

Building a resilient and sustainable energy landscape

In 2024, the Encevo Group reaffirmed its commitment to a sustainable energy future. Despite a challenging geopolitical climate and market volatility, the group delivered a strong financial performance by focusing on resilience and risk management, while accelerating the energy transition and driving digital innovation. The group has made significant progress in developing customer-centric energy solutions and enhancing the sustainability and resilience of its infrastructure and products.

Financial resilience and sustainable growth

The Encevo Group recorded a net profit of €193 million for 2024 (representing an increase from €171 million in 2023).

Investments (€288 million) are mainly allocated to modernising the grid infrastructure (€205 million), expanding renewable energy assets (€45 million) and scaling technical services to optimise energy efficiency and customer solutions. These investments are fundamental to the group's ability to withstand the rapid changes in the energy market.

Total sales volumes have decreased by 26% from €5.1 billion in 2023 to €3.8 billion in 2024, following lower sales volumes and energy prices in European markets between 2023 and 2024.

Shaping a sustainable future

In 2024, the geopolitical environment remained marked by persistent challenges and high levels of uncertainty. Despite a difficult economic climate and high interest rates, the Encevo Group maintained its investments in the photovoltaic sector and in the modernisation and expansion of electricity grids. These strategic investments are in line with the objectives of decarbonisation and contribute to the strengthening of the regional economy.

In the context of re-normalisation and relative stabilisation of energy prices - at levels significantly higher than pre-crisis levels - the group seeks to provide its customers with solutions that enable them to optimise their energy consumption. This approach is based on an integrated view of the energy value chain, offering the possibility of anticipating and responding to market fluctuations. The Encevo Group has demonstrated its ability to guarantee price stability and security of supply for its customers through a combination of diversified supply sources, a forward-looking purchasing strategy and strategic gas storage. Innovation is at the core of the group's strategy, with 'smart' solutions, that enable precise demand and resource management at network, renewable production and consumption levels, thereby reducing total system costs.

Managing the grids of tomorrow

Investment in grid modernisation are crucial to meeting future energy needs and ensuring security of supply. The total investment amounted to €205 million, of which €160 million was invested in Luxembourg. These strategic efforts are primarily aimed at modernising and reinforcing electricity networks to increase their capacity, as well as developing digital initiatives such as the national energy data platform LENEDA. In particular, Creos has continued its efforts to advance Project 380, which aims to increase cross-border electricity transmission capacity with Germany. The expansion and digitalisation of electricity networks are essential to ensure security of supply while enabling better integration of renewable energies.

The development of hydrogen as a new energy carrier is another key element in achieving national and European decarbonisation targets. Creos Deutschland has continued to implement the construction of the hydrogen network mosaHYc and has obtained public subsidies for this purpose. Furthermore, Creos Deutschland has been confirmed as a participant in the German hydrogen "Kernnetz". During the same year, Creos Luxembourg finalised its strategy for the development of the hydrogen infrastructure in Luxembourg. The HY4Link project, which stems from this strategy, consists of a hydrogen transport network crossing Luxembourg. This project was developed in collaboration with partners in France (NaTran) and Belgium (Fluxys). Following its presentations, it was integrated into the development plans for the wider European network.

The use of digital and AI solutions such as KOPR (the digital twin of its Luxembourg electricity network) enables Creos to process more data, simulate and predict consumption peaks, and optimise infrastructure management, planning and troubleshooting. Luxembourg's national energy data platform, LENEDA, facilitates enhanced customer data access and optimised consumption management.

Making energy management smarter and more transparent

Enovos Luxembourg remains firmly committed to the renewable energy sector and actively promotes collaboration at local and regional levels. Significant progress has been made in the development of photovoltaic and wind energy projects. In line with the European Green Deal and national sustainability targets, these projects are part of Enovos' ongoing efforts to meet future energy demands while reducing its carbon footprint. In 2024, the installed renewable capacity reached 761.5 MW. Notable projects include the Südeifel solar farm in Germany, which is the largest solar power project in the Greater Region, Luxembourg's first local power purchase agreement with the municipality of Bertrange, the Condreole wind farm in Engis, Belgium, and innovative agri-photovoltaic projects across Luxembourg.

In 2024, Enovos launched MyEnovos, a mobile application that complements the customer portal. This allows customers to monitor their energy consumption and production, and the associated costs, with a view to optimising their energy use. This strategic initiative, which combines digital innovation, energy transparency and permanent availability, illustrates Enovos' commitment to innovation at the service of its customers. At the same time, Enovos has launched new residential tariffs in 2024 and early 2025, offering its customers opportunities to optimise their electricity costs.

Driving change

In the context of the energy transition and a slow recovery in the construction sector, the continuous development of technical solutions and services is essential to meet consumer expectations. The strategic acquisitions of C. Schanen S.à.r.l. and e3consult S.à.r.l. have enabled Teseos Luxembourg to offer a more comprehensive range of services. They facilitate the company's ability to provide an integrated and coherent approach to sustainable energy, thereby consolidating the group's position across the entire value chain.

The rebranding and repositioning of diego as electris Luxembourg established electris Luxembourg as a leading provider of comprehensive energy services through a one-stop-shop approach.

Furthermore, Teseos started developing innovative products and services in the field of Home Energy Management Systems (HEMS), with the ambition of integrating these into their offer in 2025.

Outlook for 2025

The Encevo Group remains committed to the sustainable energy transition. Investments in renewable energy, smart grids and hydrogen remain strategic priorities. The group also intends to offer its customers greater access to their data, accompanied by expert advice to help them better understand and optimise their energy production and consumption. The introduction of dynamic pricing models, demand-side management solutions and local energy use offers, as well as improved digital tools, will be key to meeting the growing demand for energy efficiency and sustainable solutions.

Collaboration, continuous progress and talent development will be central to the group's efforts to meet the challenges ahead. The Encevo Group is proud to have a workforce of 2,936 people dedicated to achieving the group's shared vision.

Changes in the Boards of directors

As of 13 May 2025, the following changes have been made to the Boards of Directors of the Encevo Group:

Jeff Feller has been appointed as the new Chairman of the Board of Directors of Encevo S.A., succeeding Marco Hoffmann, who will continue in his role as Chairman of the Board of Directors of Enovos Luxembourg S.A.

Carole Brückler has been appointed to the position of Chairwoman of the Board of Directors of Creos Luxembourg S.A., succeeding Mario Grotz.

The full Annual Report is available on the www.encevo.eu website.

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