

A2A, RESULTS AS AT MARCH 31, 2025

CAPEX IN ECOLOGICAL TRANSITION CONTINUES

SOLID ECONOMIC AND FINANCIAL PERFORMANCE CONFIRMED

INCREASED SHARE OF REGULATED ACTIVITIES ON THE GROUP'S EBITDA

IMPROVEMENT IN NET FINANCIAL POSITION AND LEVERAGE RATIO

82% OF TOTAL DEBT IN ESG FORMAT

- **Total capex of 335 million euro**, of which 302 million euro organic (+37% compared to the previous year) and 33 million euro for M&A transactions, mainly attributable to the acquisition of the Sesto San Giovanni cogeneration plant from Edison.
- **Revenues of 3,968 million euro**: +16% compared to the first three months of 2024, driven by Duereti consolidation and the increase in energy commodity prices.
- **EBITDA of 675 million euro**: -4% compared to the first quarter of 2024 (703 million euro), mainly due to the alignment of hydroelectric production with historical averages. Net of the normalization related to hydraulicity, EBITDA increased by 1%.
- **The contribution of regulated activities to the Group's EBITDA increased to 31%¹** (25% in the first quarter of 2024) thanks to the **positive contribution** of the new electricity distribution company **Duereti**.
- **Net Income at 257 million euro**: decreasing compared to the same period of 2024 (294 million euro, -13%). Net of the normalization related to hydraulicity, Net Income decreased by 5%.
- **Net Financial Position at 5,616 million euro** (5,835 million euro at 31 December 2024). Excluding changes in the scope of consolidation during the period, the NFP amounted to 5,583 million euro, thanks to an operating cash flow that more than covered capex for the period and improved NFP/rolling EBITDA ratio to 2.4x(2.5x as at 31 December 2024).
- **Increase in fixed-price retail contracts**, whose structure protects clients from price fluctuations and energy scenario. These contracts – with a duration up to 10 years, an option now chosen by almost 100,000 customers – allow a significant reduction in final consumers' bills compared to the first quarter of 2024.

¹ Regulated EBITDA includes electricity distribution, gas distribution, integrated water cycle, district heating and regulated collection and treatment

Energy Transition and Circular Economy

- Establishment of the new **Circular Economy Business Unit**, into which the Waste, Water and Heat activities have been merged, in order both to optimize their integration and to adopt new solutions to further advance the decarbonization path.

The new purification plant in Calvisano, a municipality without these infrastructures so far, with a treatment capacity covering the needs of 12,000 population equivalents (AE), has been inaugurated. The plant, which uses advanced technologies, represents a first step to overcome the European infringement procedure opened in 2014 and ensure compliance with EU regulations on wastewater treatment, allowing it to avoid sanctions from the EU. This new asset has enabled the use of funds financed by PNRR.

Sustainability

- 72% of Capex was eligible for the purposes of the European Taxonomy (47% of aligned capex)
- The installed capacity of the electricity grid amounted to 8,376 MVA, up 56% compared to the value of the first quarter of 2024, with the consolidation of the company Duereti having a positive contribution.

A2A confirms its position as a reference point in sustainable finance: in January, in fact, A2A issued its inaugural European Green Bond of 500 million euro and tenor of 10 years, the first on the market by a European corporate issuer, in accordance with the EU Regulation 2631/2023.

Thanks to this transaction, sustainable debt weight on the Group's total gross debt reached 82% as of March 31, 2025 (75% as of March 31, 2024).

The Board of Directors of A2A S.p.A. has examined and approved the Quarterly Report as at 31 March 2025

Rome, May 13, 2025 - The Board of Directors of A2A S.p.A. met today and, under the chairmanship of Roberto Tasca, examined and approved the Quarterly Report as at March 31 2025.

The results of this quarter confirm the solidity of the industrial performance as well as of the economic-financial indicators of the Group. Thanks to the integration of the new company Duereti, the percentage of regulated activities on Group EBITDA increased to 31%, helping to improve visibility and strengthen the stability of future results, allowing us to confirm the guidance for 2025. - comments Renato Mazzoncini, CEO of A2A – We increased our investments by 37% compared to the first quarter of 2024 in the strengthening and efficiency of networks, in the development of renewables, in the flexibility of generation plants, and in material and energy recovery. Cash flow ensured both the coverage of investments and the improvement of the PFN/EBITDA ratio, now equal to 2.4x.

In the first quarter of 2025, A2A showed good resilience in its economic and financial results, recording a slight decrease in operating margins. On one hand, it should be noted the contribution on margins deriving from the consolidation of Duereti, a company that benefited from the transfer by e-distribuzione of electricity distribution activities in some municipalities located in the provinces of Milan and Brescia. On the other hand, the effect of lower hydroelectric production, returning to historical average levels compared to the

first quarter of the previous year, characterized by high hydraulicity, was partially offset by higher production from combined-cycle plants.

In a context characterized by increasing energy prices, with the average value of PUN (Single National Price) Base Load increasing by 50.2% compared to the same period in 2024 (from 91.9 €/MWh in 2024 to 138 €/MWh in 2025) and the average cost of gas at the PSV increasing by 65.6% (from 29.3 €/MWh in 2024 to 48.4 €/MWh in 2025), in the first quarter 2025 there were less opportunities for gas supply optimization than in the first quarter of 2024.

The main economic indicators are as follows:

Million euro	3M2025	3M2024	Δ	Δ%
Revenues	3,968	3,425	+543	+16%
Gross Operating Margin - EBITDA	675	703	-28	-4%
Net Operating Income – EBIT	415	465	-50	-11%
Net Income	257	294	-37	-13%

In the period under review, **Group revenues** amounted to **3,968 million euro**, up 16% compared to the same period of the previous year (3,425 million euro). The change is mainly attributable to the first consolidation of Duereti and the increase in unit prices in the retail and district heating segment.

In line with the trend in revenues and the related dynamics related to the commodities market, **operating costs** amounted to **3,063 million euro**, recording an increase compared to the same period of the previous year (+22%).

Personnel **costs, amounting to 230 million euro**, increased by approximately **15 million euro** (+7%). The change is linked for approximately 60% to the higher number of FTEs (Full-Time Equivalents) in the first quarter of 2025 compared to the previous year (+671 FTEs, +5%) following hires made during 2024 and in the first three months of 2025, the integration of the resources of the company Duereti, the start-up and upgrading of plants and structures in line with the Group's development objectives, as well as the awarding of tenders in the urban collection sector that took place during 2024. The remaining part of the increase is attributable to the effects of salary increases for contract renewals (CCNL Urban Hygiene, Electricity, Gas Water) and to increases in merit.

EBITDA amounted to 675 million euro, decreasing by 4%, -28 million compared to the first three months of 2024 (703 million euro) mainly as a result of the alignment of hydroelectric production with historical averages. Net of the normalization related to hydraulicity, EBITDA increased by 1%.

Net of non-recurring items (+3 million euro in 2025, +4 million euro in 2024), **Ordinary EBITDA amounted to 672 million euro**, a decrease of 4%, -27 million euro, compared to the first quarter of the previous year (699 million euro).

The share of regulated activities on the Group's EBITDA increased to 31% (25% in the first quarter of 2024) also thanks to the **positive contribution** of the new electricity distribution company **Duereti**.

Net Operating Income stood at **415 million euro**, decreasing by 11%, -50 million euro compared to the same period of 2024 (465 million euro). This change is attributable to the decrease in EBITDA and the increase in depreciation and amortization of 18 million euro, mainly due to capex made by the Group in the period April 2024 - March 2025, as well as the change in the scope of consolidation attributable to the consolidation of Duereti.

Net Financial Expenses amounted to 42 million euro, up from 32 million euro in the first quarter of the previous year, mainly due to higher interests relating to both the European Green Bond issued in January 2025 and the bank loans of the third quarter 2024, in particular the 600 million euro Green "bridge" loan for the acquisition of electricity grids from Enel.

Taxes amounted to 109 million euro, with a tax rate of 29%, as in the same period of the previous year, a decrease of 18 million euro compared to the first three months of 2024 due to a lower tax base.

As a result of the dynamics described above, **the Group's Net Income before ordinary transactions** amounted to **252 million euro**, a decrease of 14% compared to the first quarter of 2024 (294 million euro as at 31 March 2024).

Net Group Result amounted to **257 million euro**, a decrease of 37 million compared to the same period of the previous year (294 million euro). Net of the normalization related to hydraulicity, net income decreased by 5%. Extraordinary items in the period amounted to 5 million euro and refer to the price adjustment relating to the acquisition of the stake in Tecnoa (WtE Crotone) which took place in previous years.

Total capex in the first quarter of 2025 amounted to **335 million euro**, of which **302 million euro organic** (+37% compared to the previous year) and **33 million euro** relating to **M&A transactions**. Especially:

- approximately 60% of **organic capex** concerned development interventions mainly aimed at the strengthening and efficiency of networks to support decarbonisation, the development of photovoltaic plants, the increase in the flexibility of generation plants, the material and energy recovery and the digitalisation of the Group;
- **M&A transactions** amounted to **33 million euro**, mainly attributable to the acquisition from Edison of the Sesto San Giovanni cogeneration plant, with an installed capacity of approximately 110 MW.

Net Financial Position as at 31 March 2025 amounted to 5,616 million euro (5,835 million euro at 31 December 2024). Excluding the changes in the scope of consolidation that occurred during the period, amounting to 33 million euro, the NFP amounted to 5,583 million euro, after capex of 302 million euro, with a net cash generation of cash equal to 252 million euro.

A2A Group - Results by Business Unit

Starting from the first quarter of 2025, the new Circular Economy Business Unit was established, merging the Waste, Water and Heat activities. The Smart Infrastructures Business Unit, as a result, is almost entirely composed of regulated or low-volatility activities.

The figures for the first quarter of 2024 have been consistently restated.

The following table shows the breakdown of EBITDA by Business Unit.

<i>Million euro</i>	03.31.2025	03.31.2024	Δ	Δ%
Generation & Trading	224	298	-74	-24.8%
Market	133	135	-2	-1.5%
Circular Economy	202	194	+8	+4.1%
Smart Infrastructures	122	89	+33	+37.1%
Corporate	-6	-13	+7	n.s.
Total	675	703	-28	-4.0%

Generation & Trading Business Unit

In the first three months of 2025, the Generation & Trading Business Unit contributed to covering the sales requirements of the A2A Group through 3.2 TWh of electricity produced by the reference plants (2.6 TWh as at 31 March 2024).

In particular, the generation of energy from renewable sources amounted to 1.1 TWh, a decrease of 18% compared to the same period of the previous year due to lower hydroelectric volumes (-20%) following the lower hydraulicity recorded compared to the same period of 2024 - characterized by hydroelectric production well above historical averages - and to the lower contribution of wind plants (-10%) following lower wind availability recorded in the period under review compared to the first quarter of the previous year.

Thermoelectric generation for the period stood at 2.1 TWh, up 66% compared to the same period of the previous year (1.3 TWh as at 31 March 2024). The increase concerned CCGT plants (+68%) following the greater contestable demand due to lower imports and the simultaneous decrease in production from renewable sources.

Revenues for the period amounted to 2,641 million euro, up 375 million euro (+17%) compared to the first three months of the previous year, both due to higher volumes sold and brokered, in particular of electricity, and higher unit prices.

EBITDA of the Generation & Trading Business Unit amounted to 224 million euro, a decrease of 24.8%, -74 million euro compared to the first three months of 2024.

The change is mainly attributable to

- the lower hydraulicity resulting from a normalization of hydroelectric production in the current quarter compared to the exceptional hydraulicity recorded in the same period of the previous year;
- the better opportunities for supply optimization and hedging of energy commodities seized in the first quarter of the previous year compared to the current year.

These effects were partly offset by the greater contribution of thermoelectric production, the increase in the premium awarded on the capacity market and the positive contribution of the trading portfolio.

In the period, capex amounted to approximately 50 million euro (31 million euro in the same period of 2024). Development capex were carried out for a total of 36 million euro, of which about 11 million euro related to photovoltaic and wind power plants aimed at accelerating the growth of generation from renewable sources and 25 million euro for interventions on CCGT plants (new CCGT Monfalcone) and for developments on energy storage, aimed at ensuring flexibility, coverage of peak demand and balancing of the energy needs of the grid.

Approximately 14 million euro referring to extraordinary maintenance activities, of which approximately 9 million euro for thermoelectric plants and 3 million euro for the Group's hydroelectric plants.

Business Unit Market

In the first three months of 2025, Market Business Unit recorded 6.5 TWh of electricity sales, up 5% compared to the same period of the previous year, thanks to the increase in volumes supplied to large customers, partly offset by the loss of the Group's activity in the Safeguard segment. Gas sales, amounting to 1.1 billion cubic meters, show a 6% decrease compared to the first quarter of 2024 mainly due to lower volumes for large customers.

Following the end of the protected market for non-vulnerable domestic electricity customers and the auctions for the award of gradual protections starting from July 2024, there was a 3% increase in supply points thanks to the effective commercial actions taken by the Group. This increase is attributable to the development of the free market and the contribution of customers of gradual protections, partly offset by the lower customer base of the protected market.

Fixed-price retail contracts – with a duration up to 10 years, a contract structure selected by almost 100.000 customers – now represent the preferred choice by new clients and allow a significant reduction in energy bills with respect to the first quarter of 2024, protecting clients from price increases over the quarter, as already happened in 2022/2023.

Revenues amounted to 2,226 million euro (1,825 million euro at 31 March 2024). This is mainly attributable to the increase in unit prices for both electricity and gas. The higher quantities sold in the electricity segment were offset by lower volumes sold on the retail gas markets.

EBITDA of the Market Business Unit stood at 133 million euro, substantially in line with the first quarter of the previous year (135 million euro as at 31 March 2024).

The trend in the margin is mainly attributable to the positive performance of the mass market segment, as a result both of the commercial development over the period and the decrease in charges related to retention actions. These positive effects substantially offset the loss of the safeguard market segment, the lower contribution of the large gas customers segment and the increase in operating costs for customer acquisition and management activities.

Capex in the first three months of 2025 amounted to 29 million euro (25 million euro in the same period of 2024) and concerned:

- the energy retail segment with 28 million euro for capitalised costs for the acquisition of new customers and for evolutionary maintenance and development of the Hardware and Software platforms, aimed at supporting the billing and customer management activities of the Group's sales companies;
- the Energy Solutions sector with 1 million euro for energy efficiency projects.

Business Unit Circular Economy

In the first quarter of 2025, waste disposed, including intra-group disposal, amounted to 1,222 thousand tonnes (-3% compared to the same period of the previous year): the positive contribution of energy recovery plants, in particular the Trezzo waste-to-energy plant, was offset by lower waste disposed in material

recovery plants, due to the revamping of the Cavaglià plastic plant and the extraordinary maintenance of the OFMSW (Organic Fraction of Municipal Solid Waste) plant in Lacchiarella.

The amount of electricity sold by waste-to-energy plants and biomass and bioenergy plants, amounting to 548 GWh, increased by 4% compared to the previous year thanks to the start-up of the Trezzo waste-to-energy plant during the second half of 2024.

Electricity sold by cogeneration plants amounted to 257 GWh, up 6% compared to the first quarter of the previous year.

Heat sales in the district heating segment in the period under review amounted to 1.5 TWh, an increase of 6% compared to the volumes sold in the first three months of the previous year, due to the thermal effect and commercial development.

In the first three months of 2025, the Circular Economy Business Unit recorded revenues of 668 million euro (593 million euro as at 31 March 2024). The increase recorded is attributable both to the increase in unit prices of electricity, heat and waste disposal and to the higher quantities of electricity and heat sold.

EBITDA of the Circular Economy Business Unit amounted to 202 million euro, an increase of 8 million euro compared to 31 March 2024.

Net of the non-recurring items recorded (+3 million euro in 2024 and +1 million euro in 2025), Ordinary EBITDA stood at 201 million euro (191 million euro at 31 March 2024).

This result was mainly determined by:

- +7 million euro relating to the heat sector, thanks to the increase in electricity and heat prices, the optimisation of supply sources and higher volumes of heat sold;
- +5 million euro relating to Urban Waste Treatment Plants, mainly due to higher revenues from waste disposal and heat from waste-to-energy plants, partly offset by lower margins from treatment plants (Cavaglià plastic plants and Lacchiarella bio-drying plants);
- -2 million euro relating to the Collection segment mainly following the re-contracting of Urban Hygiene services with the Municipality of Milan.

Capex in the first quarter of 2025 amounted to 75 million euro (60 million euro in the first three months of 2024) and concerned:

- for 7 million euro the Collection sector, relating to the purchase of vehicles for the launch of new tenders;
- the Waste treatment sector will amount to 20 million, for maintenance and development of waste-to-energy plants (9 million euro) and waste treatment plants (11 million euro);
- for 24 million euro the integrated water cycle sector, for maintenance and development of the water transport and distribution network, as well as interventions and renovations of sewerage networks and water treatment plants;
- for 24 million euro the district heating and heat management sector, for maintenance and development of the heat distribution network and new connections.

Business Unit Smart Infrastructures

In the first three months of 2025, the RAB (Regulatory Asset Base) of electricity distribution amounted to 1,687 million euro, up 50% thanks to the contribution of Duereti as well as the increase in capex made, while the RAB of gas amounted to 1,735 million euro, up 4%.

In the period under review, the revenues of the Smart Infrastructures Business Unit amounted to 265 million euro (196 million euro at 31 March 2024). The change is related to the consolidation of Duereti and the higher revenues allowed for regulatory purposes.

EBITDA of the Smart Infrastructures Business Unit in the first quarter of 2025 was 122 million euro (89 million euro as at 31 March 2024).

Net of non-recurring items of +1 million euro in the first quarter of 2024, the Business Unit's Ordinary EBITDA increased by 34 million euro compared to the first three months of 2024.

The change in the margin was due to the contribution of the first consolidation of Duereti (+23 million euro) and the increase in revenues allowed for regulatory purposes of companies on a like-for-like basis (+11 million euro), both electricity and gas, following higher capex deployed, which more than offset the decrease in margins resulting from the update of WACC by ARERA (Regulatory Authority for Energy, Networks and the Waste) for the year 2025.

Capex in the first quarter of 2025 amounted to 123 million euro (90 million euro in the same period of 2024) and concerned:

- for 85 million euro the electricity distribution sector: for the connection of new users, interventions on primary plants and secondary substations, interventions on the medium and low voltage network and software adjustments;
- for 33 million euro the gas distribution sector: for the connection of new users, the replacement of medium and low pressure pipes and maintenance of gas meters;
- for 2 million euro the public lighting sector for new projects;
- for 2 million euro the e-mobility sector for the installation of new charging stations;
- for 1 million euro the Smart City sector.

Balance sheet

It should be noted that the scope of consolidation as at 31 March 2025 changed compared to 31 December 2024 for the following transactions:

- acquisition by A2A Rinnovabili of 100% of AREN06 S.r.l., a company operating in the renewable electricity production sector, with consequent line-by-line consolidation;
- establishment AP Reti Gas North S.r.l. company, held by Unareti for 50% and by LD Reti for 50%, with consequent line-by-line consolidation of the company.

million euro	03 31 2025	12 31 2024	Change
CAPITAL EMPLOYED			
Net fixed asset	11,481	11,330	151
- Tangible assets	7,534	7,517	17
- Intangible assets	4,352	4,299	53
- Shareholdings and other non-current financial assets (*)	136	100	36
- Other non-current assets/liabilities (*)	(22)	(67)	45
- Deferred tax assets/liabilities	551	549	2
- Provisions for risks, charges and liabilities for landfills	(859)	(854)	(5)
- Employee benefits	(211)	(214)	3
<i>of which with counter-entry to equity</i>	<i>(79)</i>	<i>(79)</i>	
Net Working Capital and Other Current Assets/Liabilities	(3)	114	(117)
Net Working Capital:	776	277	499
- Inventories	160	316	(156)
- Trade receivables	4,480	3,643	837
- Trade payables	(3,864)	(3,682)	(182)
Other current assets/liabilities:	(779)	(163)	(616)
- Other current assets/liabilities (*):	(598)	(88)	(510)
- Current tax assets/tax payables	(181)	(75)	(106)
<i>of which with counter-entry to equity</i>	<i>(23)</i>	<i>(16)</i>	
Assets/liabilities held for sale (*)	398	394	4
TOTAL CAPITAL EMPLOYED	11,876	11,838	38
SOURCES OF FUNDS			
Equity	6,260	6,003	257
Total financial position after one year	6,960	6,454	506
Total financial position within one year	(1,344)	(619)	(725)
Total Net Financial Position	5,616	5,835	(219)
<i>of which with counter-entry to equity</i>	<i>(1)</i>	<i>4</i>	
TOTAL SOURCES	11,876	11,838	38

(*) Excluding balances included in the Net Financial Position.

Net fixed asset

"**Net fixed asset**" amounted to 11,481 million euro, an increase of 151 million euro compared to 31 December 2024.

Changes are detailed below:

- Tangible Assets changed by 17 million euro, corresponding to:
 - Capex of 174 million euro mainly due to the development and maintenance of electricity distribution plants, the expansion and renovation of the medium and low voltage grid for 64 million euro, interventions on thermoelectric and hydroelectric power plants and energy plants from renewable sources for 45 million euro, to interventions for the development of district heating networks and plants for 22 million euro, to interventions on waste treatment and waste-to-energy plants for 21 million euro, to interventions on buildings for 9 million euro, the acquisition of mobile waste collection vehicles and other equipment for 7 million euro;
 - decrease of 152 million euro attributable to depreciation for the period;
 - net decrease due to other changes of 5 million euro due to the increase in rights of use in application of IFRS16 for 5 million euro, the decrease following the capex contributions of previous years for 8 million euro, the decrease in tax credits for capex in new capital goods provided for by Law no. 178/2020, art.1 paragraph 1051 for 2 million euro;
- Intangible Assets show an increase in change of 53 million euro compared to 31 December 2024 attributable to:
 - capex of 128 million euro, mainly due to the implementation of information systems for 55 million euro, the development and maintenance of gas distribution systems and the replacement of underground medium and low pressure pipes for 32 million euro, works on the water transport and distribution network, sewerage networks and purification plants for 21 million euro, costs incurred for new acquisitions and for the maintenance of the customer portfolio for 17 million euro;
 - an increase of a total of 7 million euro due to the increase of 10 million euro relating to environmental certificates, the decrease deriving from the reclassification to other balance sheet items of 2 million euro and the decrease in capex grants previous years for 1 million euro;
 - decrease of 82 million euro attributable to amortization for the period;
 - first consolidation of the company AREN06, acquired during the period, which resulted in an increase of 1 million euro;
 - decrease of 1 million euro following disposals during the period net of the related accumulated amortization;
- Shareholdings and Other non-current financial assets amounted to 136 million euro, up 36 million euro compared to 31 December 2024. The upward change is mainly attributable for 28 million euro to the acquisition by A2A Calore & Servizi of 100% of Sesto Energia S.r.l., a company consolidated as of 1 April 2025, and for 5 million euro to capex in innovative start-ups through Corporate Venture Capital projects;

- Other non-current assets and liabilities show a decrease in the liability balance of 45 million euro, attributable to a decrease in security deposits with customers of 38 million euro and an increase in security deposits from suppliers of 7 million euro;
- Deferred tax assets amounted to 551 million euro (549 million euro at 31 December 2024) and showed a net increase of 2 million euro;
- Provisions for risks, charges and liabilities for landfills as at 31 March 2025 amounted to 859 million euro, an increase of 5 million euro. Changes in the period were due to net provisions for the period of 7 for million euro, mainly attributable to higher hydroelectric derivation fees, and other changes of 4 million euro. These upward changes were partly offset by uses for the period of 6 million euro, of which 4 million euro related to the incurrence of decommissioning and landfill costs and other changes of 2 million euro;
- Employee benefits changed by 3 million euro, referring to disbursements for the period and payments to welfare funds, net of provisions for the period.

Net Working Capital and Other Current Assets/Liabilities

"**Net Working Capital**", defined as the algebraic sum of trade receivables, closing inventories and trade payables, amounted to 776 million euro, an increase of 499 million euro compared to 31 December 2024. The main items are commented on below:

Inventories

million euro	Value at 12 31 2024	First-time consolidation effect acquisitions 2025	Changes	Value at 03 31 2025
-Materials	147	0	(1)	146
- Material obsolescence provision	(27)	0	(1)	(28)
Total materials	120	0	(2)	118
-Fuel	194	0	(155)	39
-Others	2	0	1	3
Raw and ancillary materials and consumables	316	0	(156)	160
Third-party fuel	0	0	0	0
Total inventories	316	0	(156)	160

"Inventories" amounted to 160 million euro (316 million euro at 31 December 2024), net of the related provision for obsolescence of 28 million euro, down by 156 million euro compared to 31 December 2024. The downward change is mainly attributable to lower inventories of fuels for electricity production and inventories of gas for sales and storage, amounting to 155 million euro due to an effect linked to the seasonality of the business, as well as a net decrease in inventories, plant and equipment and other inventories of 1 million euro. euro.

Trade Receivables

million euro	Value at 12 31 2024	First-time consolidation effect acquisitions 2025	Changes	Value at 03 31 2025
Trade receivables - invoices issued	1773	0	605	2,378
Trade receivables - invoices to be issued (Bad debts provision)	2,146 (276)	0 0	238 (6)	2,384 (282)
Total trade receivables	3,643	0	837	4,480

At 31 March 2025, "Trade receivables" amounted to 4,480 million euro (3,643 million euro at 31 December 2024), an increase of 837 million euro. The change in trade receivables is mainly attributable to the normal and temporary increase in retail and heat trade receivables due to seasonality, partially offset by the decrease in receivables from the safeguard portfolio.

The "Bad debts provision" amounted to 282 million euro and showed a net increase of 6 million euro compared to 31 December 2024, due to provisions of 19 million euro and utilisation for the period of 13 million euro.

The following is the aging of trade receivables:

million euro	12 31 2024	03 31 2025
Trade receivables of which:	3,643	4,480
Currents	1,091	1,454
Past due of which:	682	924
Past due up to 30 days	111	320
Past due from 31 to 180 days	137	186
Past due from 181 to 365 days	105	88
Past due over 365 days	329	330
Invoices to be issued	2,146	2,384
Bad debts provision	(276)	(282)

Trade payables

million euro	Value at 12 31 2024	First-time consolidation effect acquisitions 2025	Changes	Value at 03 31 2025
Advances and payables to customers	43	0	(4)	39
Payables to suppliers	3,639	1	185	3,825
Total trade payables	3,682	1	181	3,864

"Trade payables" amounted to 3,864 million euro, an increase of 181 million euro compared with the end of the previous year, net of the effect of the first consolidations for the period of 1 million euro. This change is mainly due to an increase in the volumes and prices recorded within the trading portfolio activities.

"Other current assets/liabilities" show a net decrease of 616 million euro compared to 31 December 2024. This change is mainly attributable to:

- increase in the payable to the Treasury for VAT, excise duties and other indirect taxes of 179 million euro;

- net decrease in the fair value of commodity derivatives of 151 million euro;
- net increase in payables to the Cassa per i Servizi Energetici e Ambientali of 110 million euro;
- decrease in security deposits of 37 million euro, of which decrease of 40 million euro due to the return of the deposit in favour of GME for stock exchange activities;
- net increase in current tax payables of 106 million euro.

The breakdown of net working capital, including changes in other current assets/liabilities by Business Unit, is as follows:

million euro	03 31 2025	12 31 2024	Changes
Generation & Trading	(519)	(230)	(289)
Market	584	607	(23)
Circular Economy	(63)	(15)	(48)
Smart Infrastructures	(386)	(173)	(213)
Corporate	381	(75)	456
TOTAL	(3)	114	(117)

"**Assets/liabilities held for sale**" were positive and amounted to 398 million euro (394 million euro at 31 December 2024) and refer to the reclassification according to IFRS5 of the value of assets and receivables relating to certain ATEMs relating to gas distribution acquired by Ascopiave following the contract preliminary purchase agreement, signed on 19 December 2024.

Consolidated "**Capital Employed**" as at 31 March 2025 amounted to 11,876 million euro and is covered by Shareholders' equity of 6,260 million euro and Net financial position of 5,616 million euro.

"**Equity**", amounting to 6,260 million euro, shows positive movements for a total of 257 million euro.

The positive change was due to the group result for the period of 257 million euro. There was also a positive change in minority interests of 4 million euro, negative changes in cash flow hedge derivatives of 2 million euro, as well as other decreasing changes of 2 million euro.

The "**Consolidated Net Financial Position**" as at 31 March 2025 amounted to 5,616 million euro (5,835 million euro at the end of 2024). Gross debt amounted to 7,218 million euro, a decrease of 214 million euro compared to 31 December 2024. Cash and cash equivalents amounted to 1,576 million euro, an increase of 27 million euro. Other financial assets had a surplus of 26 million euro, with a net decrease of 22 million euro compared to 31 December 2024.

The fixed-rate portion of gross debt is equal to 73%. The duration is 5.6 years.

Change Consolidated Net Financial Position

The following table summarises the changes in the Net Financial Position.

million euro	03.31.2025	03.31.2024
EBITDA	675	703
Change Net Working Capital*	(101)	(510)
Paid for Net Taxes and Net Financial Expenses	(20)	(27)
Operating Cash Flow	554	166
Capex	(302)	(220)
Cash flow before dividend payment	252	(54)
Net cash flow	252	(54)
Changes in scope	(33)	(18)
Change in Net Financial Position	219	(72)

* includes changing other assets/liabilities and use of funds

During the period, the change in the Net Financial Position was positive and amounted to 219 million euro. Net cash flows generated amounted to 252 million euro after capex of 302 million euro. The changes in the scope of consolidation during the period were negative and amounted to 33 million euro, mainly attributable to the acquisition of 100% of the share capital of Sesto Energia S.r.l. for 28 million euro, a company consolidated as of 1 April 2025.

With reference to items other than Ebitda and Capex:

- the change in Net Working Capital (including the change in other assets/liabilities and the use of provisions) led to a cash absorption of 101 million euro mainly attributable to the normal and temporary increase in retail and heat trade receivables due to seasonality, partially offset by the decrease in loans from the safeguard portfolio;
- the payment of net financial expenses absorbed cash of 20 million euro.

"Net Capex", amounting to 302 million euro, concerned the following Business Units:

Million euro	03.31.2025	03.31.2024	Changes
Generation & Trading	50	31	19
Market	29	25	4
Circular Economy	75	60	15
Smart Infrastructures	123	90	33
Corporate and more	25	14	11
Total	302	220	82

For a description of the main interventions carried out, please refer to the section on BU results, above.

Business Outlook

For the 2025 financial year it is confirmed a forecast of Ebitda between 2.17 and 2.20 billion euro and of Group Net Income, net of non-recurring items, between 0.68-0.70 billion euro.

Alternative Performance Indicators (AIPs)

In this press release, some alternative *performance* indicators (AIPs) not provided for by the international accounting standards adopted by the European Union (IFRS-EU) are used, 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 new ESMA Guidelines published in July 2020 and applicable from 5 May 2021, 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 impairments";
- **Ordinary EBITDA:** alternative operating *performance* indicator, calculated as EBITDA described above net of items, both positive and negative, deriving from transactions or operations that have characteristics of non-repeatability in future years (e.g. adjustments relating to past years)
- **Ordinary Net Operating Result (Ordinary EBIT):** alternative operating *performance* indicator, calculated by excluding items from non-recurring transactions from the Net Operating Profit;
- **Special Items:** non-recurring events occurring during the year that had an effect on the consolidated income statement;
- **"Ordinary" Net Result (Ordinary Net Income):** alternative *performance* indicator, calculated by excluding the impact of special items from each income statement item;
- **Net financial position** is an indicator of one's 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 non-remunerated payables that have a significant implicit financing component (payables maturing more than 12 months), net of cash and cash equivalents and current and non-current financial assets (financial receivables and securities other than shareholdings).
- **Capex:** alternative *performance* indicator used by the A2A Group as a financial objective in the context of both internal Group (*Business Plan*) and external (presentations to financial analysts and investors) presentations and is a useful measurement of the resources used in maintaining and developing the A2A Group's capex.
- **M&A:** alternative performance indicator used by the A2A Group to represent the overall impact on the balance sheet of external growth transactions.

Pursuant to the provisions of the Issuers' Regulation, amended by Consob, with Resolution no. 19770 of 26 October 2016 with effect from 2 January 2017, Article 82-ter (Additional periodic financial information), the Board of Directors, in order to ensure continuity and regularity of information to the financial community, resolved to continue to publish, on a voluntary basis, quarterly information, adopting the following communication policy starting from the 2017 financial year and until otherwise resolved.

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 document results, books and accounting records.

The financial statements of the A2A Group as at 31 March 2025 are attached.

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CONSOLIDATED BALANCE SHEET	03.31.2025	12.31.2024
(millions of euro)		
ASSETS		
<u>NON-CURRENT ASSETS</u>		
Tangible assets	7,534	7,517
Intangible assets	4,352	4,299
Shareholdings carried according to equity method	25	25
Other non-current financial assets	124	88
Deferred tax assets	551	549
Other non-current assets	138	130
TOTAL NON-CURRENT ASSETS	12,724	12,608
<u>CURRENT ASSETS</u>		
Inventories	160	316
Trade receivables	4,480	3,643
Other current assets	937	1,296
Current financial assets	12	32
Current tax assets	37	45
Cash and cash equivalents	1,576	1,549
TOTAL CURRENT ASSETS	7,202	6,881
NON-CURRENT ASSETS HELD FOR SALE	408	405
TOTAL ASSETS	20,334	19,894
EQUITY AND LIABILITIES		
<u>EQUITY</u>		
Share capital	1,629	1,629
Reserves	3,812	2,952
Result of the year	-	864
Result of the period	257	-
Equity pertaining to the Group	5,698	5,445
Minority interests	562	558
Total equity	6,260	6,003
<u>LIABILITIES</u>		
<u>NON-CURRENT LIABILITIES</u>		
Non-current financial liabilities	6,824	6,317
Employee benefits	211	214
Provisions for risks, charges and liabilities for landfills	859	854
Other non-current liabilities	310	347
Total non-current liabilities	8,204	7,732
<u>CURRENT LIABILITIES</u>		
Trade payables	3,864	3,682
Other current liabilities	1,542	1,391
Current financial liabilities	233	955
Tax liabilities	218	120
Total current liabilities	5,857	6,148
Total liabilities	14,061	13,880
LIABILITIES DIRECTLY ASSOCIATED WITH NON-CURRENT ASSETS HELD FOR SALE	13	11
TOTAL EQUITY AND LIABILITIES	20,334	19,894

CONSOLIDATED INCOME STATEMENT (millions of euro)	01.01.2025 03.31.2025	01.01.2024 03.31.2024
Revenues		
Revenues from the sale of goods and services	3,906	3,364
Other operating income	62	61
Total Revenues	3,968	3,425
Operating expenses		
Expenses for raw materials and services	2,979	2,435
Other operating expenses	84	72
Total Operating expenses	3,063	2,507
Labour costs	230	215
Gross operating income - EBITDA	675	703
Depreciation, amortization, provisions and write-downs	260	238
Net operating income - EBIT	415	465
Result from non-recurring transactions	7	-
Financial balance		
Financial income	14	26
Financial expenses	56	58
Affiliates	1	1
Result from disposal of other shareholdings	-	-
Total financial balance	(41)	(31)
Result before taxes	381	434
Income taxes	111	127
Result after taxes from operating activities	270	307
Net result from discontinued operations	-	-
Net result	270	307
Minorities	(13)	(13)
Group result of the period	257	294
CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME (millions of euro)	03.31.2025	03.31.2024
Net result of the period (A)	270	307
Actuarial gains/(losses) on Employee's Benefits booked in the Net equity		
Tax effect of other actuarial gains/(losses)		
Total actuarial gains/(losses) net of the tax effect (B)		
Effective part of gains/(losses) on cash flow hedge	(2)	(3)
Tax effect of other gains/(losses)	-	1
Total other gains/(losses) on cash flow hedge net of tax (C)*	(2)	(2)
Gains/(losses) on financial assets measured at Fair Value	(1)	-
Tax effect of other gains/(losses)		-
Total gains/(losses) on financial assets measured at Fair Value net of tax (D)	(1)	-
Total comprehensive result (A)+(B)+(C)+(D)	267	305
Total comprehensive result attributable to:		
Shareholders of the parent company	254	292
Minority interests	(13)	(13)

* the effects of these items will be transferred to the Income Statement in the following years

CONSOLIDATED CASH-FLOW STATEMENT (millions of euro)	03.31.2025	03.31.2024
CASH AND CASH EQUIVALENTS AT THE BEGINNING OF THE YEAR	1,549	1,629
<u>Operating activities</u>		
Net Result	270	307
Net income taxes	111	127
Net financial interests	43	32
Capital gains/expenses		(1)
Tangible assets depreciation	152	143
Intangible assets amortization	82	73
Fixed assets write-downs/disposals	1	2
Net provisions	26	22
Result from affiliates	(1)	(1)
Net financial interests paid	(20)	(26)
Net taxes paid		(1)
Dividends paid		
Change in trade receivables	(856)	26
Change in trade payable	182	(850)
Change in inventories	156	(113)
Other changes	434	447
Cash flow from operating activities	580	187
<u>Investment activities</u>		
Investments in tangible assets	(174)	(128)
Investments in intangible assets and goodwill	(128)	(92)
Investments in shareholdings and securities (*)	(35)	(19)
Cash and cash equivalents from first consolidations asset	-	1
Disposal of fixed assets and shareholdings	-	-
Issue of loans to other than financial institutions	-	-
Cash receipt/repayment from loans to other than financial institutions	1	-
Cash flow from investment activities	(336)	(238)
FREE CASH FLOW	244	(51)
<u>Financing activities</u>		
Changes in financial assets		
Issuance of loans	-	-
Proceeds from loans	-	-
Other changes	-	-
Total changes in financial assets (*)	-	-
Changes in financial liabilities		
Borrowings/bonds issued	537	161
Repayment of borrowings/bond	(744)	(323)
Lease payments	(10)	(13)
Other changes	-	4
Total changes in financial liabilities (*)	(217)	(171)
Capital instruments – perpetual hybrid bond		
Issue of perpetual hybrid bond	-	-
Coupon paid on perpetual hybrid bond	-	-
Capital instruments – perpetual hybrid bond	-	-
Cash flow from financing activities	(217)	(171)
CHANGE IN CASH AND CASH EQUIVALENTS	27	(222)
CASH AND CASH EQUIVALENTS AT THE END OF THE PERIOD	1,576	1,407

(*) Cleared of balances in return of shareholders' equity and other balance sheet items.

Statement of changes in Group equity
(millions of euro)

Description	Share capital	Treasury shares	Cash Flow Hedge	Reserve for equity instruments – perpetual hybrid bond	Other Reserves and retained earnings	Result of the period/year	Total Equity pertaining to the Group	Minority interests	Total Net shareholders equity
Net equity at December 31, 2023	1,629	-	(2)	-	1,954	659	4,240	562	4,802
Changes in the first quarter of 2024									
2023 result allocation					659	(659)		(9)	(9)
Distribution of dividends									
IAS 19 reserves (*)									
Cash flow hedge reserves (*)			(2)				(2)		(2)
Change in scope					(1)		(1)	4	3
Other changes									
Group and minorities result of the period						294	294	13	307
Net equity at March 31, 2024	1,629	-	(4)	-	2,612	294	4,531	570	5,101
Changes from 1st April 2024 to 31st December 2024									
2023 result allocation									
Distribution of dividends					(300)		(300)	(11)	(311)
IAS 19 reserves (*)					9		9		9
Cash flow hedge reserves (*)			(7)		6		(7)		(7)
Financial assets measured at Fair Value (*)					(98)		(98)	(17)	(115)
Change in scope				742			742		742
Capital instruments – perpetual hybrid bond					(9)		(9)		(9)
Capital instruments – coupon paid on perpetual hybrid bond					1		1	1	2
Other changes									
Group and minorities result of the period						570	570	15	585
Net equity at December 31, 2024	1,629	-	(11)	742	2,221	864	5,445	558	6,003
Changes in the first quarter of 2025									
2024 result allocation					864	(864)		(9)	(9)
Distribution of dividends									
IAS 19 reserves (*)									
Cash flow hedge reserves (*)			(2)				(2)		(2)
Financial assets measured at Fair Value (*)					(1)		(1)		(1)
Change in scope									
Capital instruments – perpetual hybrid bond					(1)		(1)		(1)
Capital instruments – coupon paid on perpetual hybrid bond									
Other changes									
Group and minorities result of the period						257	257	13	270
Net equity at March 31, 2025	1,629	-	(13)	742	3,083	257	5,698	562	6,260

(*) These form part of the statement of comprehensive income.