

PRESS RELEASE

Dolomiti Energia Holding SpA: the Shareholders' Meeting approves the 2021 Financial Statements.

- **Impact of price rises alleviated on end customers for a value of roughly 130 million euro.**
- **Consolidated result for the year at 90 million euro (97.6 million euro in 2020, -7.8%);**
- **Consolidated operating result (Ebit) at 144.7 million euro (174.7 million euro in 2020, -17.2%);**
- **Consolidated gross operating margin (EbitDa) at 206.9 million euro against a result of 237.7 million euro in 2020 (-12.9%);**
- **Total consolidated revenue and income at 2,177 million euro (1,397 million euro in 2020, +55.8%);**
- **Net financial indebtedness at 696.2 million euro (371 million euro in 2020, +87.7%);**
- **Dividend equal to 0.10 euro per share (0.10 euro in 2020).**

Rovereto, 31 May 2022 – The Shareholders' Meeting of Dolomiti Energia Holding today approved the 2020 results of the Dolomiti Energia Group. During the 2021 financial year, too, the Group was affected by the spread of the pandemic stemming from the Coronavirus, which as we all know showed quite an irregular trend throughout the year. 2021 was also characterised by an **unpredictable skyrocketing of prices on the energy commodity markets**, with unprecedented proportions and speed of change. This scenario inevitably greatly affected the Group's results as well, with differentiated results for the various business activities: on the one hand it improved the results of the hydroelectric production activities, although somewhat decreased by the low production in the last quarter because it didn't rain, and on the other hand, it heavily impacted the electricity and gas sales activities.

In the elaborate and complex backdrop against which the Group had to operate, the economic-financial results tallied are still solid. **The consolidated EBITDA recorded a figure of 206.9 million euro**, down by 12.9% compared to the 2020 results, **the Group net profit amounted to 90.0 million euro**, down by 7.8% compared to the previous year. **The Group's net financial position amounts to 696.2 million euro**, including 210 million euro of the net value of the provisions in the accounts related to the mark-to market for the prepaid energy sales transactions (in 2020 equalling 29.8 million euro). The ratio between the net financial position and EBITDA is 3.4: a value in line with the market benchmarks and such as to allow for a margin of safety to face the significant macroeconomic impacts linked to the current circumstances, both due to the consequences yet impossible to assess of the ongoing war between Russia and the Ukraine on the European market, and due to the effects on the economy of price increases which took place in many sectors.

Against this extremely volatile and critical backdrop, the positive sales development activity trend is worthy of note, which despite in the face of an extremely challenging circumstances, this year, too, recorded an increase in the clients served, bringing the number to over **726,000 clients**, marking an increase of about 29,000 supply points. Note should also be taken of the fact that **the Group intended to protect its customers**

by honouring the contractual supply conditions in place, despite the dramatic upsurge in prices on the European markets. Thanks to this responsible choice, clients on the free market were able to save roughly 25% on the unit price (per kWh/Scm, with reference to the 2021 average of wholesale prices - PUN/TTF - of the raw material). This transaction enabled the company to mitigate the impact on clients, who otherwise would have had to pay approximately 130 million euro more.

Group consolidated financial statements as at 31 December 2021: main economic and financial highlights (in millions of euro)

	2021	2020	change
Total revenue and income	2,180	1,397	+55.8%
Gross operating margin (EbitDa)	206.9	237.7	-12.9%
Operating result (Ebit)	144.7	174.7	-17.2%
Result for the year	90	97.6	-7.8%
Net financial indebtedness	696.2	371	+87.7%

These are the key financial statements figures for 2021 at a glance. The consolidation area of the Group includes both the Parent Company Dolomiti Energia Holding and the subsidiaries Dolomiti Energia Solutions srl, Novareti SpA, Dolomiti Ambiente srl, Dolomiti Energia Trading SpA, Dolomiti Energia SpA, Dolomiti Transition Assets Srl, SET Distribuzione SpA, Depurazione Trentino Centrale Scarl, Hydro Dolomiti Energia srl, Dolomiti GNL srl, Gasdotti Alpini Srl, Dolomiti Energia Hydro Power srl and Dolomiti Edison Energy srl (consolidated as from 1 July 2020). The results of SF Energy are by contrast recorded in the financial statements using the equity method, on a consistent basis with the matters envisaged by the accounting standards.

With regard to the industrial aspect, with reference to the main sectors of activities, the following should be noted:

ELECTRICITY PRODUCTION

Hydroelectric production: the hydroelectric production of Dolomiti Energia Holding, Dolomiti Edison Energy, Hydro Dolomiti Energia, SF Energy and Dolomiti Energia Hydro Power stands at **3.9 billion kWh**, a decrease compared to the 4.5 billion kWh in 2020 (100% DEH, HDE, SFE, DEE, DEHP).

Thermoelectric production: thermoelectric production generated **74 million kWh** (69 million kWh in 2020).

DISTRIBUTION GRIDS

Electricity: the Group **distributed 2.6 billion kWh** (2.4 billion kWh in 2020). As at 31 December the electricity distribution grid covers 12,383 km (12,261 Km in 2020).

Natural gas: in 2021 **341.8 million** cubic metres of gas were distributed, compared to the 291.8 million cubic metres in 2020. The network covers 2,652 km compared with 2,428 km in 2020.

Integrated Water Cycle: in 2021 the quantities of **water introduced into the network**, extending 1,111 km (equal to 2020), came to **30.8 million cubic metres** compared with 29.5 in 2020. Water was distributed to a total of 76,272 customers.

SALES

Electricity: the Group **sold to end customers 3.9 billion kWh**, compared with 3.8 billion kWh in 2020.

Electricity **customers** grew reaching almost **490,000**, compared with 472,000 in 2020.

Natural gas: in the gas sector **531.9 million** cubic metres of gas were sold to end customers in 2021, compared with 477.5 million in 2020. **Customers** today number **237,000** (225,000 in 2020).

As a result of commercial activities, as already stated, the number of customers served for energy and gas increased further, taking their number to over **726,000** (697,000 in 2020).

OTHER ACTIVITIES

Laboratories: in 2021 the laboratory examined 12,691 samples, with a significant drop over the 18,118 in 2020, due to the cessation of sewage treatment activities and activities no longer handled; 58.5% of the tests carried out were on behalf of third parties (56.3% in 2020).

Co-generation and district heating: during 2020 **105.5 GWh** of heat, steam and cooling were supplied (85.1 GWh in 2020). The figure also includes that destined for industry.

Waste Management: the percentage of separate waste collection in 2021 was equal to 83.8% in Trento (83.1% in 2020) and 82.7% in Rovereto (81.2% in 2020), consolidating the excellent values for cities of such sizes. Overall, 71,781 tons of waste was collected during the year, both separate and mixed (70,381 in 2020), 148,593 contracts were managed (147,194 in 2020) and 88,630 taxpayers served (88,218 in 2020).

DIVIDENDS

The Shareholders' Meeting approved the distribution of dividends relating to 2021, which totalled **38.5 million euro**, which largely will benefit the local community, for a value of **0.10 per share** (0.10 euro in 2020), with the ratio between dividends and net profit of the Parent Company of 85%.

CONSOLIDATED NON-FINANCIAL STATEMENT

The Shareholders' Meeting has also acknowledged the Consolidated Non-Financial Statement, approved by the Board of Directors at the meeting on 19 April 2022, provided in accordance with Italian Legislative Decree No. 254/2016.

The administrative manager responsible for drawing up the corporate accounting documents, Michele Pedrini, declares - taking into account the matters envisaged by current legislation - that the accounting disclosure contained in this press release corresponds to the documented results, books and accounting records.

Alternative Performance Indicators

A number of "alternative performance indicators" are used in this press release, not envisaged by the international accounting standards as adopted by the European Union (IFRS-EU), but which Dolomiti Energia Holding SpA's management considers useful for a clearer assessment and monitoring of the trend of the economic and financial operations of Dolomiti Energia Holding SpA and the Group. In line with the matters recommended in the Guidelines published on 5 October 2015 by the European Securities and Markets Authority (ESMA) in accordance with Regulation No. 1095/2010/EU and incorporated by Consob in its supervisory policies by means of communication No. 92543 dated 3 December 2015, the meaning, content and calculation basis of these alternative performance indicators are set out below:

- **EBITDA** (or Gross operating margin) is an operational alternative performance indicator, calculated as the sum of the "Net operating result" plus "Amortisation, Depreciation, provisions and write-downs";
- **Net financial indebtedness** is an indicator of the financial structure. This indicator is determined as the result of financial payables net of cash and cash equivalents and current and non-current financial assets (financial receivables and securities other than equity investments).

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This press release is also available care of the headquarters and on the website of the Dolomiti Energia Group:

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