies and services	95,250	107,615	15,963	17,353
	836,885	782,023	153,045	134,731

10. Personnel costs and employee benefits

Personnel costs and employee benefits are as follows:

Thousand Euros	Group		Company	
	Sep 2023	Sep 2022	Sep 2023	Sep 2022
Personnel costs				
Board of Directors remuneration	13,849	12,970	4,278	4,207
Employees' remuneration	471,674	422,673	38,293	37,947
Social charges on remuneration	111,208	99,691	9,703	9,514
Performance, assiduity and seniority bonus	96,864	81,812	15,037	12,450
Other costs	22,659	26,296	1,728	3,175
Own work capitalised:				
- Assigned to concessions (see note 7)	-57,594	-54,058	-	-
- Other (see note 15)	-102,664	-83,359	-6,223	-6,848
	555,996	506,025	62,816	60,445
Employee benefits				
Pension plans costs	18,138	15,980	1,337	1,229
Medical plans costs and other benefits (see note 32)	2,416	5,111	101	157
Other	43,005	42,963	2,802	3,000
	63,559	64,054	4,240	4,386
	619,555	570,079	67,056	64,831

Pension plans costs include 2,059 thousand Euros (30 September 2022: 2,956 thousand Euros) related to defined benefit plans (see note 32) and 16,079 thousand Euros (30 September 2022: 13,024 thousand Euros) related with defined contribution plans.

During the first semester of 2023, EDP Group distributed treasury stocks to employees (843,800 shares) totalling 4,176 thousand Euros.

11. Other expenses

Other Expenses are as follows:

Thousand Euros	Group	
	Sep 2023	Sep 2022
Concession rents paid to local authorities and others	231,292	215,808
Direct and indirect taxes	265,896	319,222
Donations	9,599	15,368
Other	142,403	98,145
	649,190	648,543

The caption Concession rents paid to local authorities and others includes essentially the rents paid to the local authorities under the terms of the low tension electricity distribution concession contracts and rents paid to city councils where the power plants are located.

The caption Direct and indirect taxes include the social tariff, the windfall taxes in Romania and Poland and the new tax of 1.2% on the turnover of companies in the energy sector in Spain.

The caption Other includes, essentially: i) losses on the reinsurance activity; and ii) losses on the sale of property, plant and equipment.

12. Other non recurring income and expenses (Company basis)

On 1 February 2023, EDP S.A. entered into a transfer ("trespasse") agreement with EDP GEM Portugal, S.A. (EDP GEM) with the aim of transferring its energy management business unit. This transfer of activity results from the global vision of energy management that the EDP Group has been developing which includes the transfer to EDP GEM of all assets, liabilities and contractual positions that make up that business unit, as well as its employees and associated means necessary to carry out its activity.

The total amount of the operation was 1,169,510 thousand Euros. On the transaction date, the book value of the net assets transferred under this contract was 228,858 thousand Euros and a gain of 940,653 thousand Euros was recorded.

As a result of this agreement, EDP S.A. transfers its energy management activity, so with reference to 1 February 2023, all existing cash flow hedges (related to foreign exchange, purchase and sale of electricity, gas and CO2) have been discontinued, in the negative amount of 1,014,219 thousand Euros, reclassifying the cash flow reserve in the negative amount of 1,014,219 thousand Euros to profit or loss, since the underlying transactions subject to hedging were transferred to EDP GEM under the terms of the transfer agreement, and as such will not occur at EDP S.A.

The operationalization of this transfer occurs through the assignment of EDP S.A.'s contractual positions in favor of EDP GEM, with a back-to-back mechanism also foreseen for contractual positions whose assignment requires the fulfillment of formalities by third parties unrelated to EDP S.A., until such formalities are fulfilled. During this period, EDP GEM undertakes to assume all the risks and benefits associated with those positions, assuming EDP S.A. as an agent in relation to the rights and obligations that emerge from them.

Since the transfer of the energy management business unit is a specific and unique transaction within the scope of the individual financial statements of EDP S.A., it was considered that the result generated should be presented separately in the operating results of EDP, S.A.

On the same day and pursuant to this agreement, EDP S.A., the sole shareholder of EDP GEM, approved the provision of supplementary pecuniary capital contributions under the applicable rules for additional contributions, in the global amount of 1,000,000 thousand Euros (see note 19).

13. Financial income and expenses

Financial income and expenses, for the Group, are as follows:

Thousand Euros	Group	
	Sep 2023	Sep 2022
Financial income		
Interest income from bank deposits and other investments	113,851	50,671
Interest from derivative financial instruments	49,639	21,148
Interest income on tariff deficit:		
- Portugal - Electricity (see note 24)	19,816	43
- Brazil - Electricity (see note 35)	5,619	13,889
Other interest income	65,416	48,297
Derivative financial instruments	268,173	169,221
Foreign exchange gains	305,441	315,903
CMEC:		
- Interest on the initial CMEC	15,303	17,963
- Financial effect considered in the calculation	5,025	5,117
Other financial income	16,307	31,881
	864,590	674,133
Financial expenses		
Interest expense on financial debt	607,253	505,156
Bonds buyback	4,802	-
Capitalised borrowing costs:		
- Assigned to concessions (see note 7)	-4,221	-2,806
- Other (see note 15)	-81,717	-25,624
Interest from derivative financial instruments	152,591	94,167
Interest expense on tariff deficit:		
- Portugal - Electricity (see note 35)	2,396	1,358
- Brazil - Electricity (see note 35)	4,407	15,807
Other interest expense	27,062	22,836
Derivative financial instruments	352,831	149,621
Foreign exchange losses	237,160	288,620
CMEC	2,255	3,924
Unwinding of discounted liabilities	94,654	112,197
Unwinding of lease liabilities (see note 36)	35,161	31,848
Net interest on the net pensions plan liability (see note 32)	7,028	4,304
Net interest on the medical liabilities and other benefits (see note 32)	15,036	11,580
Other financial expenses	42,957	41,438
	1,499,655	1,254,426
Financial income/(expenses)	-635,065	-580,293

Capitalised borrowing costs includes the interest capitalised in assets under construction according to Group accounting policy. Regarding the rate applicable to borrowing costs related with tangible/intangible assets under construction that is used in the determination of the amount of borrowing costs eligible for capitalisation (see notes 15 and 17), it varies depending on business unit, the country and currency, since EDP Group incorporates in its scope of consolidation a significant number of subsidiaries in several geographies with different currencies.

The costs related to the Unwinding of discounted liabilities refer essentially to: (i) the unwinding of the provision for dismantling and decommissioning of production assets in the amount of 12,292 thousand Euros (30 September 2022: 4,890 thousand Euros) (see note 33); (ii) the implied financial return in institutional partnerships of 61,037 thousand Euros (30 September 2022: 73,211 thousand Euros) (see note 34); and (iii) the financial expenses related to the discount of the liability associated to the concessions of Alqueva/Pedrogão, Investco and Enerpeixe of 7,062 thousand Euros (30 September 2022: 17,833 thousand Euros).

The Derivative financial instruments caption includes income and expenses related with financial assets and liabilities measured at fair value through profit and loss, while the remaining captions of financial income and expenses are registered at amortised cost, based on the effective interest rate method.

Financial income and expenses, for the Company, are as follows:

Thousand Euros	Company	
	Sep 2023	Sep 2022
Financial income		
Interest income from loans to subsidiaries and related parties (see note 41)	74,492	25,364
Interest from derivative financial instruments	137,822	69,819
Derivative financial instruments	403,332	633,456
Income from equity investments (see note 41)	845,118	270,843
Other financial income	20,496	38,480
	1,481,260	1,037,962
Financial expenses		
Interest expense on financial debt	199,362	162,299
Bonds Buyback	4,802	-
Interest from derivative financial instruments	144,246	80,486
Derivative financial instruments	383,704	618,523
Unwinding of lease liabilities	4,311	3,465
Other financial expenses	15,961	48,732
	752,386	913,505
Financial income/(expenses)	728,874	124,457

On January 2023, EDP S.A. has repurchased an amount of 672,8 million Euros from the issue "EUR1.000.000.000 Fixed to Reset Rate Subordinated Notes due 2079", recognising a cost of 4,802 thousand Euros, on a consolidated and individual basis.

The caption Other financial income includes 4,671 thousand Euros related to nominal interests from bonds issued by EDP Finance B.V., repurchased by EDP S.A. (see notes 25 and 41). The effective interest of these instruments amounts to 1,093 thousand Euros (includes the recognition in profit or loss of premium and transaction costs associated with the buyback transaction by the effective interest rate method).

14. Income tax

The following note includes an analysis on the reconciliation between the theoretical and the effective income tax rate applicable at an individual level and at the level of the EDP Group, on a consolidated basis. In general terms, this analysis aims to quantify the impact of the income tax, recognised in the income statement, which includes both current and deferred tax.

Relevant events for EDP Group with impact in 2023

The statutory corporate income tax rates applicable in the main countries in which EDP Group operates which were updated are as follows:

	Sep 2023	Sep 2022
United Kingdom	25.0%	19%

Corporate income tax provision

Income tax expense is as follows:

Thousand Euros	Group		Company	
	Sep 2023	Sep 2022	Sep 2023	Sep 2022
Current tax	-431,595	-36,320	9,340	48,708
Deferred tax	9,268	-192,114	470	-2,309
	-422,327	-228,434	9,810	46,399

Reconciliation between the theoretical and the effective income tax expense

The effective income tax rate is as follows:

Thousand Euros	Group		Company	
	Sep 2023	Sep 2022	Sep 2023	Sep 2022
Profit before tax and CESE	1,775,532	1,246,805	773,015	55,101
Income tax expense	-422,327	-228,434	9,810	46,399
Effective income tax rate	23.8%	18.3%	-1.3%	-84.2%

The difference between the theoretical and the effective income tax expense results from the application of the tax law provisions, in the various countries where EDP operates, in accordance with the accounting standards that are the basis for the preparation and disclosure of its financial statements, in the determination of the taxable base, as demonstrated below.

The reconciliation between the theoretical and the effective income tax expense for the Group, in September 2023 and 2022, is as follows:

Thousand Euros	Sep 2023	Sep 2022
Profit before income tax and CESE	1,775,532	1,246,805
Theoretical income tax rate *	29.5%	29.5%
Theoretical income tax expense	523,782	367,807
Different tax rates (includes state surcharge) and CIT rate changes	-32,255	-54,164
Tax losses and tax credits	35,675	-35,358
Tax benefits	-14,408	-12,217
Differences between accounting and fiscal provisions/depreciations	22,112	9,689
Accounting/fiscal differences on the recognition/derecognition of assets	-103,745	-41,081
Taxable differences attributable to non-controlling interests	-10,430	-13,086
Other adjustments and changes in estimates	1,596	6,844
Effective income tax expense as per the Consolidated Income Statement	422,327	228,434

* Average tax rate considering the different tax rates applicable to EDP Group companies in Portugal.

The caption Accounting/fiscal differences on the recognition/derecognition of assets mainly includes the impact related to the non-taxation of capital gains resulting from the sale of a set of wind farms in Europe (see note 6).

The reconciliation between the theoretical and the effective income tax expense for the Company, in September 2023, is as follows:

Thousand Euros	Sep 2023
Profit before income tax	773,015
Nominal income tax rate	21%
Theoretical income tax expense	162,333
Tax losses and tax credits	11,805
Dividends	-175,855
Other adjustments and changes in estimates	-8,093
Effective income tax expense as per the Company Income Statement	-9,810

15. Property, plant and equipment

This caption is as follows, for the Group:

Thousand Euros	Land and natural resources	Buildings and other construct.	Plant and machinery	Other tangible assets	Assets under construct.	Total
Gross Amount	103,920	368,000	37,588,518	651,401	7,267,792	45,979,631
Accumulated depreciation and impairment losses	-	184,140	19,079,084	522,068	133,080	19,918,372
Carrying Amount at 30 September 2023	103,920	183,860	18,509,434	129,333	7,134,712	26,061,259
Balance as at 31 December 2022	99,913	230,477	18,667,041	146,714	5,072,662	24,216,807
Additions	2,986	1,986	93,419	12,022	3,331,670	3,442,083
Depreciation and impairment	-	-7,028	-763,708	-35,243	-	-805,979
Disposals/Write-offs	-291	-	-1,613	-977	-2,258	-5,139
Transfers	-3,216	-37,419	806,120	6,166	-1,450,006	-678,355
Exchange Differences	2,211	7,297	110,109	376	184,796	304,789
Perimeter Variations and Other	2,317	-11,453	-401,934	275	-2,152	-412,947
Balance as at 30 September 2023	103,920	183,860	18,509,434	129,333	7,134,712	26,061,259

Gross amount of Assets under construction are as follows:

Thousand Euros	Sep 2023	Dec 2022
Wind and solar farms in North America	4,229,340	2,589,575
Wind and solar farms in Europe	1,330,788	1,072,644
Wind and solar farms in South America	1,115,120	1,098,165
Wind and solar farms in Southeast Asia	88,159	108,299
Convencional generation, energy management and client solutions assets	248,403	174,707
Other assets under construction	255,982	153,035
	7,267,792	5,196,425

The capitalised costs for Property, plant and equipment for the period, except Land and natural resources, are as follows:

Thousand Euros	Sep 2023	Dec 2022
Subcontracts and other materials	3,152,985	3,540,948
Purchase price allocation	90,504	74,213
Dismantling and decommissioning costs (see note 33)	11,227	9,841
Personnel costs (see note 10)	102,664	126,948
Borrowing costs (see note 13)	81,717	41,405
	3,439,097	3,793,355

Additions mainly include the investment in wind and solar farms by EDP Renováveis.

Transfers include the reclassification of some onshore wind generation assets in Brazil and of thermal generation assets in Brazil and in Spain to non-current assets held for sale (see note 38).

Perimeter Variations and Other include a decrease, in the amount of 453,809 thousand Euros, resulting from the sales of onshore wind portfolios in Spain and in Poland and an increase of 59,366 thousand Euros from the acquisitions of Enerdeal Group S.A. and its subsidiaries, of the company San Juan de Bargas Eólica, S.L. and of a distributed solar generation portfolio in North America (see note 6).

16. Right-of-use assets

This caption is as follows, for the Group:

Thousand Euros	Land and natural resources	Buildings and other construct.	Plant	Other tangible assets	Total
Gross amount	1,146,549	301,554	203,144	15,653	1,666,900
Accumulated depreciation and impairment losses	143,743	98,732	76,434	9,822	328,731
Carrying Amount at 30 September 2023	1,002,806	202,822	126,710	5,831	1,338,169
Balance as at 31 December 2022	984,161	192,872	137,395	5,842	1,320,270
Additions	77,405	21,290	27,228	2,359	128,282
Depreciation and impairment	-29,847	-20,859	-35,199	-2,302	-88,207
Disposals/Write-offs	-927	-493	-1,767	-29	-3,216
Transfers	-11,005	10,084	-2,563	-133	-3,617
Exchange Differences	6,639	31	1,616	115	8,401
Perimeter Variations and Other	-23,620	-103	-	-21	-23,744
Balance as at 30 September 2023	1,002,806	202,822	126,710	5,831	1,338,169

Additions include, essentially, new lease contracts registered, under IFRS 16, in Europe, North America and Southeast Asia.

Perimeter Variations include the impact of the sales of onshore wind portfolios in Spain, in the amount of 15,081 thousand Euros, and in Poland, in the amount of 6,379 thousand Euros (see note 6).

17. Intangible assets

This caption is as follows, for the Group:

Thousand Euros	Concession rights	CO2 Licenses	Other intangibles	Intangible assets in progress	Total
Gross amount	13,023,536	6,237	2,559,590	287,455	15,876,818
Accumulated amortisation and impairment losses	10,054,167	-	944,548	-	10,998,715
Carrying Amount at 30 September 2023	2,969,369	6,237	1,615,042	287,455	4,878,103
Balance as at 31 December 2022	3,076,318	25,551	1,646,753	235,380	4,984,002
Additions	654	1,086,622	745	100,287	1,188,308
Amortisation and impairment	-311,307	-	-92,455	-	-403,762
Disposals/Write-offs	-3,889	-1,105,936	-	-411	-1,110,236
Transfers	176,000	-	35,962	-49,063	162,899
Exchange Differences	37,018	-	-1,450	1,331	36,899
Perimeter Variations and Other	-5,425	-	25,487	-69	19,993
Balance as at 30 September 2023	2,969,369	6,237	1,615,042	287,455	4,878,103

Additions of CO2 Licenses include CO2 Licenses granted free of charge to EDP Group power plants and licenses purchased in the market for own consumption. Disposals/Write-offs mainly include the delivery, in April 2023, of the licenses relating to 2022 consumption.

Additions of Intangible assets in progress essentially include the implementation and development of information systems projects.

Transfers essentially refer to the intangible assets assigned to concessions that became operational, in the amount of 165,679 thousand Euros (see note 24).

18. Goodwill

Goodwill for the Group, resulting from the difference between the acquisition price and the fair value of the net assets acquired, at the acquisition date, is organized by segment, and is as follows:

Thousand Euros	Networks	Renewables, Clients & EM	Total
Balance as at 31 December 2022	673,834	2,795,394	3,469,228
Increases	-	46,864	46,864
Decreases/Regularisations	-	-82,684	-82,684
Exchange differences	-	14,414	14,414
Balance as at 30 September 2023	673,834	2,773,988	3,447,822

Renewables, Clients & Energy Management

As at 30 September 2023, increases in goodwill include (i) 10,030 thousand Euros related with the acquisition of the company Enerdeal Group S.A. and its subsidiaries, (ii) 21,719 thousand Euros from the acquisition of control over the company San Juan de Bargas Eólica, S.L. and (iii) 15,115 thousand Euros related with the acquisition of a distributed solar generation portfolio in North America (see note 6).

The Decreases/Regularisations include the impact of the sale of an onshore wind generation portfolio in Spain, in the amount of 53,888 thousand Euros (see note 6), as well as adjustments resulting from business combinations carried out over the last 12 months and whose assessment to determine the fair value of assets and liabilities is still ongoing.

19. Investments in subsidiaries (Company basis)

This caption is as follows:

Thousand Euros	Company	
	Sep 2023	Dec 2022
Acquisition cost	14,907,974	16,450,564
Effect of equity method (transition to IFRS)	-785,593	-785,593
Equity investments in subsidiaries	14,122,381	15,664,971
Impairment losses on equity investments in subsidiaries	-252,103	-237,572
	13,870,278	15,427,399

On the date of transition to IFRS, EDP, S.A. ceased to apply the equity method of accounting to its investments in its separate financial statements, having considered this method in the determination of the deemed cost at transition date.

Investments in subsidiaries are as follows:

Thousand Euros	Company	
	Sep 2023	Dec 2022
	Net amount	Net amount
Equity investments in subsidiaries:		
EDP Renováveis, S.A. (see note 6)	4,345,187	4,154,431
EDP Gestão de Produção de Energia, S.A.	1,736,426	4,470,776
EDP España, S.A.U.	2,105,002	2,105,002
E-Redes – Distribuição de Eletricidade, S.A.	1,991,145	1,991,145
EDP International Investments and Services, S.L.	1,488,181	1,488,181
EDP GEM Portugal, S.A. (see note 12)	985,470	-
EDP Servicios Financieros España, S.A.U.	482,695	482,695
EDP Comercial – Comercialização de Energia, S.A.	344,444	344,444
SU Eletricidade, S.A.	259,818	259,818
Other	131,910	130,907
	13,870,278	15,427,399

During the third quarter, EDP Gestão de Produção de Energia, S.A. carried out a capital reduction in the amount of 2,734,350 thousand euros.

20. Investments in joint ventures and associates

This caption is as follows:

Thousand Euros	Group	
	Sep 2023	Dec 2022
Investments in joint ventures	1,412,581	1,333,871
Investments in associates	280,773	271,872
	1,693,354	1,605,743

As at 30 September 2023, for the Group, this caption includes goodwill in investments in joint ventures of 8,047 thousand Euros (31 December 2022: 8,047 thousand Euros) and goodwill in investments in associates of 22,528 thousand Euros (31 December 2022: 28,131 thousand Euros).

The movement in Investments in joint ventures and associates, for the Group, is as follows:

Thousand Euros	Group	Group
	Sep 2023	Dec 2022
Balance at the beginning of the period	1,605,743	1,350,445
Acquisitions/Entries	-	25,058
Increases/Decreases of share capital	77,929	-929
Disposals (see note 6)	-26,834	-49,276
Share of profit for the period and capital gains from disposals	46,322	208,587
Dividends	-55,699	-74,311
Exchange differences	34,697	69,381
Cash flow hedging reserve	13,317	41,811
Transfer to Assets held for sale (see note 38)	6,009	56,496
Other	-8,130	-21,519
Balance at the end of the period	1,693,354	1,605,743

The caption Increases/Decreases of share capital essentially refers to a capital increase of 73,428 thousand Euros of EDP Renováveis S.A. in OW Offshore, S.L.

The caption Joint ventures and associates in the Consolidated Income Statement includes a positive amount of 46,322 thousand Euros from result of these investments, a gain of 23,556 thousand Euros and 3,275 thousand Euros, respectively, from the sale of Principle Power, Inc and Zypko, S.A. stake and a loss of 10,566 thousand Euros from the sale of Geóllica Magallón, S.L. (see note 6).

21. Equity instruments at fair value

As at 30 September 2023, the movements in Equity Instruments measured at Fair Value are as follows:

Thousand Euros	Group	
	Sep 2023	Dec 2022
Equity Instruments at Fair Value through Other Comprehensive Income (OCI)	142,455	139,270
Equity Instruments at Fair Value through Profit or Loss (PL)	81,426	77,148
	223,881	216,418

Under IFRS 13 (see note 42), equity instruments at fair value are classified into three levels of fair value: level 1 includes essentially financial investments that are indexed to quoted market prices; level 2 includes the fund of stocks and bonds held by Energia RE; and level 3 covers all other equity instruments at fair value. As at 30 September 2023, there are no equity instruments at fair value within level 1.

As at 30 September 2023, this caption is analysed as follows:

	Other Comprehensive Income		Profit or Loss			Total
	Mercer and Dunas (Energ. RE portfolio)	Other	EDA Electricid. dos Açores, S.A.	Feedzai – Consult. e Inov. Tec., S.A.	Other	
Thousand Euros						
Balance as at 31 December 2022	83,062	56,208	16,549	38,607	21,992	216,418
Acquisitions	-	1,238	-	-	7,742	8,980
Disposals	-	-285	-	-	-1,300	-1,585
Change in fair value (see note 29)	3,026	-809	-	-	-2,245	-28
Other variations	-	15	-	-	81	96
Balance as at 30 September 2023	86,088	56,367	16,549	38,607	26,270	223,881

22. Deferred tax assets and liabilities

EDP Group records the tax effect resulting from temporary differences between the assets and liabilities determined on an accounting basis and on a tax basis. As at 30 September 2023, on a consolidated basis, the movements by nature of Deferred Tax Assets and Liabilities are as follows:

Deferred Tax Assets					
	Balance at 31 December	Mov. Results	Mov. Reserves	Perimeter variations, exchange differences and others	Balance at 30 September
Thousand Euros					
Tax losses and tax credits	1,360,575	90,897	-2,081	-82,167	1,367,224
Provisions for social benefits, bad debts, dismt. and other risks	603,822	2,194	-10,406	-726	594,884
Derivative financial instruments and Equity investments	796,860	-218,778	209,595	310,694	1,098,371
Property plant and equipment and intangible assets	265,413	-27,779	-	-4,069	233,565
Allocation of fair value to assets and liabilities acquired	79,680	-17,672	-87,690	34,923	9,241
Fiscal revaluations	221,431	-36,165	-	-	185,266
Lease liabilities and other temporary differences	348,882	-23,493	432	-7,948	317,873
Assets/liabilities compensation of deferred taxes	-1,892,371	-90,303	-2,212	-24,194	-2,009,080
	1,784,292	-321,099	107,638	226,513	1,797,344

Deferred Tax Liabilities					
	Balance at 31 December	Mov. Results	Mov. Reserves	Perimeter variations, exchange differences and others	Balance at 30 September
Thousand Euros					
Provisions for social benefits, bad debts and other risks	16,644	604	755	-	18,003
Derivative financial instruments and Equity investments	307,270	-341,917	447,413	12,865	425,631
Property plant and equip., intang. assets and right-of-use	758,981	56,549	-	-1,603	813,927
Reinvested gains	3,674	-23	-	-	3,651
Tariff adjustments and tariff deficit	560	-88	-	1	473
Allocation of fair value to assets and liabilities acquired	1,159,890	22,392	-	105,652	1,287,934
Fiscal revaluations	52,718	-1,911	-	-	50,807
Deferred income relating to CMEC	183,959	2,576	-	-	186,535
Gains from institutional partnerships in wind farms	440,264	6,229	30	3,138	449,661
Fair value of financial assets (Brazil)	100,607	19,137	-	6,722	126,466
Other temporary differences	112,397	-3,612	-2,779	10,729	116,735
Assets/liabilities compensation of deferred taxes	-1,892,371	-90,303	-2,212	-24,194	-2,009,080
	1,244,593	-330,367	443,207	113,310	1,470,743

Provisions for social benefits, bad debts, dismt. and other risks, Lease liabilities and other temporary differences and Property plant and equip., intang. assets and right-of-use include deferred tax assets and deferred tax liabilities related with the recognition of provisions for dismantling, as well as deferred tax assets and deferred tax liabilities relating to lease contracts, pursuant to the amendments to IAS 12 – Income taxes as mentioned in note 3.

On a Company basis, EDP, S.A. records the tax effect arising from temporary differences between the assets and liabilities determined on an accounting basis and on a tax basis. As at 30 September 2023, on a Company basis, the movements by nature of Deferred Tax Assets and Liabilities are as follows:

Deferred Tax Assets					
	Balance at 31 December	Mov. Results	Mov. Reserves	Others	Balance at 30 September
Thousand Euros					
Tax losses and tax credits	159,351	-3,284	-	25,101	181,168
Provisions for social benefits, bad debts and other risks	7,558	-278	-	-	7,280
Derivative financial instruments	280,416	-	-281,491	-	-1,075
Property plant and equipment	1,889	-20	-	-	1,869
Other temporary differences	2,945	-10	-	-19	2,916
Assets/liabilities compensation of deferred taxes	-137,399	4,062	115,619	-	-17,718
	314,760	470	-165,872	25,082	174,440

Deferred Tax Liabilities					
	Balance at 31 December	Mov. Results	Mov. Reserves	Others	Balance at 30 September
Thousand Euros					
Derivative financial instruments	119,818	-	-115,619	-	4,199
Allocation of fair value to assets and liabilities acquired	5,941	-	-	-	5,941
Fiscal revaluations	163	-4	-	-	159
Other temporary differences	11,477	-4,058	-	-	7,419
Assets/liabilities compensation of deferred taxes	-137,399	4,062	115,619	-	-17,718
	-	-	-	-	-

23. Inventories

This caption is as follows:

Thousand Euros	Group	
	Sep 2023	Dec 2022
Merchandise	110,689	402,133
Finished, intermediate products and sub-products	41,833	37,284
Raw and subsidiary materials and consumables (coal and other fuels)	109,275	260,952
Nuclear fuel	15,464	14,446
CO2 licenses	4,672	30,875
Green certificates	174,507	172,658
Other	367,815	337,952
	824,255	1,256,300

The caption Other include materials for building energy distribution networks and photovoltaic solar panels.

The variation of the caption Inventories is essentially explained by the decrease in the value of gas stocks.

24. Debtors and other assets from commercial activities

At Group level, Debtors and other assets from commercial activities are as follows:

Thousand Euros	Non-Current		Current	
	Sep 2023	Dec 2022	Sep 2023	Dec 2022
Assets measured at amortised cost:				
Amounts receivable from tariff adjustments – Electricity – Portugal	1,305,129	441,035	90,656	13,825
Amounts receivable from tariff adjustments – Electricity – Brazil (see note 35)	17,172	12,883	3,560	14,310
Debtors for other goods and services		-	47,260	67,521
Amounts receivable relating to CMEC	345,975	353,619	261,133	249,856
Amounts receivable from concessions – IFRIC 12	520,025	846,875	1,154,092	1,120,064
Other assets measured at amortised cost	220,555	214,071	354,401	318,137
Impairment losses on other assets measured at amortised cost	-215	-82	-3,766	-3,024
	2,408,641	1,868,401	1,907,336	1,780,689
Trade receivables at amortised cost:				
Trade receivables	140,878	108,415	1,573,300	1,797,683
Impairment losses on trade receivables	-8,729	-8,810	-276,338	-259,025
	132,149	99,605	1,296,962	1,538,658
Assets measured at fair value through other comprehensive income:				
Amounts receivable from tariff adjustments – Electricity – Portugal	143	23	594	1,141
Assets measured at fair value through profit or loss:				
Amounts receivable from concessions – IFRIC 12	1,305,609	1,012,104	-	-
Contract assets:				
Contract assets receivable from energy sales contracts	5	4	1,168,953	1,452,371
Contract assets receivable from concessions – IFRIC 12	846,759	729,520		-
	846,764	729,524	1,168,953	1,452,371
Other assets:				
Incremental costs of obtaining contracts with customers	42,352	32,219	7,906	7,677
Other assets from commercial activities	69,340	30,250	176,379	107,684
	111,692	62,469	184,285	115,361
	4,804,998	3,772,126	4,558,130	4,888,220

At Company level, Debtors and other assets from commercial activities are as follows:

Thousand Euros	Current	
	Sep 2023	Dec 2022
Assets measured at amortised cost:		
Debtors for other goods and services	43,906	50,959
Other assets measured at amortised cost	54,074	1,119,557
	97,980	1,170,516
Trade receivables at amortised cost:		
Trade receivables	45,171	465,630
Impairment losses on trade receivables	-1,083	-210
	44,088	465,420
Contract assets:		
Contract assets receivable from energy sales contracts	730	461,937
Other assets:		
Other assets from commercial activities	27,648	15,919
	170,446	2,113,792

On an individual basis, the changes that occurred in these captions are justified by the transfer of the energy management activity on 1 February 2023 to EDP GEM Portugal, S.A. (see note 12).

The movement for the period in Amounts receivable from tariff adjustments – Electricity – Portugal (Non-current and Current) is as follows:

Thousand Euros	Non-Current	Current
Balance as at 31 December 2022	441,058	14,966
Receipts through the electricity tariff	-	-10,869
Securitization of tariff adjustment	-	-300,000
Tariff adjustment of the period (see note 7)	1,354,579	29,379
Tariff adjustment of 2021	-	1,115
Financial income (see note 13)	19,267	549
Transfer to/from tariff adjustment payable (see note 35)	-154,240	718
Transfer from Non-Current to Current	-355,392	355,392
Balance as at 30 September 2023	1,305,272	91,250

During the third quarter of 2023, SU Eletricidade, S.A. agreed the sale of 300 million Euros of the 2022 tariff adjustment, related to the activity of purchasing, and subsequent selling, of electricity from generators with guaranteed remuneration. In this asset sale transaction, SU Eletricidade, S.A. fully and without recourse transferred the right to receive the aforementioned amounts, with the total sale price amounting to 296,972 thousand Euros.

The tariff adjustment of the period, in the amount of 1,249,452 thousand Euros, includes 154,240 thousand Euros to be returned through the tariff, related to the Purchase and Sale of Electricity for Customers Supply of SU Eletricidade, which have been reclassified from Trade payables and other liabilities from commercial activities, since the tariff adjustment corresponds in its entirety to an amount to be recovered (see note 35).

The caption Assets measured at fair value through other comprehensive income includes the amount of the tariff deficit classified and measured at fair value through other comprehensive income. According to IFRS 13, the tariff deficit fair value is classified as level 2 (see note 42).

The following table provides details for the caption Amounts receivable from tariff adjustments – Electricity – Portugal, by nature and year of establishment, as well as presents the amounts of tariff deficit that have been sold during the period ended 30 September 2023:

Thousand Euros	Deficit	Tariff adj.	Sales	Total
Year:				
2016	-	1,449	-	1,449
2019	109	718	-	827
2020	28	26,073	-	26,101
2021	599	33,894	-	34,493
2022	-	384,200	-300,000	84,200
2023	-	1,249,452	-	1,249,452
	736	1,695,786	-300,000	1,396,522

The captions Amounts receivable relating to CMEC and Deferred income – CMEC are as follows:

Thousand Euros	Non-Current	Current
Amounts receivable relating to CMEC	345,975	261,133
Deferred income – CMEC (see note 35)	-32,721	-46,926
	313,254	214,207

Thousand Euros	Non-Current	Current
Initial CMEC	253,058	33,656
Final adjustment	60,196	78,427
Revisibility 2014 – 2017 *	-	102,124
	313,254	214,207

* The revisibility calculation for 2016 to 2017 is still waiting the official approval.

The movement of the period in the captions Amounts receivable from concessions - IFRIC 12 and Contract assets receivable from concessions - IFRIC 12 is as follows:

Thousand Euros	Amounts receivable	Contract assets
Balance as at 31 December 2022	2,979,043	729,520
Investments of the period	-	554,350
Transfer to intangible assets (see note 17)	-	-165,679
Transfer between Amounts receivable and Contract assets	263,465	-263,465
Exchange differences	109,231	41,170
Perimeter variations and others	-372,013	-49,137
Balance as at 30 September 2023	2,979,726	846,759

The Perimeter variations and others includes the impact of the reclassification of some transmission assets in Brazil to non-current assets held for sale, in the amount of 512,940 thousand Euros (see note 38).

Contract assets receivable from energy sales contracts - Current include contract assets relating to energy delivered and not yet invoiced, amounts receivable from REN regarding the CMEC Revisibility of 2016 and 2017 which are awaiting approval, and accruals from energy management business. The impairment losses on Trade receivables includes impairment losses related to Contract assets receivable from energy sales contracts.

25. Other debtors and other assets

Other debtors and other assets are as follows:

Thousand Euros	Group		Company	
	Sep 2023	Dec 2022	Sep 2023	Dec 2022
Debtors and other assets - Non-Current				
Assets measured at amortised cost:				
Loans to subsidiaries	-	-	3,488,611	1,141,944
Loans to related parties	462,445	186,885	90	90
Guarantees rendered to third parties	158,245	133,931	-	-
Other financial assets at amortised cost (i)	849	1,751	21	256,650
Assets measured at fair value through profit or loss:				
Derivative financial instruments (see note 39)	676,203	1,035,814	985,912	1,590,973
Contingent price	53,490	50,873	-	-
Other assets:				
Excess of the pension fund financing (see note 32)	139,784	92,694	410	410
Other debtors and sundry operations	433,578	422,562	90,076	90,078
	1,924,594	1,924,510	4,565,120	3,080,145
Debtors and other assets - Current				
Assets measured at amortised cost:				
Loans to subsidiaries	-	-	1,671,243	538,550
Loans to related parties	129,075	354,484	-	3,490
Guarantees rendered to third parties	259,729	992,370	86,629	720,465
Subsidiary companies	-	-	496,439	229,858
Other financial assets at amortised cost (i)	2,380	7,386	259,370	260,639
Assets measured at fair value through profit or loss:				
Derivative financial instruments (see note 39)	743,645	1,539,884	1,530,581	2,449,615
Other financial investments measured at fair value	23,192	346	-	-
Contingent price	118,660	108,636	-	-
Other assets:				
Other debtors and sundry operations	567,042	368,689	512,272	23
	1,843,723	3,371,795	4,556,534	4,202,640
	3,768,317	5,296,305	9,121,654	7,282,785

Loans to subsidiaries – Non-Current and Current, on an individual basis, mainly includes 2,516,422 thousand Euros of loans granted to EDP Gestão Produção Energia, S.A., 1,658,229 thousand Euros (31 December 2022: 1,579,546 thousand Euros) of loans granted to E-Redes – Distribuição de Eletricidade, S.A. and 886,223 thousand Euros of loans granted to EDP International Investments and Services, S.L. within the scope of the Public Offer for Acquisition of EDP Energias do Brasil, S.A. (see note 41).

The caption Loans to related parties, on a consolidated basis, is mainly due to loans granted to OW FS Offshore, S.A. in the amount of 460,011 thousand Euros in Non-Current and 104,151 thousand Euros in Current.

(i) Other financial assets at amortised cost

On a consolidated basis, this caption mainly includes securities issued by Tagus – Sociedade de Titularização de Créditos, SA, in the context of the transmission of the right to receive tariff adjustments (deviations and deficits) from the National Electric System for credit securitisation companies, acquired by SU Eletricidade, S.A. The detail of the balances arising from these operations is as follows:

Thousand Euros	Issue date	Class R Notes	Liquidity Notes	Senior Notes	Total
Overcost from special regime production 2018	Jun 2018	15	-	-	15
Overcost from special regime production 2019	Jun 2019	72	53	2,240	2,365
		87	53	2,240	2,380

On a company basis, this caption includes the bonds issued by EDP Finance B.V. repurchased on market by EDP S.A.

During 2023, EDP Finance B.V. repaid, at maturity, in the first quarter an emission of 489 million Euros, of which EDP S.A. had already reacquired 111,168 thousand Euros and in the third quarter an emission of 462 million Euros, of which EDP S.A. had already reacquired 137,535 thousand Euros.

The detail of these bonds is as follows:

Issuer	Maturity date	Currency	Interest rate	Nominal value in Currency '000	Acquired in Currency '000	Fair Value '000
EDP Finance B.V.	12 Feb 2024	EUR	1.13%	743,804	256,196	253,386

The variation of the caption Contingent prices mainly results from the recognition of the contingent price of the sale by EDP Renewables Europe, S.L.U. of its stakes in Viesgo Europa S.L.U. and Viesgo Renovables S.L.U. (see note 6) partially offset by the receipt of the contingent consideration in connection with the sales in 2018 and 2020 of a stake in the companies Éoliennes en Mer Dieppe – Le Tréport, S.A.S and Éoliennes en Mer Îles d'Yeu et de Noirmoutier, SAS to Sumitomo Corporation and to OW Offshore S.L., respectively.

The variation of the caption Other debtors and sundry operations – Current is mainly from the recognition of the consideration to be received in the amount of 486,216 thousand Euros (including 139,350 thousand Euros related to loans) for the sale of the companies EW Dobrzyca, Sp. z o.o., Ujazd, Sp. z o.o. e Wind Field Wielkopolska, Sp. z o.o. (see note 6), the receipts in the amounts of 185,229 thousand Euros and 89,754 thousand Euros related to the sale of several wind farms in Brasil and Indiana Crossroads Solar Park project in North America, respectively, both carried out in 2022.

On an individual basis, the variation of the caption Other debtors and sundry operations is justified by the transfer of the energy management activity on 1 February 2023 to EDP GEM Portugal, S.A. (see note 12).

26. Tax assets

Current tax assets are as follows:

Thousand Euros	Group		Company	
	Sep 2023	Dec 2022	Sep 2023	Dec 2022
Non-Current:				
Special taxes Brazil	133,852	109,902	-	-
Current:				
Income tax	202,850	188,981	47,986	44,305
Value added tax (VAT)	369,721	516,010	1,936	149,058
Special taxes Brazil	74,440	87,004	-	-
Other taxes	54,886	22,303	877	877
	701,897	814,298	50,799	194,240
	835,749	924,200	50,799	194,240

On an individual basis, the variation of the caption Value added tax (VAT) is justified by the transfer of the energy management activity on 1 February 2023 to EDP GEM Portugal, S.A. (see note 12).

27. Cash and cash equivalents

Cash and cash equivalents are as follows:

Thousand Euros	Group		Company	
	Sep 2023	Dec 2022	Sep 2023	Dec 2022
Cash	679	636	32	38
Bank deposits				
Current deposits	1,186,636	3,553,609	158,140	1,445,638
Term deposits	692,056	1,331,823	297,000	450,000
Specific demand deposits in relation to institutional partnerships	2,880	1,633	-	-
	1,881,572	4,887,065	455,140	1,895,638
Operations pending cash settlement				
Current deposits	214,159	-	-	600,000
Other operations				
Other short term investments	11,173	12,504	-	-
Group Financial System (see note 41)	-	-	1,646,317	1,649,398
	2,107,583	4,900,205	2,101,489	4,145,074
Held for sale operations:				
Cash and cash equivalents reclassified as held for sale (see note 38)	-111,378	-	-	-
	1,996,205	4,900,205	2,101,489	4,145,074

The caption Captive deposits related to institutional partnerships corresponds to the escrow funds necessary to pay the remaining construction costs of projects in institutional equity partnerships, which are described in EDP Group accounting policies (see note 34)

As at 30 September 2023, on a consolidated basis, the caption Operations pending cash settlement relates to commercial paper issued in the amounts of 200,000 thousand Euros and 14,159 thousand Euros, with settlement date occurred on 2 October 2023 and 3 October 2023 (respectively).

As at 31 December 2022, on a company basis, the caption Operations pending cash settlement represented commercial paper issued by EDP S.A. in the amount of 600,000 thousand Euros, acquired by EDP Finance B.V., which settlement date occurred on 3 January 2023.

28. Share capital and share premium

On 3 March 2022, EDP carried out, through an accelerated bookbuilding process ("ABB") without pre-emption rights, in compliance with the authorization given to the Executive Board of Directors for the latter to increase the share capital in an amount of up to 10% of EDP's share capital, under Article 4(4) of EDP's by-laws, a capital increase by issuing 218,340,612 ordinary, book-entry and nominative shares, with a unit face value of 1 Euro, with a unit subscription price of 4.58 Euros, offered to subscription of its shareholders, in the exercise of the respective preemptive rights. The new ordinary shares will be fungible with existing ordinary shares and will entitle their holders to the same rights as those of pre-existing shares. As such, the current share capital of EDP is now of 4,184,021,624 Euros, represented by 4,184,021,624 ordinaries, registered, book-entry shares with nominal value 1,00 Euro each.

EDP – Energias de Portugal S.A. shareholder structure as at 30 September 2023 is as follows:

	No. of Shares	% Capital	% Voting
China Three Gorges Corporation	872,818,863	20.86%	20.86%
Oppidum Capital, S.L.	285,414,883	6.82%	6.82%
BlackRock, Inc.	285,319,442	6.82%	6.82%
Canada Pension Plan Investment Board	234,948,845	5.62%	5.62%
EDP (Treasury Stock)	18,024,367	0.43%	n.a.
Remaining Shareholders	2,487,495,224	59.45%	n.a.
	4,184,021,624	100.00%	

Share capital and Share premium are as follows:

Thousand Euros	Group and Company	
	Share capital	Share premium
Balance as at 1 January	3,965,681	1,196,522
Movements during the period	218,341	774,474
Balance as at 30 September	4,184,022	1,970,996

The earnings per share (EPS) attributable to the equity holders of EDP are as follows:

	Group		Company	
	Sep 2023	Dec 2022	Sep 2023	Dec 2022
Net profit attributable to the equity holders of EDP (in Euros)	945,579,818	679,000,835	782,824,576	848,564,985
Net profit from continuing operations attributable to the equity holders of EDP (in Euros)	945,579,818	679,000,835	782,824,576	848,564,985
Weighted average number of ordinary shares outstanding	4,117,242,099	3,946,840,015	4,117,242,099	3,946,840,015
Weighted average number of diluted ordinary shares outstanding	4,117,242,099	3,946,840,015	4,117,242,099	3,946,840,015
Basic earnings per share attributable to equity holders of EDP (in Euros)	0.23	0.17	0.19	0.21
Diluted earnings per share attributable to equity holders of EDP (in Euros)	0.23	0.17	0.19	0.21
Basic earnings per share from continuing operations (in Euros)	0.23	0.17	0.19	0.21
Diluted earnings per share from continuing operations (in Euros)	0.23	0.17	0.19	0.21

EDP Group calculates basic and diluted earnings per share attributable to equity holders of EDP using the weighted average number of ordinary shares outstanding during the period, net of changes in treasury stock during the period. Basic earnings per share and diluted earnings per share are equal because there are no dilution factors.

The average number of shares is determined as follows:

	Group		Company	
	Sep 2023	Dec 2022	Sep 2023	Dec 2022
Ordinary shares issued at the beginning of the period	3,965,681,012	3,965,681,012	3,965,681,012	3,965,681,012
Effect of shares issued during the period	169,820,476	-	169,820,476	-
Average number of realised shares	4,135,501,488	3,965,681,012	4,135,501,488	3,965,681,012
Effect of treasury stock	-18,259,389	-18,840,997	-18,259,389	-18,840,997
Average number and diluted average number of shares during the period	4,117,242,099	3,946,840,015	4,117,242,099	3,946,840,015

29. Reserves and retained earnings

This caption is as follows:

Thousand Euros	Group		Company	
	Sep 2023	Dec 2022	Sep 2023	Dec 2022
Legal reserve	835,564	793,136	835,564	793,136
Fair value reserve (cash flow hedge)	-620,959	-1,962,818	25,191	-764,676
Tax effect of fair value reserve (cash flow hedge)	186,478	467,716	-5,329	160,543
Fair value reserve of assets measured at fair value through other comprehensive income	9,690	15,847	-	-
Tax effect of the fair value reserve of assets measured at fair value through other comprehensive income	-731	-187	-	-
Currency translation reserve - Exchange differences arising on consolidation	-216,333	33,795	-	-
Currency translation reserve - Net investment hedge	-872,343	-860,381	-	-
Currency translation reserve - Net investment hedge - Cost of hedging	-25,617	-62,340	-	-
Treasury stock reserve (EDP, S.A.)	49,879	51,288	49,879	51,288
Other reserves and retained earnings	5,059,187	4,617,477	2,101,300	2,083,548
	4,404,815	3,093,533	3,006,605	2,323,839

The movement in Other reserves and retained earnings reflects the dilution effect resulting from EDP's capital increase, in March 2023 by issuing new shares, not accompanied by EDP and the scrip dividend and the Offer for EDP - Energias do Brasil S.A. (see Condensed Consolidated Statements of Changes in Equity and note 6).

Fair value reserve (financial assets at fair value through other comprehensive income)

The changes in this consolidated caption for the period are as follows:

Milhares de Euros	Fair Value Reserve				Balance Sep 2023
	Balance Dec 2022	Increases	Decreases	Perimeter variations	
Defined Crowd Corporation	5,001	-	-	-	5,001
Mercer and Dunas Funds (Energia RE portfolio) (see note 21)	-3,852	3,026	-	-	-826
SU Eletricidade, S.A. tariff deficit	352	-	-	-	352
Eólicas Páramo de Poza (associate portfolio)	7,761	-	-	-391	7,370
Other	6,585	268	-8,821	-239	-2,207
	15,847	3,294	-8,821	-630	9,690

Currency translation reserve – Exchange differences arising on consolidation

Exchange differences arising on consolidation corresponds to the amounts resulting from changes in the value of net assets of subsidiaries, joint ventures and associated companies resulting from changes in exchange rates. The exchange rates used in the preparation of the financial statements are as follows:

Currency		Exchange rates					
		Sep 2023		Dec 2022		Sep 2022	
		Close	Average	Close	Average	Close	Average
US Dollar	USD	1.059	1.083	1.067	1.053	0.975	1.064
Brazilian Real	BRL	5.307	5.425	5.639	5.440	5.258	5.463
Macao Pataca	MOP	8.545	8.741	8.566	8.492	7.882	8.583
Canadian Dollar	CAD	1.423	1.458	1.444	1.369	1.340	1.364
Singapore Dollar	SGD	1.444	1.452	1.430	1.451	1.400	1.463
Polish Zloty	PLN	4.636	4.584	4.690	4.688	4.870	4.674
Romanian Leu	RON	4.975	4.939	4.947	4.931	4.949	4.935
Pound Sterling	GBP	0.865	0.871	0.887	0.853	0.883	0.847
Mexican Peso	MXN	18.477	19.359	20.781	21.198	19.615	21.562
Colombian Peso	COP	4,325.597	4,773.599	5,133.686	4,470.960	4,439.842	4,326.162
Chinese Yuan	CNY	7.735	7.624	7.358	7.211	6.937	7.195
Korean Won	WON	1,425.260	1,410.246	1,344.090	1,358.073	1,400.690	1,348.790
Japanese Yen	JPY	158.100	149.651	140.660	138.027	141.010	135.968
Australian Dollar	AUD	1.634	1.621	1.579	1.516	1.508	1.504
Indonesian Rupiah	IDR	16,383.620	16,375.004	16,474.654	15,625.767	14,863.260	15,539.053
Malaysian Ringgit	MYR	4.974	4.892	4.692	4.629	4.520	4.616
Thai Bath	THB	34.145	33.565	36.648	36.869	36.823	31.497
Vietnamese Dong	VND	25,722.230	25,615.392	25,182.430	24,601.278	23,253.850	24,427.826
Hungarian Forint	HUF	389.500	381.763	400.870	391.286	422.180	384.807

Currency translation reserve – Net investment hedge and Cost of hedging

The changes in these captions, net of income tax, for the period are as follows:

Thousand Euros	Net investment hedge	Cost of Hedging
Balance as at 31 December 2022	-860,381	-62,340
Changes in fair value	-11,962	36,723
Balance as at 30 September 2023	-872,343	-25,617

Dividends

On 12 April 2023, the Shareholders General Meeting of EDP, S.A. approved the dividends distribution to shareholders of the net profit for the year 2022 in the amount of 794,964 thousand Euros, corresponding to a dividend of 0.19 Euros per share (including the treasury stock dividend). This distribution occurred on 03 May 2023.

30. Non-controlling interests

This caption is as follows:

Thousand Euros	Group	
	Sep 2023	Dec 2022
Non-controlling interests in income statement	358,266	490,748
Non-controlling interests in equity and reserves	4,870,884	4,460,411
	5,229,150	4,951,159

The movement by subgroup of the non-controlling interests item is analysed as follows:

Thousand Euros	EDP Renováveis Group	EDP Brasil Group	Other	Total
Balance as at 31 December 2022	3,757,137	1,027,390	166,632	4,951,159
Results	289,607	45,988	22,671	358,266
Dividends	-127,547	-21,354	-	-148,901
Currency Exchange differences	43,946	66,336	13	110,295
Capital Increases/Decreases	46,779	-	-	46,779
Changes in the fair value reserve (cash flow hedge)	175,306	-	179	175,485
Perimeter variations and Others	614,903	-879,819	983	-263,933
Balance as at 30 September 2023	4,800,131	238,541	190,478	5,229,150

The movement in Perimeter variations and Others reflects, essentially, the dilution effect resulting from EDP's capital increase, by issuing new shares, not accompanied by EDP, and the scrip dividend in the amount of 606,913 thousand Euros and the Offer for EDP - Energias do Brasil S.A. in the amount of 875,465 thousand Euros (see Condensed Consolidated Statements of Changes in Equity and note 6).

31. Financial debt

This caption is as follows:

Thousand Euros	Group		Company	
	Sep 2023	Dec 2022	Sep 2023	Dec 2022
Debt and borrowings – Non-current				
Bank loans:				
- EDP, S.A.	1,667	3,333	1,667	3,333
- EDP Finance B.V. **	1,117,651	-13,566	-	-
- EDP Brasil Group	175,429	284,657	-	-
- EDP Renováveis Group	912,405	936,595	-	-
- Others	4,120	370	-	-
	2,211,272	1,211,389	1,667	3,333
Non-convertible bond loans:				
- EDP S.A.	2,041,998	1,294,988	3,441,998	2,694,988
- EDP Finance B.V.	6,202,445	8,244,657	-	-
- EDP Brasil Group	985,188	1,389,029	-	-
	9,229,631	10,928,674	3,441,998	2,694,988
Hybrid bonds:				
- EDP S.A.	4,043,172	3,044,554	4,043,172	3,044,554
	4,043,172	3,044,554	4,043,172	3,044,554
Commercial paper:				
- EDP Finance B.V.	342,175	339,865	-	-
- EDP Brasil Group	-	250,429	-	-
	342,175	590,294	-	-
Other loans	20,719	36,108	-	-
	15,846,969	15,811,019	7,486,837	5,742,875
Accrued interest	1,431	31,482	-	-
Other liabilities:				
- Fair value of the issued debt hedged risk	-21,947	-59,897	17,580	11,195
Total Debt and Borrowings	15,826,453	15,782,604	7,504,417	5,754,070
Collateral Deposits – Non-current *	-38,822	-23,765	-	-
	15,787,631	15,758,839	7,504,417	5,754,070

* Deposits constituted as collateral for financial guarantee.

** Deferred discount of origination fees on celebrated RCF, which are currently not used.

Thousand Euros	Group		Company	
	Sep 2023	Dec 2022	Sep 2023	Dec 2022
Debt and borrowings – Current				
Bank loans:				
– EDP, S.A.	1,667	1,667	1,667	1,667
– EDP Finance B.V.	-	216	-	-
– EDP Brasil Group	322,880	153,853	-	-
– EDP Renováveis Group	203,997	432,012	-	-
– Other	503	-	-	-
	529,047	587,748	1,667	1,667
Non-convertible bond loans:				
– EDP S.A.	499,066	500,000	499,066	3,500,000
– EDP Finance B.V.	2,222,318	1,100,288	-	-
– EDP Brasil Group	400,913	212,976	-	-
	3,122,297	1,813,264	499,066	3,500,000
Hybrid bonds:				
– EDP, S.A.	-	672,800	-	672,800
	-	672,800	-	672,800
Commercial paper:				
– EDP S.A.	200,000	-	200,000	1,690,000
– EDP Finance B.V.	720,000	750,475	-	-
– EDP Brasil Group	122,491	117,029	-	-
	1,042,491	867,504	200,000	1,690,000
Other loans				
– Group Financial System (see note 41)	-	-	3,625,894	2,195,726
– Other	457	3,804	-	-
	457	3,804	3,625,894	2,195,726
Accrued interest	312,905	258,232	88,012	97,380
Other liabilities:				
– Fair value of the issued debt hedged risk	4,605	36,517	11,448	32,059
Total Debt and Borrowings	5,011,802	4,239,869	4,426,087	8,189,632
Collateral Deposits – Current *	-26,575	-29,336	-	-
	4,985,227	4,210,533	4,426,087	8,189,632

* Deposits constituted as collateral for financial guarantee.

Non-current Commercial Paper refers to two Commercial Paper programs with firm underwriting commitment for a period of over one year, in the total amount of 362,500 thousand US Dollars.

Main events of the period:

On 16 January 2023, EDP issued a subordinated hybrid green bond of 1,000 million Euros, which are non-callable up to 5.25 years respectively, and final maturity in April 2083.

In January 2023, EDP S.A. repurchased 672.800 thousand Euros of an issue called "EUR1,000,000,000 Fixed to Reset Rate Subordinated Notes due 2079" (see note 13).

On April 2023, EDP has signed a five-year loan facility, in the amount of 1,000 million Singapore Dollar (SGD), strengthening its commitment with the APAC region.

On 19 June 2023, under its "Debt Issuance Program (EMTN)", EDP issued a green bond of 750 million Euros maturing in June 2028.

On 28 July 2023, EDP signed a five-year revolving credit facility ('RCF'), with options to extend for 2 additional years (subject to Lenders' agreement), in the amount of 3.000 million, which can be drawn in Euros, US Dollars and Pound Sterling (up to 500 million GBP). The RCF is a sustainability-linked loan and includes two ESG KPIs: reduction of scope 1 and 2 greenhouse gas emissions and an increase in the percentage of installed capacity from renewable sources within EDP Group.

The nominal value of outstanding Bond loans placed with external counterparties, as at 30 September 2023, is as follows:

Issuer	Issue date	Interest rate	Type of hedge	Conditions/Redemp.	Nominal Value in Million Currency	Thousand Euros	
						Group	Company
Hybrids by EDP S.A.							
EDP S.A. (i)	Jan-23	Fixed rate EUR 5.943% (ii)	n.a.	Apr-83	1,000 EUR	1,000,000	1,000,000
						1,000,000	1,000,000
Issued under the Euro Medium Term Notes program (EMTN)							
EDP S.A.	Jun-23	Fixed rate EUR 3.875%	n.a.	Jun-28	750 EUR	750,000	750,000
						750,000	750,000

- (i) There is a call option exercisable at par by EDP from January 2028 until April 2028 and subsequently, on each interest payment date;
(ii) Fixed rate in the first 5,25 years, subsequently updated every 5 years.

Some of the loans contracted by the EDP Group, mainly debt issued under the EMTN, include some usual clauses in this type of operations, namely, "change-of-control", "negative pledge", "pari-passu" and "cross-default" clauses, each one only applicable under a restricted set of circumstances.

The Group has project finance funding that include the usual guarantees on this type of financings, namely the pledge or a promise of pledge of bank accounts and assets of the related projects. As of 30 September 2023, these financings amount to 1,054,333 thousand Euros (31 December 2022: 1,097,179 thousand Euros), within the financial debt caption. Additionally, there are 11,450 thousand Euros of other loans, as of 30 September 2023, that are being guaranteed by EDPR (31 December 2022: 16,111 thousand Euros). At 30 September 2023 the Group confirms the fulfilment of all the covenants of the Project Finance Portfolio under the Facilities Agreements.

EDP Group has several credit facilities it uses for liquidity management. EDP Group has short-term credit facilities of 255 million Euros, indexed to Euribor and Ester for the agreed period of use with spread conditions agreed in advance, all with a firm underwriting commitment. The Group also has three Commercial Paper programs with underwriting commitments: (i) two totaling 363 million US Dollars, maturing in 2025, both fully used at 30 September 2023; and (ii) 200 million Euros, maturing in 2025, which is fully used on 30 September 2023.

Regarding medium-term credit facilities with a firm underwriting commitment, EDP Group has two Revolving Credit Facilities, namely (i) 3,650 million Euros that mature in 2028, totally available as at 30 September 2023 ; and (ii) 3,000 million Euros, which mature in 2028, available in 2,550 thousand Euros as at 30 September 2023. The new RCF replaces the previous 2,095 million Euros RCF, which would reach maturity in March 2025, resulting in an increase in the contracted amount and in the number of committed banks. Additionally, EDP extended the maturity of the 3,650 million Euros RCF, signed in 2022, to August 2028.

As at 30 September 2023, future debt and interest payments and origination fees, by type of loan and currency, are as follows:

Thousand Euros	Sep 2024	Dec 2024	Dec 2025	Dec 2026	Dec 2027	Following years	Total
Bank loans:							
Euro	112,517	7,305	13,422	-	-	454,120	587,364
Brazilian Real	186,565	8,074	34,511	21,214	22,087	223,857	496,308
US Dollar	232,588	8,117	164,702	31,991	40,945	232,764	711,107
Other	78,350	16,252	55,085	20,420	17,299	879,113	1,066,519
	610,020	39,748	267,720	73,625	80,331	1,789,854	2,861,298
Bond loans:							
Euro	1,873,483	-	1,350,000	1,900,000	1,250,000	2,500,000	8,873,483
Brazilian Real	472,351	34,226	575,466	216,708	63,128	100,582	1,462,461
US Dollar	967,559	-	-	-	471,965	802,341	2,241,865
	3,313,393	34,226	1,925,466	2,116,708	1,785,093	3,402,923	12,577,809
Hybrid Bonds:							
Euro	43,795	-	-	-	-	4,077,200	4,120,995
	43,795	-	-	-	-	4,077,200	4,120,995
Commercial paper:							
Euro	920,206	-	-	-	-	-	920,206
Brazilian Real	122,491	-	-	-	-	-	122,491
US Dollar	1,555	-	342,175	-	-	-	343,730
	1,044,252	-	342,175	-	-	-	1,386,427
Other loans:							
Euro	941	-	-	252	-	-	1,193
Brazilian Real	435	-	-	-	-	11,294	11,729
Other	183	-	-	-	-	9,176	9,359
	1,559	-	-	252	-	20,470	22,281
Fair Value	4,605	-	-30,214	-	-	8,267	-17,342
Origination Fees	-5,822	-	-2,703	-3,629	-4,756	-96,303	-113,213
	5,011,802	73,974	2,502,444	2,186,956	1,860,668	9,202,411	20,838,255

32. Employee benefits

Employee benefits are as follows:

Thousand Euros	Non-Current		Current	
	Sep 2023	Dec 2022	Sep 2023	Dec 2022
Provisions for pension liabilities	195,956	254,005	93,902	92,192
Provisions for medical liabilities and other benefits	377,447	390,294	46,209	34,575
	573,403	644,299	140,111	126,767

The movement in Provisions for employee benefits liabilities for EDP Group is as follows:

Thousand Euros	Sep 2023	
	Pensions	Medical and Other
Balance at the beginning of the period	346,197	424,869
Charge for the period	9,087	17,452
Actuarial (gains)/losses	-26,210	-8,067
Charge-off	-74,514	-23,778
Fund contributions	-	-5,585
Surplus/(Deficit) pension funding (see note 25)	32,326	14,764
Transfers, reclassifications and exchange differences	2,972	4,001
Balance at the end of the period	289,858	423,656

The components of the consolidated net cost of the plans for employee benefits recognised during the period are as follows:

Thousand Euros	Sep 2023	
	Pensions	Medical and Other
Current service cost	2,059	2,416
Operational component (see note 10)	2,059	2,416
Net interest on the net pensions plan liability	7,028	15,036
Financial component (see note 13)	7,028	15,036
	9,087	17,452

With reference to 30 September 2023, the net movement of the Provision for pension liabilities period corresponds to a decrease of 41,575 thousands of Euros, which includes 46,084 thousands of Euros correspond to the negative net movement seen in Portugal, 623 thousands of Euros correspond to the negative net movement seen in Spain and 5,132 thousands of Euros correspond to the positive net movement seen in Brazil.

In turn, the net movement in the Provision period for liabilities for medical care and other benefits corresponds to a decrease of 15,977 thousands of Euros, of which 22,502 thousands of Euros correspond to the negative net movement in Portugal, 7,231 thousands of Euros correspond to the negative net movement seen in Spain and 13,756 thousands of Euros correspond to the positive net movement seen in Brazil.

On 30 September 2023, the determination of the cost of current services and net interest was based on the cost estimate for the period actuarially determined on 31 December 2022.

33. Provisions

Provisions are as follows:

Thousand Euros	Non-Current		Current	
	Sep 2023	Dec 2022	Sep 2023	Dec 2022
Provision for legal and labour matters and other contingencies	134,524	123,230	2,336	2,510
Provision for customer guarantees under current operation	-	-	2,365	2,092
Provision for dismantling and decommissioning	470,523	498,694	20,725	8,500
Provision for other liabilities and charges	310,391	300,135	31,742	38,183
	915,438	922,059	57,168	51,285

With reference to 30 September 2023, the movement by nature of the Provisions item at the EDP Group level is presented as follows:

Thousand Euros	Legal, labour and other matters	Guarantees customers in the context of current activity	Dismantling and Decommissioning	Other risks and charges	Total
Balance as at 31 December 2022	125,740	2,092	507,194	338,318	973,344
Perimeter variations (see note 6)	-	-	-1,760	-	-1,760
Charge for the period	30,223	779	-	1,957	32,959
Reversals	-8,776	-107	-	-2,972	-11,855
Charge-off for the period	-19,240	-417	-2,905	-4,371	-26,933
Unwinding (see note 13)	13,983	-	12,292	1,101	27,376
Increase of the responsibility (see note 15)	-	-	11,227	-	11,227
CMEC	-	-	-	10,092	10,092
Exchange differences and other	9,120	18	-9,903	2,392	1,627
Reclassification to Liabilities Held for Sale (see note 38)	-14,190	-	-24,897	-4,384	-43,471
Balance as at 30 September 2023	136,860	2,365	491,248	342,133	972,606

EDP and its subsidiaries' Board of Directors, based on the information provided by its legal advisors and on the analysis of pending lawsuits, have recognised provisions to cover the losses estimated as probable, related with litigations in progress.

In their ordinary course of business, EDP Group subsidiaries are involved in several litigations and contingencies (of possible risk) of administrative, civil, tax, labour and other natures. These legal, arbitration or other actions, involve customers, suppliers, employees and administrative authorities. In EDP Group and its legal advisors' opinion, the risk of a loss in these actions is not probable, and the outcome will not affect on a material way its consolidated financial position.

The processes whose losses were considered as possible, do not require the recognition of provisions and are periodically reassessed. As at 30 September 2023, there were no significant changes in the losses considered as possible as of 31 December 2022, with the following exception:

i) On 29 July 2016, the Portuguese Competition Authority (AdC) has notified EDP S.A. and EDP Comercial, S.A. with a notice for alleged violation of competition laws, regarding the process of the commercial campaign done in partnership with Modelo Continente, designated as "Plano EDP Continente". This was an occasional campaign, limited to two years, which was one of several campaigns usually performed by several other market agents. On 5 May 2017, EDP S.A. and EDP Comercial, S.A. received AdC final decision which applied a fee of 2,900 thousand Euros to EDP S.A. and 25,800 thousand Euros to EDP Comercial. EDP Group is convinced that this campaign has brought real benefits to consumers and competition in markets and that no transgression has been committed. The companies filed their appeal on 19 June 2017 to TCRS. By this court was determined a court hearing that EDP and EDP Comercial would provide security in the amount of 50% of the fine imposed on them by the AdC, and on 19 June 2020, EDP and EDP Comercial provided surety bond and surety in the amounts of 1,450 thousand Euros and 12,900 thousand Euros, respectively. On 30 September 2020, a judgment was issued by the TCRS, which maintained the conviction of the two companies of the EDP Group, as well as Sonae Group's Companies, having also reduced fines by 10%. Fines were determined at 2,610 thousand Euros and 23,220 thousand Euros for EDP and EDP Comercial, respectively. On 30 October 2020, EDP and EDP Comercial appealed the condemnatory sentence handed down by the TCRS, to the Lisbon Court of Appeal.

On 6 April 2021, the parties were notified of the judgment handed down by the Court of Appeal of Lisbon, through which it decreed the suspension of the proceedings and the preliminary referral of the case to the Court of Justice of the European Union, under the foreseen mechanism Article 267(b) of the Treaty on the Functioning of the European Union. The case was filed at the Registry of the Court of Justice on 26 May 2021, with written observations having been submitted by the parties on the questions referred by the Lisbon Court of Appeal. Following the oral trial hearing at the Court of Justice of the European Union held on 9 November 2022, EDP and EDP Comercial were notified on 2 March 2023 of the Advocate General's conclusions. The judgment of the Court of Justice of the European Union was delivered on 26 October 2023, following the referral questions raised by the Lisbon Court of Appeal, referring the decision on some of the questions to the latter. The judgment of the Lisbon Court of Appeal is awaited;

ii) On 3 September 2018, the Portuguese Competition Authority (AdC) notified EDP Produção with a Statement of Objections, under which EDP Produção is accused of abuse of a dominant position in the secondary regulation band market (a part of the ancillary services market). AdC claims that EDP Produção has deliberately limited the participation of CMEC plants in the secondary regulation market between 2009 and 2014, benefitting its non-CMEC power plants. The alleged benefit, to the detriment of consumers, would be twofold: receiving higher compensation under CMEC annual adjustment regime; profiting from higher market prices in said market. AdC has estimated that the alleged practice of EDP Produção has generated damages to the national electricity system and to consumers of around 140 million Euros. AdC pointed out that the adoption of a Statement of Objections did not determine the result of the investigation, which began in September 2016 and is still in course. On 28 November 2018, EDP Produção presented to AdC its facts about the accusation.

On 18 September 2019, AdC has notified EDP Produção of an alleged infraction to competition rules. This contingency was estimated with a value of 48 million Euros and its graduation was assessed as possible (see note 4). On 30 October 2019, EDP Produção presented an appeal against this decision to the TCRS. On 20 May 2020, EDP Produção was notified of a decision by the TCRS, which, among other things, admitted its Judicial Challenge Appeal, establishing a purely return effect and determining the payment of the fine imposed within 20 days. In this regard, EDP Produção submitted requests, invoking supervening facts for the demonstration of considerable damage, and arguing defects in the decision that determined the attribution of a mere devolution effect to the Judicial Challenge Appeal. On 16 July 2020, EDP was notified of an order which implied the existence of substantial losses if the fine was paid in advance. Thus, the payment order was therefore suspended.

However, on 12 October 2020, EDP Produção was notified of the appeal filed by the Public Prosecutor's Office, at the Lisbon Court of Appeal, against the TCRS order of 16 July 2020, and considered the existence of considerable damage in the early payment of the fine and suspended the payment order. On 18 November 2020, EDP Produção was notified of a decision by the Lisbon Court of Appeal, granting the appeal presented by the Public Prosecutor and, consequently, revoking the order of TCRS of 16 July 2020.

EDP Produção appealed this judgment to the Constitutional Court on 30 November 2020. On 22 February 2021, EDP Produção was notified of the decision of the Constitutional Court in the sense of not knowing the object of the appeal. The case was returned to the TCRS to establish the effect of the appeal filed, to determine whether EDP Produção must pay a fine or provide a guarantee. By order of the same day, the TCRS has scheduled the trial hearing for 27 September, 7, 11 and 25 October, 4, 8, 18, 22 November and 2 and 6 December 2021. On 16 September 2021, the TCRS issued an order that demanded the payment of the fine. Despite having lodged an appeal against this order, on 20 October 2021 EDP Produção paid the amount under appeal, and is waiting for a decision on the appeals submitted. The trial hearing, which began in October 2021, continued with several inquiries until the end of March 2022, with closing arguments taking place on 6 July 2022. On 10 August 2022, the TCRS delivered a judgement, through which it confirmed the conviction of EDP Produção and the imposition of a fine of 48 million Euros, which had already been paid. On 30 September 2022, EDP Produção filed an appeal against the aforementioned decision to the Lisbon Court of Appeal. This was followed by the filing of counter-claims by the AdC and the Public Prosecutor's Office. On 30 June 2023, the trial hearing was held before the Lisbon Court of Appeal.

On 25 September 2023, the Lisbon Court of Appeal partially rejected the appeal filed by EDP Produção, confirming the conviction of the TCRS, and also ruled in favor of reducing the fine amount from 48 million Euros to 40 million Euros. On 2 October 2023, EDP Produção filed a request with the Lisbon Court of Appeal to challenge the flaws in the ruling. On 9 October 2023, a request for an appeal was submitted to the Constitutional Court, raising the unconstitutionality alleged by EDP Produção throughout the process. A decision from the Constitutional Court is awaited on the admissibility of the appeal and notification to present written arguments against the decision of the Lisbon Court of Appeal.

iii) On 19 July 2021, Celulose Beira Industrial, SA (CELBI), submitted to SU Eletricidade, SA a constitutional request of an Arbitral Tribunal, regarding a conviction of a payment of the energy produced by it under special production in cogeneration, and its interest, since April 2020 (date on which, in accordance with the law and the understanding of DGE and followed by SU Eletricidade, CELBI has moved to the transitional remuneration scheme provided for in DL No. 23/2010 and Ordinance No. 140/2012), and throughout the term of operation of its Cogeneration Center (which it estimates to be at least 25 years), i.e. at least until 24 March 2035 (supporting this understanding in the fact that the 2002 Remuneration Scheme does not establish any period); or, in the alternative, until 24 March 2030 (claiming that you are entitled to be remunerated under the 2002 Remuneration Scheme for a further 120 months (10 years) from March 2020); or, in the alternative, until November 2020 (claiming that the transition to the 2012 Remuneration Scheme should only take place six months after the effective knowledge of the communication sent by the SRB); or, in the alternative, until August 2020 (in the alternative claiming that the transition from CELBI's remuneration scheme would operate from the beginning of the month following the date of the audit report certifying primary energy savings, which means the transition would operate from August 2020 because the audit report is from July 2020). The overall value of the application amounts to 6,839 thousand Euros and has been classified as possible risk. In October 2021, SU Eletricidade filed a challenge. In February 2022, Procedural Decision No. 1 was issued, by which the Arbitral Tribunal considered itself competent to adjudicate the dispute between the parties, which was challenged by SU Eletricidade through annulment action filed in March 2022, currently pending at the Central Administrative Court, the pleadings phase having elapsed. In April 2022, the preparatory hearing was held, which was intended in particular to discuss previous questions raised as well as to the fixing of the list of the facts not at issue and the themes of the evidence. In June 2022, the parties filed a joint application alleging supervening facts. The trial hearing took place on 13, 14 and 15 September 2022 and, on 5 of December 2022, the parties presented the respective final written arguments. On 30 January 2023, the parties were notified of the arbitral award, which partially upheld one of the claims filed by CELBI (corresponding to 11.75% of them). On 31 March 2023, SU Eletricidade filed an action to annul the arbitral award at the South Administrative Central Court.

Finally, even if EDP Group classifies its risk as remote, it is important to identify the following litigation:

i) On 27 October 2009 and 5 January 2010, the EDP Group received two tax settlements regarding 2005 and 2006 taxable income for the EDP tax Group, which included an adjustment of 591 million Euros regarding its subsidiary, EDP Internacional SGPS, related to the tax treatment considered by the EDP Group in relation to a capital loss generated with the liquidation of a subsidiary, whose main assets consisted of investments in operating subsidiaries in Brazil, namely EDP Espírito Santo and Enersul. As at 30 September 2023, the amount of this tax contingency amounts to 323 million Euros (31 December 2022: 315 million Euros).

Considering the analysis made, the technical advice received and a favourable binding opinion obtained from the tax authorities in relation to the nature of the transaction occurred in the year of the assessment, the EDP Group considers as remote the risk associated with this matter. Under this analysis, the capital loss is tax deductible for income tax purposes as established in article 75 no. 2 of the Corporate Income Tax Code ("Código do IRC") based on the wording of the law in force at that date (existing article 81).

Given the above, and considering that the EDP Group's tax procedures comply with applicable Portuguese tax legislation at the date of the events, the Group is currently using all available legal means to contest these additional settlements. Thus, following the implied rejection of the hierarchical appeal, EDP presented a judicial claim, on 6 June 2012. In November 2018, EDP Group was notified with a decision in favour. The Treasury filed an appeal on that decision.

34. Institutional partnerships in North America

The caption Institutional partnerships in North America is as follows:

Thousand Euros	Group	
	Sep 2023	Dec 2022
Deferred income related to benefits provided	787,490	798,363
Liabilities arising from institutional partnerships	1,333,344	1,413,799
	2,120,834	2,212,162

The movements in Institutional partnerships in North America are as follows:

Thousand Euros	Group	
	Sep 2023	Dec 2022
Balance at the beginning of the period	2,212,162	2,259,741
Proceeds received from institutional investors	56,936	53,714
Cash paid for deferred transaction costs	-1,604	-2,172
Cash paid to institutional investors	-95,374	-128,927
Other Income (see note 8)	-169,061	-233,505
Unwinding (see note 13)	61,037	96,955
Perimeter variations (see note 6)	45,496	24,892
Exchange differences	12,689	144,123
Other	-1,447	-2,659
Balance at the end of the period	2,120,834	2,212,162

During 2023, EDPR NA, has secured and received proceeds amounting to 56,936 thousand Euros related to institutional equity financing in exchange for an interest in onshore wind projects.

Under these partnerships, EDP Group provides operating guarantees to institutional investors in wind and solar projects, which are typical of this type of structure. As at 30 September 2023, the liabilities associated with these guarantees are not expected to exceed the amounts already recognized under the caption Liabilities arising from institutional partnerships.

35. Trade payables and other liabilities from commercial activities

At Group level, Trade payables and other liabilities from commercial activities are as follows:

Thousand Euros	Non-Current		Current	
	Sep 2023	Dec 2022	Sep 2023	Dec 2022
Contract liabilities:				
Energy sales contracts – North America	3,649	4,238	-	-
Deferred income – CMEC (see note 24)	32,721	24,950	46,926	55,616
Amounts received from the Fund for systemic sustainability of the energy sector	-	-	-	630,053
	36,370	29,188	46,926	685,669
Other liabilities:				
Investment government grants	317,440	327,118	-	-
Customer contract obligations	435,729	443,517	-	-
Amounts payable for tariff adjustments – Electricity – Portugal	-	-	274,536	958,357
Amounts payable for tariff adjustments – Electricity – Brazil	35,914	20,767	131,510	184,381
Amounts payable – securitisations	-	-	70,246	89,027
Amounts payable – CMEC	-	-	229,377	228,247
Amounts payable for concessions	203,946	211,056	-	-
Property, plant and equipment suppliers	253,316	202,861	2,711,767	2,549,047
Suppliers	-	-	842,777	1,256,420
Accrued costs related with commercial activities	-	-	888,580	984,040
Holiday pay, bonus and other charges with employees	-	-	222,700	225,599
CO2 emission Licenses	-	-	150,825	707,920
Other creditors and sundry operations	178,706	177,947	357,022	536,263
	1,425,051	1,383,266	5,879,340	7,719,301
	1,461,421	1,412,454	5,926,266	8,404,970

At Company level, Trade payables and other liabilities from commercial activities are as follows:

Thousand Euros	Current	
	Sep 2023	Dec 2022
Other liabilities:		
Suppliers	118,108	1,291,273
Accrued costs related with commercial activities	35,308	503,498
Property, plant and equipment suppliers	584	2,701
Holiday pay, bonus and other charges with employees	36,608	39,298
Other creditors and sundry operations	116,884	233,728
	307,492	2,070,498

On an individual basis, the changes that occurred in these captions are justified by the transfer of the energy management activity on 1 February 2023 to EDP GEM Portugal, S.A. (see note 12).

Investment government grants are amortised through the recognition of a revenue in the income statement over the useful life of the related assets, which amounts to 22,215 thousand Euros as at 30 September 2023.

The movement for the period in Amounts payable for tariff adjustments – Electricity – Portugal (Non-current and Current) is as follows:

Thousand Euros	Non-Current	Current
Balance at the beginning of the period	-	958,357
Payment through the electricity tariff	-	-686,935
Tariff adjustment of the period (see note 7)	154,240	-
Interest expense (see note 13)	-	2,396
Transfer to/from tariff adjustment payable (see note 24)	-154,240	718
Balance at the end of the period	-	274,536

The captions Amounts payable and Amounts Receivable for tariff adjustments – Electricity – Brazil, refer to tariff adjustments recognised in EDP São Paulo – Distribuição de Energia S.A. and EDP Espírito Santo – Distribuição de Energia S.A.

Thousand Euros	Non-current		Current	
	Sep 2023	Dec 2022	Sep 2023	Dec 2022
Amounts payable for tariff adjustments – Electricity – Brazil	35,914	20,767	131,510	184,381
Amounts receivable from tariff adjustments – Electricity – Brazil (see note 24)	-17,172	-12,883	-3,560	-14,310
	18,742	7,884	127,950	170,071

The movement for the period in Amounts payable and Amounts Receivable for tariff adjustments – Electricity – Brazil (Non-current and Current) is as follows:

Thousand Euros	Sep 2023
Balance at the beginning of the period	177,955
Tariff adjustment of the period (see note 7)	119,236
Payment/Receipt through the electricity tariff	-159,503
Interest expense/income (see note 13)	-1,212
Effect of exchange differences of the Brazilian Real against the Euro	10,216
Balance at the end of the period	146,692

The movement includes the recognition of 171,103 thousand Euros (907,958 thousand Brazilian Real) of the refund and a negative amount of 164 thousand Euros (869 thousand Brazilian Real) of unwinding over the amount resulting from the non-inclusion, in 2019, of the amounts of VAT borne in the basis of calculation of PIS and COFINS (1,756,597 thousand Brazilian Real as at 31 December 2019, of which 1,842,326 thousand Brazilian Real were returned, between 2020 and September 2023, through the electricity tariff, with a negative unwinding of 148,661 thousand Brazilian Real).

The caption Amounts payable for concessions includes the concession rights for the operation of the hydric domain of Alqueva and Pedrógão transferred by EDIA in the amount of 119,440 thousand Euros (31 December 2022: 125,154 thousand Euros) and the financial compensation for the use of the public domain related to concession agreements of Investco, S.A. and Enerpeixe, S.A. in Brazil in the amount of 84,506 thousand Euros (31 December 2022: 85,903 thousand Euros).

The caption Property, plant and equipment suppliers – Current and Non-current includes amounts payable arising from assets and projects acquisitions in the amount of 400,002 thousand Euros (31 December 2022: 332,727 thousand Euros) and the amounts due related with the construction of windfarms and solar parks in North America in the amount of 1,777,801 thousand Euros (31 December 2022: 1,409,674 thousand Euros), in Europe in the amount of 486,081 thousand Euros (31 December 2022: 466,270 thousand Euros) and in South America in the amount of 197,546 thousand Euros (31 December 2022: 375,583 thousand Euros).

The caption CO2 emission licenses includes the licenses corresponding to CO2 emissions made during 2023 in Portugal and Spain, in the amount of 61,368 thousand Euros and 89,457 thousand Euros, respectively (31 December 2022: 149,733 thousand Euros and 558,187 thousand Euros). The variation that occurred includes the consumption of 2023 and return, in 2023, of the licenses related to 2022 consumptions, which are delivered by April of the year following their consumption to the regulatory authorities.

The caption Other creditors and sundry operations – Current and Non-current includes, essentially, the amount payable to Mibel for daily energy transactions, amounts referring to the adjustments of the pool's price estimate in accordance with the regulatory mechanism for the renewable generation sector in Spain and amounts payable related to the reinsurance activity.

36. Other liabilities and other payables

Other liabilities and other payables are as follows:

Thousand Euros	Group		Company	
	Sep 2023	Dec 2022	Sep 2023	Dec 2022
Other liabilities and other payables – Non-Current				
Liabilities measured at amortised cost:				
Loans from non-controlling interests	644,760	659,367	-	-
Lease Liabilities	1,276,258	1,252,000	137,860	139,728
Liabilities measured at fair value through profit or loss:				
Derivative financial instruments (see note 39)	1,261,556	2,701,116	1,033,915	2,013,300
Amounts payable and contingent prices for acquisitions/sales	154,610	152,614	30,134	30,134
Other Liabilities:				
Other creditors and sundry operations	393,107	394,399	-	-
	3,730,291	5,159,496	1,201,909	2,183,162
Other liabilities and other payables – Current				
Liabilities measured at amortised cost:				
Loans from non-controlling interests	24,552	17,582	-	-
Dividends attributed to related companies	25,925	77,182	-	-
Group companies	-	-	7,112	3,857
Lease Liabilities	147,686	135,792	12,270	12,603
Liabilities measured at fair value through profit or loss:				
Derivative financial instruments (see note 39)	1,440,106	3,052,590	1,521,556	3,192,332
Amounts payable and contingent prices for acquisitions/sales	156,913	274,974	14,809	32,325
Other Liabilities:				
Other creditors and sundry operations	50,866	42,773	585,005	152,185
	1,846,048	3,600,893	2,140,752	3,393,302
	5,576,339	8,760,389	3,342,661	5,576,464

The caption Loans from non-controlling interests Non-Current and Current mainly includes:

Thousand Euros		Sep 2023	Dec 2022
ACE Portugal (CTG Group)	Fixed rate of 3.75%	21,306	20,713
ACE Poland (CTG Group)	Fixed rate of a range between 2.95% / 7.23%	33,940	41,026
ACE Italy (CTG Group)	Fixed rate of 4.5%	30,198	31,954
Macquarie Super Core Infrastructure Fund SD Holdings S.À.R.L.	Fixed rate of a range between 0.40% / 2.73%	572,284	572,124
		657,728	665,817

The variation of the caption Amounts payable and contingent prices for acquisitions/sales results essentially from the recognition of the costs actually incurred in the construction of the respective wind farms, as provided for in the context of the operation to sell projects in North America in 2021 and 2022.

The movements in Lease Liabilities – Non Current and Current are as follows:

Thousand Euros	Sep 2023
Balance at the beginning of the period	1,387,792
Charge for the period	128,015
Unwinding of lease liabilities (see note 13)	35,161
Lease payments (principal and interests)	-105,997
Exchange differences	9,204
Perimeter variations and other regularisations	-30,231
Balance at the end of the period	1,423,944

The nominal value of Lease Liabilities, by maturity, is as follows:

Thousand Euros	Sep 2023				
	Capital outstanding by maturity				
	Total	Less than 5 year	From 5 to 10 years	From 10 to 15 years	More than 15 years
Lease Liabilities	2,248,799	592,721	433,500	415,376	807,202

On an individual basis, the changes that occurred in the caption Other creditors and sundry operations is justified by the transfer of the energy management activity on 1 February 2023 to EDP GEM Portugal, S.A. (see note 12).

37. Tax liabilities

Tax liabilities are as follows:

Thousand Euros	Group		Company	
	Sep 2023	Dec 2022	Sep 2023	Dec 2022
Non Current				
Special tax Brazil	149,841	179,250	-	-
Current				
Income tax	493,564	163,784	396,156	28,913
Withholding tax	58,375	85,207	1,194	1,322
Value Added Tax (VAT)	295,323	558,718	22,353	3,097
Special taxes Brazil	68,213	50,510	-	-
CESE	49,359	-	-	-
Other taxes	150,485	142,883	1,370	1,370
	1,115,319	1,001,102	421,073	34,702
	1,265,160	1,180,352	421,073	34,702

The Special taxes Brazil caption relates to the following taxes: CSLL (Social Contribution on net profits), PIS (Social integration programme) and COFINS (Social Security Financing Contribution).

38. Non-Current assets and liabilities held for sale

These captions are as follows:

Thousand Euros	Group	
	Sep 2023	Dec 2022
Assets held for sale		
Electricity transmission	558,404	-
Electricity generation - Onshore wind	255,121	-
Electricity generation - Thermal	702,663	-
Electricity generation - Joint Ventures	84,859	92,702
Electricity generation - Onshore wind - Other	-	9,198
	1,601,047	101,900
Liabilities held for sale		
Electricity transmission	419,195	-
Electricity generation - Onshore wind	47,302	-
Electricity generation - Thermal	424,217	-
	890,714	-
	710,333	101,900

During the fourth quarter of 2022, EDP Group started the process of selling an electricity production joint ventures. The asset associated with this investment was presented in non-current assets held for sale.

During the second quarter of 2023, the EDP Brasil Group, as part of its decarbonisation plan, started the process of selling Porto do Pecém Geração de Energia, S.A., which owns its coal power plant in Brazil. In September 2023, the EDP Brasil Group entered into an agreement with a group of Brazilian investors coordinated by Mercurio Asset for the sale of 80% of the stake in this company and, under certain conditions, a put option for the sale of the remaining 20% up to the end of the PPA (in 2027). Assets and liabilities associated with this company were presented in non-current assets and liabilities held for sale.

During the second quarter of 2023, EDPR Group, as part of its asset rotation program, started the process of selling an onshore wind portfolio in Spain. Assets and liabilities associated with this portfolio were presented in non-current assets and liabilities held for sale. During the third quarter of 2023, EDPR Group announced the closing of this transaction (see note 6).

During the third quarter of 2023, EDPR Group, as part of its asset rotation program, started the process of selling an onshore wind portfolio in Brazil. Assets and liabilities associated with this portfolio were presented in non-current assets and liabilities held for sale.

During the third quarter of 2023, the EDP Brasil Group started the asset rotation process of two transmission lines with a total length of 857 kilometers: EDP Transmissão SP-MG, S.A. e Mata Grande Transmissora de Energia LTDA. Assets and liabilities associated with this portfolio was presented in non-current assets and liabilities held for sale.

During the third quarter of 2023, the EDP España Group, as part of its decarbonisation plan, started the process of selling a company, which owns its Aboño coal power plant in Spain (see note 43). Assets and liabilities associated with this company were presented in non-current assets and liabilities held for sale.

As at 30 September 2023 the following reclassifications were made to held for sale:

Thousand Euros	Networks	Renewables, Clients & EM		Other Segments	Total
	Transmission	Onshore wind	Thermal	Joint Ventures	
Assets					
Property, plant and equipment (see note 15)	-	-244,593	-433,762	-	-678,355
Deferred tax assets	-	-	-58,306	-	-58,306
Investments in joint ventures and associates (see note 20)	-	-	-1,834	7,843	6,009
Amounts receivable from concessions – IFRIC 12 (see note 24)	-512,940	-	-	-	-512,940
Inventories	-34	-28	-147,873	-	-147,935
Other assets	-26,483	-9,382	-74,851	-	-110,716
Cash and cash equivalents (see note 27)	-18,947	-1,118	-91,313	-	-111,378
Assets Held for Sale	558,404	255,121	807,939	-7,843	1,613,621
	-	-	-	-	-
Liabilities					
Financial debt	-300,126	-39,755	-219,881	-	-559,762
Provisions (see note 33)	-12,397	-740	-30,334	-	-43,471
Deferred tax liabilities	-46,663	-335	-	-	-46,998
Other liabilities	-60,009	-6,472	-174,002	-	-240,483
Liabilities Held for Sale	419,195	47,302	424,217	-	890,714
	-	-	-	-	-

The classification of assets and liabilities of Porto de Pecém Geração de Energia, S.A. as held for sale resulted in an impairment loss of 105,276 thousand Euros (577.195 thousand Reais), since the fair value less costs to sell is lower than its book value. The remaining reclassifications were made only for financial statement presentation purposes, without impact on the measurement of these assets and liabilities.

39. Derivative financial instruments

In accordance with IFRS 9, the Group classifies derivative financial instruments as fair value hedge of a recognised asset or liability (Fair value hedge), as cash flow hedge of recognised liabilities and highly probable future transactions (Cash flow hedge), as net investment hedge in foreign operations (Net investment hedge), or as held for trading, if or when they are not eligible for hedge accounting.

The fair value of the derivative financial instruments in EDP Group is as follows:

Thousand Euros	Sep 2023		Dec 2022	
	Assets	Liabilities	Assets	Liabilities
Net investment hedge				
Cross-currency interest rate swaps	52,149	-180,227	36,986	-211,081
Currency forwards	4,256	-877	25,726	-84,063
Fair value hedge				
Interest rate swaps	373	-36,981	479	-34,407
Cross-currency interest rate swaps	16,206	-39,691	26,007	-47,711
Cash flow hedge				
Interest rate swaps	36,697	-1,367	114,670	-1,611
Swaps related to gas commodity	161,382	-786,741	557,885	-2,279,446
Electricity swaps	314,361	-705,362	306,998	-1,262,063
Currency forwards (includes commodities forwards)	49,889	-13,696	71,295	-37,437
CO2 forwards	4,598	-11,409	-	-
Trading				
Interest rate swaps	40,928	-33,275	14,474	-10,625
Cross-currency interest rate swaps	5,822	-31,666	11,382	-48,289
Commodity swaps and forwards	662,560	-775,932	1,277,258	-1,680,641
Currency forwards	36,444	-65,678	81,990	-33,173
CO2 forwards	1,980	-11,582	2,196	-12,116
Currency forwards associated to commodities	32,203	-7,178	48,352	-11,043
	1,419,848	-2,701,662	2,575,698	-5,753,706

The fair value of the derivative financial instruments at Company level is as follows:

Thousand Euros	Sep 2023		Dec 2022	
	Assets	Liabilities	Assets	Liabilities
Cash flow hedge				
Interest rate swaps	-	-	92,527	-57,498
Swaps related to gas commodity	-	-	-187,698	-1,260,430
Electricity swaps	-	-	438,952	-142,417
Currency forwards (includes commodities forwards)	-	-	60,352	8,382
Trading				
Interest rate swaps	54,044	-60,234	36,637	-35,203
Cross-currency interest rate swaps	172,896	-205,699	165,562	-217,572
Commodity swaps	2,078,779	-2,078,779	3,143,029	-3,186,752
Currency forwards	97,081	-97,066	189,713	-189,713
Commodity forwards	29,569	-29,569	33,618	-92,557
Currency forwards associated to commodities	84,124	-84,124	67,896	-31,872
	2,516,493	-2,555,471	4,040,588	-5,205,632

The fair value of derivative financial instruments is booked in Other debtors and other assets (see note 25) and Other liabilities and other payables (see note 36), according to its nature.

As at 30 September 2023, the following market inputs were considered for the fair value calculation:

Instrument	Fair value indexed to the following market inputs
Cross-curr. int. rate swaps	Interest rates: Euribor 3M, Euribor 6M, Libor 3M, Libor 6M, Daily CDI, Wibor 3M, Wibor 6M, CAD Libor 3M e Robor 3M; and exchange rates: EUR/GBP, EUR/BRL, EUR/CAD, EUR/COP, EUR/USD, USD/EUR.
Interest rate swaps	Interest rates: Euribor 3M, Euribor 6M, Wibor 6M, US Libor 3M e CAD Libor 3M, COOVIBR, Daily CDI, IPCA, SOFTRATE and SORA.
Currency forwards	Exchange rates: EUR/USD, EUR/PLN, EUR/BRL, EUR/HUF, EUR/CAD, EUR/COP, EUR/JPY, EUR/KRW, EUR/TWD, GBP/EUR, SGD/EUR, USD/CAD, USD/EUR, USD/HUF, USD/PLN, VND/USD and USD/COP.
Commodity swaps	Market quotes of commodities: Brent, NBP Natural Gas, Electricity, Henry Hub, TTF, Coal, CO ₂ , JKM and Mibgas.

40. Commitments

Operating guarantees granted by EDP Group, not included in the consolidated statement of financial position nor in the Notes, are as follows:

Thousand Euros	Group		Company	
	Sep 2023	Dec 2022	Sep 2023	Dec 2022
Operating guarantees				
EDP S.A.	990,170	966,223	990,170	966,223
EDP España Group	55,790	56,894	-	-
EDP Brasil Group	184,034	158,503	-	-
EDP Renováveis Group	3,896,631	3,717,511	-	-
	5,126,625	4,899,131	990,170	966,223

In addition to the above warranties, the amount of 10,237 thousand Euros refers to guarantees of an operating nature related to Spanish, Polish and Hungarian entities sold in 2022, but for which EDP assumes the responsibility temporarily until they are effectively replaced.

In addition to the guarantees identified above, EDP Group provides financial and operating guarantees related to liabilities assumed by joint ventures and associates in the amount of 928,289 thousand Euros and 283,057 thousand Euros, respectively (31 December 2022: 595,766 thousand Euros and 475,044 thousand Euros).

In the Group, the commitments relating to future cash outflows not reflected in the measurement of the lease liabilities and purchase obligations are disclosed, by maturity, as follows:

Thousand Euros	Sep 2023				
	Capital outstanding by maturity				
	Total	Less than 1 year	From 1 to 3 years	From 3 to 5 years	More than 5 years
Future cash outflows not reflected in the measurement of the lease liabilities	215,886	27,423	31,826	17,523	139,114
Purchase obligations	27,513,442	7,735,856	5,306,857	3,032,258	11,438,471
	27,729,328	7,763,279	5,338,683	3,049,781	11,577,585

At Company level, the commitments relating to future cash outflows not reflected in the measurement of the lease liabilities and purchase obligations are disclosed, by maturity, as follows:

Thousand Euros	Sep 2023				
	Capital outstanding by maturity				
	Total	Less than 1 year	From 1 to 3 years	From 3 to 5 years	More than 5 years
Future cash outflows not reflected in the measurement of the lease liabilities	39	35	4	-	-
Purchase obligations	286,709	101,091	126,049	59,569	-
	286,748	101,126	126,053	59,569	-

41. Related parties

Balances and transactions with subsidiaries, joint ventures and associates

In their ordinary course of business, EDP Group companies establish commercial transactions and operations with other Group companies, whose terms reflect current market conditions.

The credits and debits over subsidiaries, joint ventures and associates, at Company level, are as follows:

Credits held

Thousand Euros	30 September 2023			
	Intra-Group Financial	Loans and Interests	Other	Total
EDP Comercial, S.A.	194,081	66,270	184,815	445,166
E-Redes – Distribuição de Eletricidade, S.A	311,372	1,658,229	37,459	2,007,060
EDP Finance B.V.	-	258,012	38,402	296,414
EDP Produção, S.A.	-	2,516,422	177,287	2,693,709
EDP Renováveis, S.A.	-	-	104,366	104,366
EDP Servicios Financieros España, S.A.U.	217,911	-	6,459	224,370
SU Eletricidade, S.A.	916,650	-	5,511	922,161
EDP GEM Portugal, S.A.	-	-	1,880,572	1,880,572
EDP Renováveis Servicios Financieros, S.A.	-	-	195,476	195,476
EDP International Investments and Services, S.L.	-	886,223	29,740	915,963
Other	6,303	32,800	121,487	160,590
	1,646,317	5,417,956	2,781,574	9,845,847

The amount of 258,012 thousand Euros refers to one private placement by EDP S.A. of a bond issued by EDP Finance B.V.

Debits held

Thousand Euros	30 September 2023			Total
	Intra-Group Financial Mov.	Loans and Interests payable	Other Debits	
EDP Finance B.V.	2,349,306	1,422,475	46,071	3,817,852
EDP Produção, S.A.	221,486	-	17,987	239,473
EDP España, S.A.U.	-	-	25,224	25,224
EDP Clientes, S.A.	-	-	33,227	33,227
EDP GEM Portugal, S.A.	935,767	-	1,124,499	2,060,266
SU Eletricidade, S.A.	-	-	27,922	27,922
EDP Renováveis Servicios Financieros, S.A.	-	-	53,063	53,063
EDP Global Solutions – Gestão Integrada de Serviços, S.A.	67,470	-	4,111	71,581
Other	51,865	-	75,337	127,202
	3,625,894	1,422,475	1,407,441	6,455,810

At 30 September 2023, the amount of 1,422,475 thousand Euros includes two intragroup bonds issued by EDP Finance BV and acquired by EDP S.A., in the total amount of 1,415,363 thousand Euros, with fixed and variable rate and a term to maturity up to 10 years.

Expenses

Thousand Euros	30 September 2023			Total
	Interest on Intra-Group Financial Mov.	Interest on Loans Obtained	Other Losses	
EDP Finance B.V.	18,004	41,880	88,992	148,876
EDP Produção, S.A.	8,643	-	471,138	479,781
EDP España, S.A.U.	-	-	1,907,198	1,907,198
EDP Clientes, S.A.	-	-	241,828	241,828
EDP Comercial, S.A.	3,365	-	152,549	155,914
EDP Renováveis S.A.	-	-	109,009	109,009
EDP GEM Portugal, S.A.	5,618	-	202,089	207,707
EDP Renováveis Servicios Financieros, S.A.	-	-	101,044	101,044
Other	3,884	-	66,697	70,581
	39,514	41,880	3,340,544	3,421,938

Income

Thousand Euros	30 September 2023			Total
	Interest on Intra-Group Financial Mov.	Interest on Loans Granted	Other Gains	
EDP Comercial, S.A.	568	1,106	486,776	488,450
E-Redes – Distribuição de Eletricidade, S.A	5,528	16,555	178,601	200,684
EDP Produção, S.A.	51	16,422	671,471	687,944
EDP Finance B.V.	455	4,671	46,857	51,983
SU Eletricidade, S.A.	9,552	-	84,601	94,153
EDP Renováveis, S.A.	-	-	284,346	284,346
EDP España, S.A.U.	-	-	1,739,577	1,739,577
EDP GEM Portugal, S.A.	2,621	70	262,484	265,175
EDP Clientes, S.A.	-	29	117,596	117,625
EDP Renováveis Servicios Financieros, S.A.	-	-	84,105	84,105
Other	11,618	9,917	183,557	205,092
	30,393	48,770	4,139,971	4,219,134

Other gains include income from equity investments of 845,118 thousand Euros (see note 13).

Assets, liabilities and transactions with related companies, for the Group, are as follows:

Assets and Liabilities

Thousand Euros	30 September 2023		
	Assets	Liabilities	Net Value
Joint Ventures			
Companhia Energética do JARI - CEJA	29	427	-398
Empresa de Energia São Manoel, S.A.	865	15,111	-14,246
OW FS Offshore, S.A.	571,807	-	571,807
OW Offshore, S.L.	77,658	489	77,169
Other	17,143	7,993	9,150
	667,502	24,020	643,482
Associates			
Parque Eólico Sierra del Madero, S.A.	5,642	-	5,642
Centrais Elétricas de Santa Catarina, S.A. - Celesc	11,447	438	11,009
Eólica de São Julião, Lda.	11,230	387	10,843
Other	4,759	1,602	3,157
	33,078	2,427	30,651
	700,580	26,447	674,133

Transactions

Thousand Euros	30 September 2023			
	Operating Income	Financial Income	Operating Expenses	Financial Expenses
Joint Ventures				
Companhia Energética do JARI - CEJA	175	-	2,415	-
Empresa de Energia São Manoel, S.A.	1,582	-	14,006	-
OW FS Offshore, S.A.	12,187	19,367	-	-
Other	17,403	281	18,590	-
	31,347	19,648	35,011	-
Associates				
Eólica de São Julião, Lda	2,899	-	15,087	-
HC Tudela Cogeneración, S.L.	1,266	29	3,449	-
Other	716	365	118	233
	4,881	394	18,654	233
	36,228	20,042	53,665	233

During 2023, EDP Group contributed with 6,200 thousand Euros of donations to Fundação EDP (see note 11).

42. Fair value of financial assets and liabilities

The fair value of financial assets and liabilities is as follows:

Thousand Euros	Sep 2023			Dec 2022		
	Carrying amount	Fair value	Difference	Carrying amount	Fair value	Difference
Assets						
Equity instruments at fair value	223,881	223,881	-	216,418	216,418	-
Investment property	26,506	26,506	-	27,294	27,294	-
Debtors/other assets from commercial activities	9,363,128	9,363,128	-	8,660,346	8,660,346	-
Other debtors and other assets	2,348,469	2,348,469	-	2,720,607	2,720,607	-
Derivative financial instruments	1,419,848	1,419,848	-	2,575,698	2,575,698	-
Collateral deposits/financial debt	65,397	65,397	-	53,101	53,101	-
Cash and cash equivalents	1,996,205	1,996,205	-	4,900,205	4,900,205	-
	15,443,434	15,443,434	-	19,153,669	19,153,669	-
Liabilities						
Financial debt	20,838,255	19,916,164	-922,091	20,022,473	18,938,885	-1,083,588
Suppliers and accruals	3,554,544	3,554,544	-	3,805,467	3,805,467	-
Institutional partnerships	2,120,834	2,120,834	-	2,212,162	2,212,162	-
Trade payables/other liabilities from commercial activities	3,079,974	3,079,974	-	5,241,322	5,241,322	-
Other liabilities and other payables	2,874,677	2,874,677	-	3,006,683	3,006,683	-
Derivative financial instruments	2,701,662	2,701,662	-	5,753,706	5,753,706	-
	35,169,946	34,247,855	-922,091	40,041,813	38,958,225	-1,083,588

According to IFRS 13 requirements, EDP Group established the way it obtains the fair value of its financial assets and liabilities. The levels used are defined as follows:

Thousand Euros	Sep 2023			Dec 2022		
	Level 1	Level 2	Level 3	Level 1	Level 2	Level 3
Financial assets						
Equity instruments at fair value through Other comprehensive income (note 21)	-	86,088	56,367	-	83,062	56,208
Profit or loss (note 21)	-	-	81,426	-	-	77,148
Tariff deficit at fair value through other comprehensive income (note 24)	-	737	-	-	1,164	-
Amounts receivable from concessions-IFRIC 12 at fair value through profit or loss (note 24)	-	1,305,609	-	-	1,012,104	-
Investment property	-	26,506	-	-	27,294	-
Derivative financial instruments (note 39)	-	1,419,848	-	-	2,575,698	-
	-	2,838,788	137,793	-	3,699,322	133,356
Financial liabilities						
Derivative financial instruments (note 39)	-	2,701,662	-	-	5,753,706	-
	-	2,701,662	-	-	5,753,706	-

43. Relevant or subsequent events

Green hybrid issuance of 1,350 million Euros

On 27 September 2023, EDP, through its subsidiary EDP – Servicios Financieros España, S.A.U., priced two issuances of senior green debt instruments: one in the amount of 600 million Euros, maturing in April 2029 and with a coupon of 4.125%, and another one in the amount of 750 million Euros, maturing in April 2032 with a coupon of 4.375%. It is important to highlight that both the trade date and the value date of this transaction occurred only in the month of October.

Ocean Winds sells minority stake in its 950 MW Moray East offshore project

On 28 September 2023, EDP announced, through its subsidiary EDPR, that Ocean Winds, the wind offshore Joint Venture owned by EDPR (50%) and Engie (50%), has agreed to sell to funds managed by Equitix Infrastructure Investment Ltd (“Equitix”) a 16.6% attributable stake in the Moray East offshore wind farm. Following this transaction, the shareholder structure of Moray East will include Ocean Winds (40%), Diamond Green Limited (33.4%), Equitix (16.6%) and CTG (10%).

EDP completes Asset Rotation deal of a 300 MW renewable portfolio in Poland

On 12 October 2023, EDP announced, through its subsidiary EDPR, the completion of the sale to Orlen Wind 3, a company owned by Orlen S.A., of the entire equity stake in the following companies: EW Dobrzyca, Sp. z o.o., Ujazd, Sp. z o.o. e Wind Field Wielkopolska, Sp. z o.o.

EDP secures a PPA in the US

On 16 October 2023, EDP, through its subsidiary EDPR, has secured a 15-year Power Purchase Agreement with a multinational retailer corporation to sell the renewable energy produced by 162 MWac out of a 180 MWac solar project in the state of Texas, in the United States of America, being this project expected to enter in operation in 2025.

ERSE proposal for electricity tariffs in 2024

On 17 October 2023, the Portuguese Electricity Regulator ("ERSE") announced its proposal for electricity tariffs for 2024, on which it is worth noting the following:

- End users' regulated electricity tariffs for 2024 in the normal low voltage segment, which includes residential and SMEs electricity consumers, to increase by 1.1% on average.
- Regulated gross profit for the activity of electricity distribution, operated by subsidiary E-Redes, is 1,094 million Euros for 2024, and
- Regulated gross profit for the last resort electricity supply operated by subsidiary SU Eletricidade is 43 million Euros for 2024.

In both cases, the expressed regulated gross profit excludes previous year adjustments.

According to ERSE's proposal, Portuguese electricity system's regulatory receivables are expected to increase in 2024 to 2 billion Euros, due to a 1.7 billion Euros adjustment mainly from previous years tariff deviation, deferred by 5 years.

According to electricity regulation rules in Portugal, the Tariffs Advisory Board shall issue its nonbinding opinion until next 15 November 2023. Following that, ERSE will approve the final tariffs and parameters until 15 December 2023.

ANEEL approves regulatory terms at EDP São Paulo for the period between 2023 and 2027

In the framework of the 6th Periodic Tariff Revision for EDP São Paulo, the tariffs to apply in the years between 2023 and 2027, which shall be effective as from 23 October 2023, were disclosed by ANEEL.

For the referred period, the electricity regulator defined a regulatory asset base of 4.15 billion Brazilian Reais and a regulated real rate of return on the regulatory asset base of 7.42% net of taxes.

Additionally, the regulatory index for technical losses was set at 4.19% and the non-technical losses regulatory index, for low voltage, was set at 8,05%.

Conversion of Aboño to gas under a new partnership and closure request of remaining 2 coal plants in Spain

On 27 October 2023, EDP announced important steps to ensure the delivery of its coal free commitment by the end of 2025 through the following decisions:

- Conversion of the Aboño II thermal plant, in Spain, from coal into gas fired, expected to occur by middle of 2025 and representing an investment of mid double-digit million Euros, while continuing to co-fire blast furnace gases, a case study of circular economy in Europe through the valorization of this by-product, avoiding the emission of 1 million tons of CO₂/year;
- Establishment of a new partnership with the Asturian based industrial Group Corporación Masaveu, S.A. ("CM"), through the sale of a 50% stake in Aboño, for an Enterprise Value of c. 350 million Euros and an Equity Value of 60 million Euros for 100% of the asset; and
- Authorization requested from the electricity system operator (Red Eléctrica) to close Aboño I coal plant, as well as EDP's last remaining coal plants in Spain (Soto 3 and Los Barrios).

Aboño consists of two thermal groups (Aboño I and II) with a combined capacity of 904 MW, near Gijón and the port of Musel, which plays a key role supporting the security of electricity supply to the Asturias region. The new EDP/CM industrial partnership, consolidated by EDP through equity method, foresees joint-control in the management of Aboño and transfer of liabilities related to the power plant. EDP will retain full ownership and development of the Just Transition projects in Aboño, such as hydrogen and renewables projects.

The transaction is subject to customary authorizations and conditions precedent.

44. Operating segments

In accordance with IFRS 8, an operating segment is a Group component:

- that engages in business activities from which it may earn revenues and incur expenses;
- whose operating results are reviewed regularly by the Group's chief operating decision maker to make decisions about resources to be allocated to the segment and assess its performance; and
- for which discrete financial information is available.

The Group develops a set of regulated and liberalised activities in the energy sector, with special emphasis in generation, distribution and supply of electricity.

The Executive Board of Directors regularly reviews segmental reports, using Operating Profit to assess and release each business operating performance, as well as to allocate resources.

Following the Strategic Plan Update 2023–2026, announced in the last 2 March 2023, the Executive Board of Directors reorganized the business segments in order to be aligned with this new view, with effect from 1 January 2023.

For comparability purposes and regarding the changes occurred in the segments' composition, a corresponding restatement of the previous year information was made.

The new segments defined by the Group are the following:

- Renewables, Clients & Energy Management, and
- Networks

The Renewables, Clients & Energy Management segment corresponds to the activity of generation of electricity from renewable sources, mainly hydro, wind and solar. This segment also includes the following activities: generation of electricity from non-renewable sources, mainly coal and gas; electricity and gas supply, including last resort suppliers, and related energy solutions services to clients; and energy management businesses responsible for management of purchases and sales of energy in Iberian and Brazilian markets, and also for the related hedging transactions. This segment includes, but not limited to, the following companies:

- EDP – Gestão da Produção de Energia, S.A.;
- EDP España, S.A.U.;
- EDP Renováveis, S.A. and all EDPR Group subsidiaries;
- Enerpeixe, S.A.;
- Investco, S.A.;
- Lajeado Energia, S.A.;
- EDP Comercial – Comercialização de Energia, S.A.;
- EDP Trading Comercialização e Serviços de Energia, S.A.;
- SU Eletricidade, S.A.;
- EDP Gás Serviço Universal, S.A.;
- EDP GEM Portugal, S.A.

The Networks segment corresponds to the activities of electricity distribution and transmission. This segment includes, but not limited to, the following companies:

- E-Redes – Distribuição de Eletricidade, S.A.;
- Electra de Llobregat Energía, S.L.;
- Hidroantábrico Distribucion Eléctrica, S.A.U.;
- Viesgo Distribución Eléctrica, S.L.;
- Barras Eléctricas Galaico-Asturianas, S.A.;
- EDP Espírito Santo Distribuição de Energia S.A.;
- EDP São Paulo Distribuição de Energia S.A.;
- EDP Transmissão, S.A.;
- EDP Transmissão Aliança SC, S.A.;
- EDP Transmissão SP-MG, S.A.

Segment Definition

The amounts reported in each operating segment result from the aggregation of the subsidiaries and business units defined in each segment perimeter and the elimination of transactions between companies of the same segment.

The statement of financial position captions, as well as income statement captions for each operating segment, are determined based on the amounts booked directly in the companies that compose the segment, including the elimination of balances between companies of the same segment, and excluding the allocation in the segments of the adjustments between segments.

In each business segment, Assets include the Property, Plant and Equipment, Right-of-use Assets, Intangible Assets and Goodwill. The remaining assets are presented in the "Reconciliation of information between Operating Segments and Financial Statements".

Under IFRS 8, the EDP Group discloses as Operating investment, additions in non-current assets, except for financial instruments, deferred tax assets and post-employment benefit assets. Therefore, in each business segment, the Operating Investment caption includes increases in Property, Plant and Equipment; Intangible Assets; and Amounts receivable from concessions - IFRIC 12 under the financial asset model, excluding CO2 licenses, net of increases in Government grants, customers contributions for investment and sales of properties in the period. Goodwill is disclosed in note 18.

In consolidated financial statements, Joint Ventures and associated companies are accounted under the equity method, in accordance with the Group accounting policy disclose in note 2. These equity accounted investees are disclosed by business segment under IFRS 8 and presented in the business segment correspondent to its operating activity.

EDP Group Operating Segments Information as at 30 September 2023

Thousand Euros	Renewables, Clients & EM	Networks	Total Segments
Revenues from energy sales and services and other			
Revenues inter-segments	10,974,426	3,196,167	14,170,593
Revenues from third parties	-55,571	1,974,428	1,918,857
	11,029,997	1,221,739	12,251,736
Gross Profit	3,328,363	1,820,115	5,148,478
Other income	679,606	39,783	719,389
Supplies and services	-614,823	-277,694	-892,517
Personnel costs and employee benefits	-344,143	-162,575	-506,718
Other costs	-329,833	-285,628	-615,461
Impairment losses on trade receivables and debtors	-30,810	-18,894	-49,704
Joint ventures and associates	9,082	-4	9,078
Gross Operating Profit	2,697,442	1,115,103	3,812,545
Provisions	-17,604	-3,445	-21,049
Amortisation and impairment	-946,275	-407,296	-1,353,571
Operating Profit	1,733,563	704,362	2,437,925
Assets			
	30,482,444	6,300,972	36,783,416
Financial assets – Investments in joint ventures and associates	1,506,631	244	1,506,875
Operating Investment	3,333,419	689,340	4,022,759

Reconciliation of information between Operating Segments and Financial Statements for 30 September 2023

Thousand Euros	
Total Revenues from energy sales and services and other of Reported Segments	14,170,593
Revenues from energy sales and services and others from Other Segments	220,864
Adjustments and Inter-segments eliminations*	-2,133,192
Total Revenues from energy sales and services and other of EDP Group	12,258,265
Total Gross Profit of Reported Segments	5,148,478
Gross Profit from Other Segments	223,557
Adjustments and Inter-segments eliminations*	-212,931
Total Gross Profit of EDP Group	5,159,104
Total Gross Operating Profit of Reported Segments	3,812,545
Gross Operating Profit from Other Segments	19,566
Adjustments and Inter-segments eliminations*	-12,135
Total Gross Operating Profit of EDP Group	3,819,976
Total Operating Profit of Reported Segments	2,437,925
Operating Profit from Other Segments	-22,495
Adjustments and Inter-segments eliminations*	-4,833
Total Operating Profit of EDP Group	2,410,597
Total Assets of Reported Segments	36,783,416
Assets Not Allocated	20,501,829
Financial Assets	3,886,530
Trade Receivables and Other Debtors	9,363,128
Inventories	824,255
Tax Assets	2,633,093
Other Assets	3,794,823
Assets from Other Segments	674,257
Inter-segments assets eliminations*	-38,966
Total Assets of EDP Group	57,920,536
Total Equity accounted Investments in joint ventures and associates of Reported Segments	1,506,875
Equity accounted Investments in joint ventures and associates from Other Segments	186,479
Total Equity accounted Investments in joint ventures and associates of EDP Group	1,693,354
Total Operating Investment of Reported Segments	4,022,759
Operating Investment from Other Segments	52,147
Total Operating Investment of EDP Group	4,074,906
Dismantling/decommissioning of PP&E	11,227
CO2 Emission Licenses	1,086,622
Concession Rights - IFRIC 12 **	-554,350
Investment Grants	-401
Other Investments	12,387
Total Fixed Assets additions of EDP Group (Notes 15 and 17)	4,630,391

	Total of Reported Segments	Other Segments	Adjustments and Inter-segments eliminations*	Total of EDP Group
Other income	719,389	37,617	-4,993	752,013
Supplies and services	-892,517	-139,378	195,010	-836,885
Personnel costs and employee benefits	-506,718	-115,936	3,099	-619,555
Other costs	-615,461	-35,690	1,961	-649,190
Impairment losses on trade receivables and debtors	-49,704	-884	-	-50,588
Joint ventures and associates	9,078	50,280	5,719	65,077
Provisions	-21,049	-54	-1	-21,104
Amortisation and impairment	-1,353,571	-42,007	7,303	-1,388,275

* Mainly related with intragroup balances and transactions eliminations.

** See Note 24 - Debtors and Other Assets from Commercial Activities

EDP Group Operating Segments Information as at 30 September 2022 *

Thousand Euros	Renewables, Clients & EM	Networks	Total Segments
Revenues from energy sales and services and other			
Revenues inter-segments	14,819,544	2,979,859	17,799,403
Revenues from third parties	132,849	1,831,372	1,964,221
	14,686,695	1,148,487	15,835,182
Gross Profit	2,584,085	1,754,880	4,338,965
Other income	549,625	61,167	610,792
Supplies and services	-584,456	-262,301	-846,757
Personnel costs and employee benefits	-321,351	-153,138	-474,489
Other costs	-383,471	-241,331	-624,802
Impairment losses on trade receivables and debtors	-26,097	-23,383	-49,480
Joint ventures and associates	106,492	175	106,667
Gross Operating Profit	1,924,827	1,136,069	3,060,896
Provisions	-2,033	-7,879	-9,912
Amortisation and impairment	-792,750	-386,172	-1,178,922
Operating Profit	1,130,044	742,018	1,872,062
Assets (31 December 2022)	28,616,881	6,374,655	34,991,536
Financial assets - Investments in joint ventures and associates Assets (31 December 2022)	1,441,056	248	1,441,304
Operating Investment	2,424,836	534,227	2,959,063

* Includes restatement originated by the reorganization of the business segments

Reconciliation of information between Operating Segments and Financial Statements for 30 September 2022

Thousand Euros	
Total Revenues from energy sales and services and others of Reported Segments	17,799,403
Revenues from energy sales and services and others from Other Segments	195,424
Adjustments and Inter-segments eliminations*	-2,147,913
Total Revenues from energy sales and services and others of EDP Group	15,846,914
Total Gross Profit of Reported Segments	4,338,965
Gross Profit from Other Segments	186,877
Adjustments and Inter-segments eliminations*	-193,674
Total Gross Profit of EDP Group	4,332,168
Total Gross Operating Profit of Reported Segments	3,060,896
Gross Operating Profit from Other Segments *	4,734
Adjustments and Inter-segments eliminations*	-19,925
Total Gross Operating Profit of EDP Group	3,045,705
Total Operating Profit of Reported Segments	1,872,062
Operating Profit from Other Segments	-32,748
Adjustments and Inter-segments eliminations*	-12,216
Total Operating Profit of EDP Group	1,827,098
Total Assets of Reported Segments (31 December 2022)	34,991,536
Assets Not Allocated	23,220,360
Financial Assets	5,271,624
Trade Receivables and Other Debtors	8,660,346
Inventories	1,256,300
Tax Assets	2,708,492
Other Assets	5,323,598
Assets from Other Segments	649,050
Inter-segments assets eliminations*	-44,535
Total Assets of EDP Group (31 December 2022)	58,816,411
Total Equity accounted Investments in joint ventures and associates of Reported Segments (31 December 2022)	1,441,304
Equity accounted Investments in joint ventures and associates from Other Segments	164,439
Total Equity accounted Investments in joint ventures and associates of EDP Group (31 December 2022)	1,605,743
Total Operating Investment of Reported Segments	2,959,063
Operating Investment from Other Segments	48,913
Total Operating Investment of EDP Group	3,007,976
Dismantling/decommissioning of PP&E	7,827
CO2 Emission Licenses	457,117
Concession Rights - IFRIC 12 **	-429,229
Investment Grants	-4,107
Other Investments	-9,909
Total Fixed Assets additions of EDP Group	3,029,675

	Total of Reported Segments	Other Segments	Adjustments and Inter-segments eliminations*	Total of EDP Group
Other income	610,792	27,065	-15,700	622,157
Supplies and services	-846,757	-122,120	186,854	-782,023
Personnel costs and employee benefits	-474,489	-97,884	2,294	-570,079
Other costs	-624,802	-24,042	301	-648,543
Impairment losses on trade receivables and debtors	-49,480	-	-	-49,480
Joint ventures and associates	106,667	34,839	-1	141,505
Provisions	-9,912	-82	-	-9,994
Amortisation and impairment	-1,178,922	-37,400	7,709	-1,208,613

* Mainly related with intragroup balances and transactions eliminations

** See note 24 - Debtors and other assets from commercial activities

45. Reconciliation of Changes in the responsibilities of Financing activities

Thousand Euros	Group					
	Financial debt and Derivative financial instruments (including Collateral Deposits)			Institutional partnerships in North America (Note 34)	Lease Liabilities (Note 36)	Loans from non-controlling interests (Note 36)
	Loans obtained (Note 31)	Collateral Deposits (Note 31)	Derivative financial instruments (Note 39)*			
Balance as at 31 de December 2022	20,022,473	-53,101	159,246	2,212,162	1,387,792	676,949
Cash flows:						
Receipts relating to financial debt (including Collateral Deposits)	4,344,468	-	-	-	-	-
(Payments) relating to financial debt (including Collateral Deposits)	-3,162,572	-13,372	-	-	-	-
Interest and similar costs of financial debt including hedge derivatives	-532,209	-	-112,756	-	-	-
Receipts/(payments) relating to loans from non-controlling interests	-	-	-	-	-	-12,307
Interest and similar costs relating to loans from non-controlling interests	-	-	-	-	-	-8,715
Receipts/(payments) relating to derivative financial instruments	-	-	2,385	-	-	-
Receipts/(payments) from institutional partnerships	-	-	-	-40,042	-	-
Lease (payments)	-	-	-	-	-105,997	-
Perimeter variations	5,422	-4	-	45,496	-26,527	19
Exchange differences	174,560	-2,468	18,179	12,689	9,204	550
Fair value changes	14,767	-	26,881	-	-	-
Interests and accrued and deferred costs	531,108	-	102,952	-1,447	-	12,816
Unwinding	-	-	-	61,037	35,161	-
ITC/PTC recognition	-	-	-	-169,061	-	-
New lease contracts/Increments in rent values	-	-	-	-	128,015	-
Reclassification to Liabilities held for sale	-559,762	3,548	-	-	-3,704	-
Balance as at 30 September 2023	20,838,255	-65,397	196,887	2,120,834	1,423,944	669,312

* The Group considers as financing activities all derivative financial instruments excluding derivatives related with commodities.

Thousand Euros	Company			
	Financial debt and Derivative financial instruments			Group companies (Note 36)
	Loans obtained (Note 31)	Derivative financial instruments (Note 39)*	Lease Liabilities (Note 36)	
Balance as at 31 December 2022	13,943,702	15,547	152,331	3,857
Cash flows:				
Receipts relating to financial debt (including Collateral Deposits)	1,950,000	-	-	-
(Payments) relating to financial debt (including Collateral Deposits)	-5,364,456	-	-	-
Interest and similar costs of financial debt including hedge derivatives	-230,768	-16,252	-	-
Receipts/(payments) relating to loans from related parties	1,430,168	-	-	-
Receipts/(payments) relating to derivative financial instruments	-	44,503	-	-
Lease (payments)	-	-	-9,775	-
Fair value changes	-	-11,244	-	-
Unwinding	-	-	4,309	-
Interests and accrued and deferred costs	201,858	6,424	-	3,255
New lease contracts/Increments in rent values	-	-	3,265	-
Balance as at 30 September 2023	11,930,504	38,978	150,130	7,112

* The Group considers as financing activities all derivative financial instruments excluding derivatives related with commodities.

46. Explanation Added for Translation

These financial statements are a free translation of the financial statements originally issued in Portuguese in accordance with International Financial Reporting Standards as adopted by the European Union. In the event of discrepancies, the Portuguese language version prevails.



Review Report on the Condensed Consolidated Financial Statements

(Free translation from the original in Portuguese. In the event of discrepancies, the Portuguese language version prevails)

Introduction

We have reviewed the accompanying condensed consolidated financial statements of EDP – Energias de Portugal, S.A. (the Entity), which comprise the condensed consolidated statement of financial position as at September 30, 2023 (which shows total assets of Euros 57,920,536 thousand and total equity of Euros 16,684,684 thousand, including a consolidated a net profit for the period attributable to equity holders of EDP of Euros 945,580 thousand), the condensed consolidated income statement, the condensed consolidated statement of comprehensive income, the condensed consolidated statement of changes in equity and the condensed consolidated statement of cash flows for the nine month period then ended, and the accompanying explanatory notes to these condensed consolidated financial statements.

Management's responsibility

The Management is responsible for the preparation of the condensed consolidated financial statements in accordance with International Accounting Standard 34 – Interim Financial Reporting as adopted by the European Union, as well as to create and maintain appropriate systems of internal control to enable the preparation of condensed consolidated financial statements that are free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

Our responsibility is to express a conclusion on the accompanying condensed consolidated financial statements. We conducted our review in accordance with ISRE 2410 – Review of Interim Financial Information Performed by the Independent Auditor of the Entity and other technical and ethical standards and recommendations issued by the Institute of Statutory Auditors. Those standards require that we conduct the review in order to conclude whether anything has come to our attention that causes us to believe that the condensed consolidated financial statements are not prepared, in all material respects, in accordance with International Accounting Standard 34 – Interim Financial Reporting as adopted by the European Union.

A review of financial statements is a limited assurance engagement. The procedures performed mainly consist of making inquiries and applying analytical procedures, and evaluating the evidence obtained.

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

Conclusion

Based on our review, nothing has come to our attention that causes us to believe that the accompanying condensed consolidated financial statements of EDP – Energias de Portugal, S.A. as at September 30, 2023 are not prepared, in all material respects, in accordance with International Accounting Standard 34 – Interim Financial Reporting as adopted by the European Union.

November 2, 2023

PricewaterhouseCoopers & Associados
- Sociedade de Revisores Oficiais de Contas, Lda
represented by:

Signed on the original

João Rui Fernandes Ramos, ROC no. 1333
Registered with the Portuguese Securities Market Commission under no. 20160943



Review Report on the Condensed Financial Statements

(Free translation from the original in Portuguese. In the event of discrepancies, the Portuguese language version prevails)

Introduction

We have reviewed the accompanying condensed financial statements of EDP – Energias de Portugal, S.A. (the Entity), which comprise the condensed company statement of financial position as at September 30, 2023 (which shows total assets of Euros 25,909,055 thousand and total equity of Euros 9,894,569 thousand, including a net profit for the period of Euros 782,825 thousand), the condensed company income statement, the condensed statement of comprehensive income, the condensed company statement of changes in equity and the condensed company statement of cash flows for the nine month period then ended, and the accompanying explanatory notes to these condensed financial statements.

Management's responsibility

The Management is responsible for the preparation of the condensed financial statements in accordance with International Accounting Standard 34 – Interim Financial Reporting as adopted by the European Union, as well as to create and maintain appropriate systems of internal control to enable the preparation of condensed financial statements that are free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

Our responsibility is to express a conclusion on the accompanying condensed financial statements. We conducted our review in accordance with ISRE 2410 – Review of Interim Financial Information Performed by the Independent Auditor of the Entity and other technical and ethical standards and recommendations issued by the Institute of Statutory Auditors. Those standards require that we conduct the review in order to conclude whether anything has come to our attention that causes us to believe that the condensed financial statements are not prepared, in all material respects, in accordance with International Accounting Standard 34 – Interim Financial Reporting as adopted by the European Union.

A review of financial statements is a limited assurance engagement. The procedures performed mainly consist of making inquiries and applying analytical procedures, and evaluating the evidence obtained.

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

Conclusion

Based on our review, nothing has come to our attention that causes us to believe that the accompanying condensed financial statements of EDP – Energias de Portugal, S.A. as at September 30, 2023 are not prepared, in all material respects, in accordance with International Accounting Standard 34 – Interim Financial Reporting as adopted by the European Union.

November 2, 2023

PricewaterhouseCoopers & Associados
- Sociedade de Revisores Oficiais de Contas, Lda
represented by:

Signed on the original

João Rui Fernandes Ramos, ROC no. 1333
Registered with the Portuguese Securities Market Commission under no. 20160943

The Executive Board of Directors

Miguel Stilwell de Andrade (CEO)

Rui Manuel Rodrigues Lopes Teixeira

Vera de Moraes Pinto Pereira Carneiro

Ana Paula Garrido de Pina Marques

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