

PRESS RELEASE

Dolomiti Energia Holding SpA: the Shareholders' Meeting approves the 2020 Financial Statements.

- **Total consolidated revenue and income at 1,397 million euro (1,500 million euro in 2019, -6.9%);**
- **Consolidated gross operating margin (EbitDa) at 237.7 million euro against a result of 216.8 million euro in 2019 (+ 9.6%);**
- **Consolidated operating result (Ebit) at 174.7 million euro (153.6 million euro in 2019, +13.7%);**
- **Consolidated result for the year at 97.6 million euro (80.6 million euro in 2019, + 21.1%);**
- **Net financial indebtedness at 354 million euro (303.4 million in 2019, +16.7%);**
- **Dividend proposed equal to 0.10 euro per share (0.09 euro in 2019);**
- **Ratification of donation of 250 thousand euro to the Comunità Solidale Foundation.**

Rovereto, Italy, 30 April 2021 – The Shareholders' Meeting of Dolomiti Energia Holding today approved the 2020 results of the Dolomiti Energia Group. The year was affected by the evolution of the pandemic situation, which broke out as from March 2020 and has not yet ended. In such a complex context, the year ended with **positive consolidated economic and financial results**, which are up overall compared to 2019. In this regard, the Board of Directors expressed its **special thanks to all the employees** of the Group Companies, for the responsiveness and adaptability shown and for their responsibility and dedication to work, which contributed to the achievement of the satisfactory 2020 results. All business segments recorded encouraging figures, while the hydroelectric production segment, despite satisfactory production supported by a hydrological trend higher than the historical average, was penalised by the **negative trend of energy market prices**, particularly in the central part of the year, which hedging policies could only partially mitigate. The Group's net financial position amounted to a negative 354 million euro, slightly worse than the previous year also due to the effects of significant **investments for 108.9 million euro**, concentrated in particular on the development of the electricity and gas distribution networks, as well as on operations to strengthen and consolidate certain business lines. The ratio between the net financial position and EBITDA is such as to allow for a high margin of safety, which may prove decisive in tackling the significant macroeconomic impacts linked to the health emergency still in progress.

Group consolidated financial statements as at 31 December 2020: economic and financial highlights (in millions of euro)

	2020	2019	change
Total revenue and income	1,397	1,500	- 6.9%
Gross operating margin (EbitDa)	237.7	216.8	+9.6%
Operating result (Ebit)	174.7	153.6	+13.7%
Result for the year	97.6	80.6	+21.1%
Net financial indebtedness	354	303.4	+16.7%

These are the key financial statements figures for 2020 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, SET Distribuzione SpA, Depurazione Trentino Centrale Scarl, Hydro Dolomiti Energia srl, Dolomiti GNL srl, Dolomiti Energia Hydro Power srl (deriving from the merger between Centraline Trentine and Veneta Esercizi Elettrici) and Dolomiti Edison Energy srl (the latter consolidated line-by-line 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 **4.5 billion kWh**, an increase compared to the 4.1 billion kWh in 2019 (100% DEH, HDE, SFE, DEE, DEHP).

Thermoelectric production: thermoelectric production generated **69 million kWh** (97 million kWh in 2019).

DISTRIBUTION GRIDS

Electricity: the Group **distributed 2.4 billion kWh** (2.6 billion kWh in 2019). As at 31 December the electricity distribution grid covers 12,261 km (12,103 Km in 2019).

Natural gas: in 2020 **291.8 million** cubic metres of gas were **distributed**, down compared to the 294.8 million cubic metres in 2019. The network covers 2,428 km compared with 2,415 km in 2019.

Integrated Water Cycle: in 2020 the quantities of **water introduced into the network**, extending 1,111 km (1,138 km in 2019), came to **29.5 million cubic metres** compared with 30 in 2019. Water was distributed to a total of 78,147 customers.

SALES

Electricity: the Group **sold to end customers 3.8 billion kWh**, compared with 4.1 billion kWh in 2019.

Electricity **customers** numbered almost **472,000**, compared with 455,000 in 2019.

Natural gas: in the gas sector **477.5 million** cubic metres of gas were sold **to end customers** in 2020, compared with 497 million in 2019. **Customers** today number **225,000** (213,000 in 2019).

As a result of commercial activities, the number of customers served for energy and gas increased further, taking their number to **697,000** (668,000 in 2019).

OTHER ACTIVITIES

Laboratory: During 2020, the laboratory (drinking water, water table, waste water and sewage control) carried out **18,118 tests**, compared with 19,729 in 2019, disclosing a decrease of 8.17% compared to the previous year due to the ongoing health crisis, of which 56.3% on behalf of third parties (61.7% in 2019).

Cogeneration and district heating: during 2020 **85.1 GWh** of heat, steam and cooling were supplied (98.4 GWh in 2019). The figure also includes that destined for industry.

Waste Management: the percentage of separate waste collection in 2020 was equal to 83.1% in Trento (81.7% in 2019) and 81.2% in Rovereto (78.9% in 2019), consolidating the excellent values for cities of such sizes. Overall, 70,381 tons of waste were collected, both separate and mixed (73,234 in 2019).

Electric mobility: the company Neogy, a joint venture between Dolomiti Energia Holding and Alperia, installed and manages 411 recharge points; a result that has also been achieved thanks to innovative models and collaboration agreements with other players in the area.

The Group's focus on people: from the very first moments of the emergency, it activated, where possible, smart working and delivered personal protection equipment and instructions to employees working to guarantee citizens the continuity of services necessary for everyday life, on what to do to protect their health and limit the spread of the virus, as well as activating ad hoc insurance coverage for all employees. The Group has also implemented various initiatives to mitigate the social impacts generated by the pandemic and to offer tangible support to people, its customers and the entire community, such as **the application during the first lockdown for all residential customers of a single tariff** that has allowed 109 thousand Trentino households to mitigate the costs due to the higher daytime consumption generated by being forced to stay at home. Or the postponement, for 112 thousand Trentino households and businesses, of the issuing of new bills and the possibility to postpone payment of bills for waste collection and urban hygiene and for water, sewerage and purification fees, or for small businesses belonging to Confcommercio, to accept requests for deferment or extension of payments.

In order to support local small and medium-sized enterprises, **the Group then advanced suppliers the payment of invoices due in April and May 2020**, eliminating the usual payment times and injecting more than 9 million euro of liquidity into the local economy at a time of extreme criticality. A year on - from the allocations **within the sphere of the Etika initiative for 250,000 euro** to ensure access to food, provide technological instruments (tablets and connections) and professional counselling and psychological support services for the most vulnerable people in the community, which was joined by a **donation of 250,000 euro to UPIPA**, the Association that brings together Trentino's retirement homes and public personal services companies - the Group will discount the fixed marketing costs relating to the last quarter of 2020 for all customers with a VAT number, who during the months of October, November and December 2020 recorded a decrease in consumption of at least one third compared to the same period of the previous year.

DIVIDENDS

The Shareholders' Meeting approved the distribution of dividends relating to 2020, which totalled **38.5 million euro**, which largely will benefit the local community, for a value of **0.10 per share** (0.09 euro in 2019), with the ratio between dividends and net profit of the Parent Company of 72.7%.

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 26 March 2021, provided in accordance with Italian Legislative Decree No. 254/2016.

RATIFICATION OF DONATION TO THE COMUNITÀ SOLIDALE FOUNDATION.

The Group decided to set aside a donation of 250,000 euro to the Comunità Solidale Foundation to support families who have suffered the economic consequences of the pandemic. The Shareholders' Meeting resolved to ratify the donation.

APPOINTMENT OF NEW BOARD OF DIRECTORS

The Shareholders' Meeting appointed the new Board of Directors, due to expiry of the mandate of the previous Board, which shall remain in office until approval of the financial statements as at 31 December 2023. The new Board of Directors, designated on the basis of the lists submitted by public and private shareholders, is composed of 12 members.

The new composition of the **Board of Directors** of Dolomiti Energia Holding is as follows:

Chairman: Massimo De Alessandri

Deputy Chairman: Giorgio Franceschi

Directors: Chiara Tomasi, Daniela Salvetti, Marco Merler, Paolo Decarli, Silvia Arlanch, Simone Canteri, Massimo Fedrizzi, Alessandro Lunelli, Eleonora Stenico, Giorgio Rossi

APPOINTMENT OF BOARD OF STATUTORY AUDITORS

The Shareholders' Meeting also appointed the Board of Statutory Auditors, composed as follows, for the next three financial years:

Chairperson: Michele Iori

Statutory Auditors: William Bonomi, Marta Dalbosco

Alternate Auditors: Giovanni Paolo Rao, Tiziana Depaoli

APPOINTMENT OF THE CHIEF EXECUTIVE OFFICER AND EXECUTIVE COMMITTEE

The Board of Directors will meet on 5th May to appoint the Chief Executive Officer and the members of the Executive Committee.

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:

www.gruppodolomitienergia.it