A2A, 2023 PRELIMINARY RESULTS:

RECORD GROWTH IN EBITDA, ORGANIC INVESTMENTS AND SUSTAINABLE FINANCE IN FAVOUR OF THE ECOLOGICAL TRANSITION

- Ordinary EBITDA at 1.93 billion euros, up 30% compared to the previous year

- Organic investments up 11% compared to 2022 and equal to 1.38 billion euro (1.24 billion euro in the previous year)

- Net Financial Position at 4.68 billion euros. NFP/EBITDA at 2.4x (2.8x in 2022)

- Energy generation from renewable sources of over 4.5TWh, up 35% compared to 2022. Wind production amounted to 0.4TWh, almost doubling compared to the previous year, thanks to the acquisitions made in 2022 and the start-up of the Matarocco plant. Hydroelectric production grew by 37%, reaching 3.7TWh (+1TWh compared to 2022)

- Increase of customers base in the Energy Retail segment: +420 thousands compared to December 31, 2022

The Group’s commitment to Sustainable Finance continues: following the transactions concluded in 2023, the portion of sustainable debt to the Group's total gross debt as at December 31, 2023 reached 70% (58% as at 31 December 2022).

Milan, 20 February 2024 – The Board of Directors of A2A S.p.A. met today and, under the chairmanship of Roberto Tasca, examined the preliminary consolidated results for the 2023 financial year.

"The preliminary results presented today confirm the acceleration of the Group's growth impressed by the Business Plan to 2030" – comments A2A CEO **Renato Mazzoncini** – *"During 2023 we further increased investments in strategic infrastructures for the country's ecological transition with 1.38 billion euros, 11% more than in 2022 and closing the three-year period '21-'23 at 5 billion, including the contribution of M&A. Ordinary EBITDA reached a record level of 1.93 euro billion, up 30% compared to the previous year. An extraordinary result reached thanks to the balanced contribution of all our Business Units and in particular to the increase in the production of energy from renewable sources, the effective hedging strategies and commercial development actions as well as the progressive normalization of the energy scenario"*

EBITDA (Gross Operating Margin) stood at **1.97 billion euro (1.50 billion euro** in 2022, +32%). Ordinary EBITDA, i.e. net of extraordinary items recorded in the period, stood at 1.93 billion euros, up 30% compared to 2022 (1.49 billion euros).

The excellent results were achieved thanks to the contribution of all the Group's Business Units, in particular the Generation & Trading and Market Business Units. In a context of stabilisation of the energy scenario and greater hydraulics, the Group has adopted effective strategies to cover and optimise the energy production portfolio and has also undertaken commercial development actions, recording excellent performance.

During 2023, A2A confirmed its commitment to contribute to the decarbonisation and electrification of the country's consumption, further increasing investments compared to 2022.

Organic investments amounted to **1.38 billion euro, an increase of 11%** compared to the previous year, and mainly concerned measures aimed at contributing to the flexibility and adequacy of electricity generation plants (construction of the new CCGT plant in Monfalcone, construction of the peaker in Cassano and upgrade of the CCGT plant in Piacenza). the growth of infrastructures for the production of renewable (new Matarocco wind farm and new photovoltaic plants), the strengthening of electricity distribution networks and the recovery of energy and materials.

In addition to these investments, in 2023 the Group finalized acquisitions (**M&A**) of corporate vehicles that will develop new photovoltaic parks in Friuli Venezia Giulia (VGE05 – Santo Stefano) and Veneto (Juwi Development 12 S.r.l. and Juwi Development 13 S.r.l.) for a total of 80MW. The financial commitment of these transactions was fully offset by the sale to Acque Bresciane S.r.l. of the business unit of A.S.V.T. S.p.A. relating to the Integrated Water Service.

The **Net Financial Position** amounted to 4.68 billion euros (4.26 billion euros at 31 December 2022). Excluding the changes in the scope of consolidation that occurred in 2023, the variation in Net Financial Position amounted to 0.42 billion euros: this increase is mainly due to the performance of working capital related to the expansion of A2A Energia's customer base (referring in particular to Safeguarded Customers and Microenterprises Gradual Protection Customers) and the payment of one-off taxes related to the 2022 extra profits taxation.

The **NFP/EBITDA ratio was 2.4x,** down from 2.8x on the previous year.

In 2023, A2A successfully placed a new Green Bond of 500 million euros. Following this transaction, the share of sustainable debt in the Group's total gross debt reached 70% as at 31 December 2023 (58% as at 31 December 2022).

A2A has also signed a new loan of 200 million euros, not yet drawn as of 31 December 2023, in line with REPowerEU, to support the electrification of consumption and the use of energy from renewable sources, to promote the decarbonisation of the country.

In 2023, the Group signed a credit line for Green guarantees aligned with A2A's Sustainable Finance Framework and the EU Taxonomy.

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The draft consolidated financial statements of the A2A Group will be examined, as per the financial calendar already released, during the Board of Directors meeting on 11 March 2024.

The above preliminary figures do not include the tax effects currently being assessed and are still subject to audit activities by the independent auditors.

Alternative Performance Indicators (AIPs)

This press release uses a number of alternative performance indicators (AIPs) that are not required by the international accounting standards adopted by the European Union (IFRS-EU), in order to allow a better assessment of the performance of the A2A Group's economic and financial operations. In accordance with the recommendations of the Guidelines published in October 2015 and May 2021 by ESMA, the meaning, content and basis for calculation of these indicators are set out below:

- **EBITDA (Gross Operating Margin):** alternative operating performance indicator, calculated as the sum of "Net operating profit" plus "Depreciation, amortization, provisions and write-downs";
- **Ordinary EBITDA (Ordinary Gross Operating Margin): alternative operating** performance *indicator*, calculated as the gross operating margin described above, net of items, both positive and negative, deriving from transactions or operations that are not repeatable in future years (e.g. adjustments relating to past years; costs for extraordinary mobility plans, etc.);
- **Net financial position (NFP):** indicator of your financial structure. This indicator is determined as the result of current and non-current financial payables, the non-current portion of trade payables and other unremunerated payables that have a significant implicit financing component (payables with a maturity of more than 12 months) net of cash and cash equivalents and current and non-current financial assets (financial receivables and securities other than equity investments);
- **Investments:** an alternative *performance* indicator used by the A2A Group as a financial objective in the context of both internal Group presentations *(Business Plan*) and external presentations (presentations to financial analysts and investors) and constitutes a useful measurement of the resources used in the maintenance and development of the A2A Group's investments.
- **M&A:** alternative *performance* indicator used by the A2A Group to represent the overall impact on the balance sheet of growth transactions by external line.

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The Manager in charge of preparing the corporate financial reports of A2A S.p.A., Luca Moroni, declares – pursuant to art. 154-bis, paragraph 2 of the Consolidated Law on Finance (Legislative Decree 58/1998) – that the accounting information contained in this press release corresponds to the documentary evidence, books and accounting records.

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