

PRESS RELEASE

Dolomiti Energia Holding S.p.A. approval of the draft 2023 Financial Statements: a record year.

Extraordinary results, which confirm the Group's solid leadership in the national energy landscape. Consolidated EBITDA was excellent at €392.6 million, up sharply compared to the previous year and a net profit of €169.8 million: the best ever achieved by the Group. As the Company expected, the net financial position returned to pre-energy crisis levels, reaching €267.6 million, a net decrease compared to €642.8 million at the end of 2022. Production capacity expanded through partnership agreements and the acquisition of equity investments in companies. Record investments for €140.8 million. Plan objectives for 2023 achieved.

Rovereto, 29 March 2024 – The Board of Directors, chaired by Silvia Arlanch, today approved the excellent results for 2023, which allow the company to look positively at the ambitious future economic, business and sustainability objectives, set out in the 2023-2027 Business Plan. In 2023, the gross operating margin (EBITDA) grew to €392.6 million. The recovery of hydroelectric power and the positive contribution of commercial activities in addition to the termination as at 30 June of the withdrawal linked to expensive energy (PRICE CAP) contributed to the result. The Group's net financial position amounted to €267.6 million, a significant recovery compared to the 2022 figure (€642.8 million). This result is due to the reduction in working capital following normalisation of the price trend and to the improved performance of the various businesses, leading to a +100% increase in EBITDA. The trend was extremely positive in commercial activities which, despite a situation of strong competition accentuated by the end of the enhanced energy protection market, again recorded an increase in the number of customers served this year, rising to over 733,000 supply points, with a net increase in supply points on the free market of 33,000.

Hydroelectric production was up compared to the previous year, when production figures recorded all-time lows, due to heavy rainfall in the last few months of the year that offset the low level of water supply in the first two months and the energy produced benefited from a strong price on the wholesale energy markets. The results also improved thanks to the end – after 1 July – of the extraordinary regulatory measures related to expensive energy (PRICE CAP), whose effects had heavily penalised the Group's results in 2022, and to the significant improvement in the results of the market area, which had also been adversely impacted until the first quarter of 2023 by market shocks and the effects of the ensuing emergency measures.

The energy markets were characterised by elevated volatility with average prices falling considerably when compared to 2022, with a huge impact on total revenues, which fell, primarily as a result of the decrease in the sale prices of electricity and gas to end customers.

The positive results of 2023 and the strict financial strategy adopted by the Group led to a sizeable reduction in the net financial position, making it possible to optimise capital strength ratios.

Investments in 2023 amounted to over €140 million, mainly concentrated in enhancement of the electricity, gas and water distribution networks, in digitalisation and information systems to strengthen and improve the Group's operating capacity and customer services.

The Group also boosted investments in renewable energy sources through finalisation of the joint venture acquisition of two wind farms in Puglia, an operation that combines decarbonisation objectives with the Group objectives to diversify renewable production, in line with the provisions of the Business Plan that will drive the Group's transformation over the next 5 years.

To support the growth of its activities, the Group must invest in people: during 2023, the Group hired 120 new employees (net of exits and also taking into account the increase in scope linked to the start-up of waste collection activities in the Communities of Vallagarina and Altipiani Cimbri), with a significant impact in terms of employment in the local area.

Group consolidated financial statements as at 31 December 2023: main economic and financial highlights (in millions of euro)

	2023	2022	change
Total revenue and income	2,341	3,354	-30,2 %
Gross operating margin (EBITDA)	392.6	196.5	99,8 %
Operating result (EBIT)	325.3	118.5	174,6 %
Result for the year	169.8	8.7	1849,6 %
Net financial indebtedness	267.6	642.8	-58,4 %

These are the key consolidated financial statements figures for 2023 at a glance. The Group's scope of consolidation 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, SET Distribuzione SpA, Hydro Dolomiti Energia srl, Dolomiti GNL Srl, Dolomiti Energia Hydro Power Srl, Dolomiti Energia Wind Power, Gasdotti Alpini, Dolomiti Transition Assets and Dolomiti Edison Energy Srl, in addition to investee companies that are accounted for in the financial statements using the equity method in line with the accounting standards.

“Satisfaction and pride in these results, without a doubt! But above all, enormous satisfaction from having believed in the approval of an ambitious Business Plan that has triggered a strong growth drive within the Group. Just look at the level of investments in 2023. I am sure that all this will bring the Group even better results in the future”, commented the Chairperson, Silvia Arlanch, on the results achieved.

“From next month, Stefano Granella will become the new General Manager of the Group. Currently with a2a and previously with Enel and ERG as well as other companies in the energy sector, with his extensive experience and expertise in the sector he will bring an innovative vision and brilliant leadership. In the certainty that his skills and talent will contribute significantly to the growth of the Group, it is my honour to welcome him!”, declared the Chief Executive Officer, Marco Merler.

With regard to the industrial aspect, with reference to the main business sectors, 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 billion kWh**, an increase compared to the 2 billion kWh in 2022 (100% DEH, HDE, SFE, DEE, DEHP).

Thermoelectric production: thermoelectric production generated **47 million kWh** (83 million kWh in 2022).

DISTRIBUTION GRIDS

Electricity: the Group **distributed 2.6 billion kWh** (2.6 billion kWh in 2022). As at 31 December the electricity distribution grid covers **12,809 km** (12,620 Km in 2022). During the year, SET activated almost 5,700 new photovoltaic systems, a record growth of 161% compared to 2022: we can say that in Trentino almost 8% of users have a photovoltaic system.

Natural gas: in 2023 **271.3 million** cubic metres of gas were distributed, compared to 291.4 million cubic metres in 2022. The network covers **2,728 km** compared to 2,696 km in 2022.

Integrated Water Cycle: in 2023 the quantities of **water introduced into the network**, now 1,468 km long (1,467 in 2022), amounted to **26.6 million cubic metres** compared to **27.4 million** in 2022. Water was distributed to a total of 77,659 customers (76,272 in 2022).

SALES

Electricity: the Group sold **4.1 billion kWh to end customers**, in line with 2022. There are **490,000** electricity customers, in line with the 2022 figure.

Natural gas: in the gas sector, **431 million** cubic metres of gas were sold **to end customers** in 2023, down slightly compared to the previous year. Today, there are **240,000 customers** (as in 2022).

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 **733,000** (731,000 in 2022).

OTHER ACTIVITIES

Laboratories: the laboratory examined 13,282 samples in 2023, in line with 11,829 in 2022, of which 55% on behalf of third parties.

Co-generation and district heating: during 2023, **108.6 GWh** of heat and cooling were supplied (101.1 GWh in 2022).

Waste Management: the percentage of separate waste collection in 2023 was equal to 83.5% in Trento (82.1% in 2022) and 82.3% in Rovereto (81.1% in 2022), consolidating the excellent values for cities of this size. Overall, 66,596 tonnes of waste were collected during the year, both separate and mixed (69,707 in 2022), while 120,079 customers were served (88,799 in 2022).

The Board of Directors of the Company resolved to propose that the Ordinary Shareholders' Meeting approves the distribution of a **dividend** of €12 cents per share, double that of last year.

CONSOLIDATED NON-FINANCIAL STATEMENT –The Board of Directors also approved the Consolidated Non-financial Statement, provided in accordance with Italian Legislative Decree No. 254/2016.

Shareholders' Meeting – The Board of Directors resolved to call the **Ordinary Shareholders' Meeting for 29 April 2024** to approve the Financial Statements and **renew the corporate bodies whose terms of office are expiring**, ensuring identification of the participants and voting procedures.

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 "EBIT" plus "Amortisation, depreciation, allocations 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 at the headquarters and on the website of the Dolomiti Energia Group: www.gruppodolomitienergia.it