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Informazione Regolamentata n. 0887-12-2022	Data/Ora Ricezione 10 Marzo 2022 13:52:38	Euronext Star Milan
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Societa' : ASCOPIAVE
Identificativo : 158284
Informazione
Regolamentata
Nome utilizzatore : ASCOPIAVEN01 - Rossetto Irene
Tipologia : 2.4; 1.1; 3.1
Data/Ora Ricezione : 10 Marzo 2022 13:52:38
Data/Ora Inizio : 10 Marzo 2022 13:52:39
Diffusione presunta
Oggetto : The Board of Directors has approved the
results for the year 2021

Testo del comunicato

Vedi allegato.

PRESS RELEASE

ASCOPIAVE: The Board of Directors has approved the results for the year 2021.

Proposed dividend: Euro 0.165 per share (Euro 35.8 million)

Gross Operating Margin: Euro 66.4 million (Euro 63.8 million in 2020)

Operating Result: Euro 33.8 million (Euro 29.2 million in 2020)

Net Consolidated Profit: Euro 45.3 million (Euro 43.1 million in 2020), profit adjusted of the non-recurring income components recognised in 2020 after exercising tax alignment options for fixed assets)

Net Financial Position: Euro 347.5 million, an increase compared to 31st December 2020 (Euro 338.4 million).

The Board of Directors of Ascopiave S.p.A., which had a meeting chaired by Mr Nicola Ceconato today, acknowledged and approved the draft separate financial statements and consolidated financial statements of the Ascopiave Group for 2021, prepared in compliance with the International Accounting Standards IAS/IFRS.

Ascopiave's Chairman, Nicola Ceconato, commented: "Ascopiave closed 2021 with very satisfactory results, thanks to the growing contribution of the subsidiaries and the confirmation of the excellent results of the investees. Investments recovered markedly compared to last year, unfortunately affected by the pandemic. The results achieved and the solidity of the financial position confirm our expectations and encourage us to continue our process of development and economic growth. In light of the positive result achieved during the fiscal year and with the intention of offering our shareholders a satisfying remuneration, the Board of Directors has decided to propose to the Shareholders' Meeting the distribution of a dividend of 0.165 Euro per share, as stated in the Strategic Plan presented last January".

Change in the scope of consolidation subsequent to extraordinary operations performed in 2021

On 21st December 2021, Ascopiave S.p.A. finalised the purchase of six hydroelectric plants from the EVA Group. The transaction involved the full acquisition of the company Fotovoltaica S.r.l., now renamed "Asco Renewables S.p.A.", to which the investments held in the companies Eosforo S.r.l., Morina S.r.l. and Sangineto Energie S.r.l., owners of the hydroelectric plants involved in the transaction and holders of the concessions for their operation, had been previously transferred.

The business combination was provisionally recognised on 31st December 2021 in accordance with the international accounting standard IFRS 3.62.

Revenue from sales

The Ascopiave Group closed 2021 with consolidated revenues amounting to Euro 134.9 million, compared to Euro 163.9 million recorded in 2020 (-18%). The decrease in turnover, which had no negative impact on profit margins, is mainly explained by the decline in revenues from energy efficiency certificates due to the decrease in the obligations expected for 2021.

Gross operating margin

Gross operating margin in 2021 amounted to Euro 66.4 million, an increase compared to Euro 63.8 million in the previous year (+4%).

Tariff revenues, totalling Euro 108.9 million, decreased by Euro 0.3 million, while the margin obtained from the management of energy efficiency obligations improved by Euro 2.1 million.

The change in the balance of the items "residual costs and revenues" positively contributed for Euro 0.7 million. This change derives, among other things, from the positive effect associated with the redetermination of the energy efficiency obligations applicable to 2020.

Operating Result

Operating result in 2021 amounted to Euro 33.8 million, compared to Euro 29.2 million in the previous year (+16%).

The growth is explained by the increase in gross operating margin (+Euro 2.6 million) and the decline in amortisation, depreciation and write-downs recorded in the period (-Euro 2.1 million). The change recorded by the latter is mainly explained by the alignment, of the values recorded at 31 December 2021, of the consolidation differentials allocated to the assets in the context of previous business combinations.

Net Profit

Consolidated net profit amounted to Euro 45.3 million, as against Euro 58.7 million in the previous year. The result of financial year 2020 benefitted from positive non-recurring economic effects mainly related to the application of the options granted by the so-called “August Decree” and the 2021 Budget Law on asset revaluation and tax adjustment (Euro 15.6 million, net of the relevant substitute tax). Consequently, the comparison of the net results achieved by the Group, normalised of the above-mentioned non-recurring items, shows an improvement of Euro 2.3 million).

Net financial charges, equal to Euro 1.5 million, decreased compared to the previous year by Euro 0.3 million, due to the higher financial charges accrued. In both years, the income from the investee companies Acsm-Agam and Hera Comm is recorded for Euro 3.5 million.

The results of the Est Energy Group in 2021 contributed to the net profit of the Ascopiave Group in proportion to the stake held, i.e. to the tune of Euro 19.5 million, up Euro 1.2 million compared to 2020. The measurement using the equity method also includes, in proportion to the investment held, the results achieved by Cogeide S.p.A. to the tune of Euro 0.4 million.

Taxes recorded in the income statement, equal to Euro 9.9 million, increased by Euro 19.3 million. The change is influenced by the revaluation and adjustment of the tax values of depreciable and amortisable assets and goodwill to the statutory values pursuant to the so-called “August Decree” (Law Decree dated 14th August 2020, no. 104) and the 2021 Budget Law (Law 178/2020), from which some Group companies benefitted in 2020. This operation entailed the recognition in the tax item of a total income of Euro 15.6 million.

The tax rate, calculated by normalising the pre-tax result of the income of the companies consolidated with the equity method, the dividends received from the investees and the non-recurring economic effects, increases from 22.7% to 31.2%.

Operating performance in 2021

The volumes of gas distributed through the networks managed by the fully-consolidated companies were 1,593 million cubic metres, up 9% compared to the previous year.

As of 31st December 2021, the network managed by the Group has an extension of 12,988 kilometres and connects 777,858 users.

Investments

In 2021, the Group made investments in intangible and tangible fixed assets for Euro 53.8 million, up Euro 9.2 million compared to the previous year. They mainly concerned the development, maintenance and upgrade of gas distribution networks and systems.

Specifically, investments in networks and systems amounted to Euro 38.9 million, of which Euro 13.5 million in connections, Euro 23.0 million in enlargements, maintenance and upgrades of the network and Euro 2.4 million in reduction and pre-heating systems. Investments in metres and adjusters amounted to Euro 11.4 million.

In 2021, the Group made investments in shareholdings totalling Euro 12.9 million, due to the purchase of the entire share capital of the company Fotovoltaica S.r.l., now renamed “Asco Renewables S.p.A.”, to which the investments held in the companies Eosforo S.r.l., Morina S.r.l. and Sangineto Energie S.r.l., dealing with the production of electricity from hydroelectric plants, had been previously transferred. The price paid for the acquisition of the investment was Euro 0.4 million and, upon completion of the transaction, Ascopiave S.p.A.

acquired a receivable owed by Fotovoltaica S.r.l. to the EVA Group to the tune of Euro 13.9 million, gross of cash.

Indebtedness

The Group's net financial position as of 31st December 2021 amounted to Euro 347.5 million, an increase of Euro 9.0 million compared to 31st December 2020.

The overall positive financial flow was determined mainly by the following operations:

- The cash flow generated financial resources totalling Euro 77.9 million;
- Net investments in fixed assets caused the expenditure of Euro 52.9 million;
- The management of net operating working capital and net fiscal capital generated resources totalling Euro 4.4 million;
- The distribution of dividends by the Parent Company and the purchase of own shares caused the expenditure of Euro 34.6 million;
- The dividends received from the investees determined the collection of Euro 20.9 million;
- The purchase of the share capital of Fotovoltaica S.r.l., currently "Asco Renewables S.p.A.", resulted in investments of Euro 14.4 million and an increase in the net financial position of Euro 10.3 million.

Results of the parent company Ascopiave S.p.A.

In 2021, the parent company Ascopiave S.p.A. achieved a net profit of Euro 53.3 million, up Euro 17.3 million compared to 2020. In 2021, the Company received higher dividends from subsidiaries (+Euro 17.9 million) and the result achieved by operating activities grew by Euro 2.3 million.

As of 31st December 2021, the shareholders' equity amounted to Euro 827.7 million, up Euro 19.4 million compared to the previous year, while net borrowing stood at Euro 284.1 million, down Euro 27.8 million.

Report on corporate governance and ownership structure and consolidated non-financial disclosure

The Board of Directors has approved the Report on corporate governance and ownership structure pursuant to article 123-*bis* of the Consolidated Finance Law, which will be published together with the 2021 Financial Statements (and made available in the "Corporate Governance" section of the website).

The Board of Directors has also approved the consolidated Non-financial disclosure, in compliance with Italian Legislative Decree 254/2016 on the publication of non-financial information and consistent with the principles of transparency and openness that have always inspired the company.

The Company will make available to the public the above-mentioned documents at the registered office and at the stock management company Borsa Italiana, will disseminate and store them in the "eMarket Storage" system provided by Spafid Connect S.p.A. and publish them on the website www.gruppoascopiave.it within the time prescribed by law.

Significant events during 2021

The Board of Directors approved the Ascopiave Group's 2020-2024 strategic plan

On 15th January 2021, the Board of Directors of Ascopiave S.p.A, in a meeting chaired by Mr Nicola Ceconato, approved the 2020-2024 strategic plan of the Ascopiave Group.

The plan envisages a sustainable growth process that will improve corporate profitability while maintaining a balanced financial structure and a stable and advantageous distribution of dividends. Economic and financial highlights:

- EBITDA in 2024: Euro 87 million (+Euro 25 million compared to 2020 preliminary figures);
- Net profit in 2024: Euro 51 million (+Euro 11 million compared to 2020 preliminary figures);
- Investments in 2020-2024: Euro 497 million;
- Net debt in 2024: Euro 500 million;
- Financial leverage (Net financial position / Shareholder's equity) in 2024: 0.57;
- Forecast of dividends distributed: 16 cents per share in 2020, with an increase of 0.5 cents per share in subsequent years until 2024. The dividends approved and distributed in 2021 (relating to 2020) were in line with the indications of the Plan.

The plan develops a scenario that leverages the tenders won by the Group, if any, for the gas distribution service. This opportunity, which depends, among other things, on the actual publication schedule of the calls for tenders, involves a further estimated growth in EBITDA of Euro 20 million by 2024 and an increase in investments of Euro 188 million.

AP Reti Gas S.p.A., a company of the Ascopiave group, was chosen by Aemme Linea Distribuzione S.r.l. and NED Reti Distribuzione Gas S.r.l. as an industrial partner for joint participation in tenders for the gas distribution service in the Milano 2 and Milano 3 Territorial Areas

On 26th February 2021, AP Reti Gas S.p.A., a company of the Ascopiave Group, was informed by Aemme Linea Distribuzione S.r.l. and NED Reti Distribuzione Gas S.r.l., state-owned companies active in the management of the gas distribution service in 20 municipalities of the province of Milan, that it was selected as an industrial partner for joint participation in each of the two future tenders for the assignment of the service in the Milano 2 and Milano 3 Territorial Areas (the “Territorial Tenders”). The company was chosen by means of a competitive procedure where AP Reti Gas submitted an economic-industrial bid (the “Tender for the Selection of the Industrial Partner”).

Based on the partnership agreement with Aemme Linea Distribuzione and NED Reti Distribuzione Gas, a company will be incorporated upon winning a Territorial Tender: 51% of the share capital of such company will be held by the two state-owned companies and the remaining 49% by AP Reti Gas, with the possibility of establishing two companies at most if both Territorial Tenders are won. The governance of the companies to be incorporated will enable the Ascopiave Group to fully consolidate their accounting values.

AP Reti Gas will capitalise such companies through a capital contribution in proportion to the value of the assets that will be transferred by the state-owned partners, in addition to a premium. The values of the contributions by the state-owned partners will be commensurate with the actual reimbursement value of the plants currently managed by the same state-owned partners updated on the date of the transfer of these plants to the companies to be incorporated, net of the capital value of the loans taken out in relation to the investments made.

If the partnership obtains the management of both concessions, assigned through the Territorial Tenders in 2023, Ascopiave, on the basis of the information currently available, estimates an equity investment in both companies of approximately Euro 82 million.

In October, the parties defined the details of the partnership, the shareholders’ agreements and the articles of association of the companies to be established.

The Ascopiave Group expects to be able to meet the financial commitments related directly and indirectly to participation in the future Territorial Tenders covered by the partnership agreement with Aemme Linea Distribuzione and NED Reti Distribuzione Gas by resorting to financial debt.

Purchase of Acsm Agam S.p.A. shares

On 27th April 2021, Ascopiave S.p.A. announced the increase in its stake in Acsm Agam S.p.A., a multi-utility company based in the region of Lombardy and active in gas, electricity, water and environmental services, which amounts to 5.0000047% of the share capital with voting rights. This investment is aligned with the strategic goals of the company, since the activities and services managed by Acsm Agam S.p.A. are consistent with the development lines pursued by the Ascopiave Group.

Extraordinary and ordinary Shareholders’ Meeting of 29th April 2021

The Shareholders’ Meeting of Ascopiave S.p.A. convened on 29th April 2021, chaired by Mr Nicola Ceconato, in extraordinary and ordinary session. In extraordinary session, the Shareholders’ Meeting resolved to approve the amendment of art. 4 of the Articles of Association, according to the proposal of the Board of Directors, expanding the scope of the activities that constitute Ascopiave’s corporate purpose. Specifically, the amendment mainly aims to expressly include in the corporate purpose some businesses concerning the so-called “Energy transition”, which are intended to complement the core businesses currently conducted by the Company, directly or indirectly, also through subsidiaries and/or investees (i.e. gas distribution businesses and gas and electricity sales businesses), consistent with the objectives set out in the Group’s strategic plan approved by the Board of Directors on 15th January 2021.

The Shareholders’ meeting resolution amending art. 4 (Corporate purpose) of the Articles of Association attributed to the shareholders who did not participate in its adoption (and, therefore, to shareholders which abstained, were absent or voted against) the right of withdrawal pursuant to article 2437, paragraph 1, lett. a), of the Italian civil code (the “Right of Withdrawal”) as this is a significant change in the corporate purpose. The terms and conditions for exercising the Right of Withdrawal were communicated to Ascopiave’s shareholders on 1st June 2021 within the deadlines and with the methods set out in the law.

Furthermore, the extraordinary Shareholders’ Meeting approved the amendment to some other articles of the Articles of Association aimed at aligning their content with the best practice of listed companies as proposed by the Board of Directors.

The Ordinary Shareholders’ Meeting approved the financial statements for the year and acknowledged the Group’s consolidated financial statements as at 31st December 2020, and resolved to distribute an ordinary dividend of Euro 0.16 per share, for a total of Euro 34.7 million. The residual part of the undistributed profit, equal to Euro 1,270,130.86 was allocated to the extraordinary reserve.

The dividend was paid with dividend date (coupon identified with no. 17) on 3rd May 2021, record date on 4th May 2021 and payment date on 5th May 2021.

The ordinary Shareholders' Meeting (i) approved with binding vote the first section of the Report on the remuneration policy and on the fees paid prepared pursuant to article 123-*ter* of Italian Legislative Decree dated 24th February 1998, no. 58 (i.e. the remuneration policy for the year 2021); and (ii) expressed a favourable advisory vote – pursuant to article 123-*ter*, paragraph 6, TUF – on the second section of the Report on the remuneration policy and on the fees paid prepared pursuant to article 123-*ter* of TUF (i.e. the report on the fees paid in 2020).

The Ordinary Shareholders' Meeting also resolved to approve a long-term share-based incentive plan for the period 2021-2023, reserved for the executive directors of Ascopiave S.p.A. and certain resources with managerial functions of Ascopiave S.p.A. and its subsidiaries.

The Shareholders' Meeting of Ascopiave S.p.A., in ordinary session, also approved the renewal of the authorisation, pursuant to articles 2357 and 2357-*ter* of the Italian Civil Code, to purchase and sell own shares, subject to revocation of the previous authorisation granted by the Shareholders' Meeting on 29th May 2020, which, for the portion relating to the purchase of treasury shares, would have expired on 29th November 2021.

Final results of the exercise of the right of withdrawal

On 16th June 2021, with reference to the resolution passed by the Extraordinary Shareholders' Meeting of Ascopiave S.p.A. ("Ascopiave" or the "Company") held on 29th April 2021 which approved an amendment to art. 4 (Corporate purpose) of the Articles of Association expanding the scope of the activities that constitute Ascopiave's corporate purpose (the "Resolution"), the period for exercising the right of withdrawal applicable, pursuant to art. 2437, par. 1, lett. (a) of the Italian Civil Code, to Ascopiave ordinary shareholders who did not participate (for reasons of absence, abstention or dissent) in the approval of the Resolution, expired.

The Company communicated that, eight days after the deadline for exercising the right of withdrawal, no statement for exercising the right of withdrawal had been received and, therefore, that the Company did not initiate the liquidation procedure stated in art. 2437-*quater* of the Italian Civil Code.

Finally, please remember that the effectiveness of the Resolution was subject to the condition that the number of shares subject to the Right of Withdrawal that had to be purchased by the Company subsequent to the liquidation procedure was less than 2% of the share capital (corresponding to a disbursement under the scope of the Company of less than Euro 16,352,553.22) (the "Maximum Disbursement Condition"). As no statement for exercising the right of withdrawal was received, the Maximum Disbursement Condition was fulfilled and the Resolution took effect. As a result of the validity of the Resolution, the new text of art. 4 (Corporate purpose) of the Articles of Association took effect.

Update on the industrial partnership for joint participation in tenders for the gas distribution service in the Milano 2 and Milano 3 Territorial Areas

In October 2021, AP Reti Gas S.p.A., Aemme Linea Distribuzione S.r.l. and NED Reti Distribuzione Gas S.r.l. defined the details of the partnership aimed at joint participation in the tenders for the assignment of the natural gas distribution service in the Milano 2 and Milano 3 territorial areas, the shareholders' agreements and the articles of association of the companies to be established in accordance with the partnership itself.

Announcement of the total amount of voting rights pursuant to art. 85-*bis*, paragraph 4-*bis*, of Consob Regulation 11971 dated 14th May 1999

On 7th October 2021, Ascopiave S.p.A. announced that the increase in the voting rights in relation to 129,205,648 ordinary shares of the Company became effective pursuant to art. 127-*quinquies* of Italian Legislative Decree 98/1998 and art. 6 of the Articles of Association of Ascopiave. In this regard, please remember that article art. 6 of the Articles of Association of Ascopiave attributes two votes to each share which has belonged to the same shareholder for an uninterrupted period of at least twenty-four months from the date of registration in the Special List established pursuant to art. 6.8 of the Articles of Association (the "Special List").

For the sake of completeness, Ascopiave also announced that – pursuant to art. 6.11 of the Articles of Association of Ascopiave – in September 2021, 2,032,339 ordinary shares were cancelled from the Special List, subsequent to a communication from the intermediary of the shareholder Asco Holding S.p.A. stating the loss of the right *in rem* legitimising the registration in the Special List. Such shares had been registered in the Special List on 26th March 2020.

Subsequently, on 5th November 2021, the Company announced the effectiveness of the increase in voting rights for 14,467,371 ordinary shares of the Company, pursuant to art. 127-*quinquies* of Italian Legislative Decree 98/1998 and art. 6 of Ascopiave's Articles of Association. Therefore, on 5th November 2021, Ascopiave ordinary shares with increased voting rights amount to 143,673,019 shares.

The Company has published, on the basis of the information in its possession, the data relating to the outstanding shares and the number of voting rights that can be exercised.

Ascopiave S.p.A. closes USD 200 million private placement Shelf programme with Pricoa Capital Group Limited, part of the Prudential Financial Inc. insurance group. Ascopiave also issued senior unsecured notes off such programme for Euro 25 million and started the refinancing of bank debt

On 14th October 2021 Ascopiave (“Ascopiave” or the “Company”) announced that it finalised a USD 200 million Private Placement “Shelf” uncommitted programme (the “Shelf Programme”) as well as the concurrent issue and placement of unsecured senior non-convertible bond notes (the “Notes”) for Euro 25 million with Pricoa Capital Group (“Pricoa”), part of the US group Prudential Financial, Inc. (NYSE:PRU) and one of the main players in the Italian private placement market. The Notes were issued in a single *tranche* and have a 10-year maturity, with an average life of 8 years and at a very attractive fixed interest rate.

The bond notes issued have no rating and will not be listed on regulated markets. The issue was not backed by collateral guarantees. Ascopiave is required to comply with certain financial covenants, in line with standard market practice.

Proceeds will be used by Ascopiave for general corporate purposes, including the refinancing of drawn bank debt while leaving sufficient firepower for additional capex and/or potential M&A opportunities.

The Shelf Programme will also allow (but not obligate) Ascopiave to quickly issue additional private placements to be subscribed by Pricoa for the next three years.

Such partnership with Pricoa adds a well-known, highly expert and long-term institutional investor to Ascopiave’s financial structure, while significantly increasing the diversification of its funding sources.

Appointment of the General Manager and establishment of the Sustainability Committee

On 11th November 2021, the Board of Directors, on the initiative of the Remuneration Committee and after obtaining the favourable opinion of the same Committee in its capacity as Committee for transactions with related parties, resolved to appoint the Chairman and Managing Director Nicola Ceconato as Ascopiave’s General Manager with effect from 1st January 2022, without revoking the former roles. The appointment stems from the company’s interest in stabilising the role of Mr Ceconato as a key manager of the Group with a view to the implementation of the Strategic Plan, currently underway, which is partly focused on the so-called “energy transition”. The terms and conditions of the employment relationship were detailed in Section II of the 2021 Report on Remuneration, which was published within the deadline and in the manner set out in the law.

On 11th November 2021, Ascopiave’s Board of Directors established the Sustainability Committee, in charge of formulating proposals and giving advice with regard to the assessments and decisions of the Company on the subject of environmental sustainability and energy transition. Such Committee is made up of the following Directors: Mariachiara Geronazzo, as the Chairwoman, and Cristian Novello and Enrico Quarello, as members.

Ascopiave enters the hydroelectric industry finalising the purchase of six hydroelectric plants

On 14th December 2021, Ascopiave announced the finalisation of an investment in the renewable energy sector, specifically in the hydroelectric field, as set out in the 2020-2024 Strategic Plan.

On 21st December 2021, the closing was finalised through the purchase of 100% of the share capital of a special purpose vehicle of the EVA Group, subsequently named “Asco Renewables S.p.A.”, which owns the six plants belonging to the EVA Group, with a nominal power of 4.6 MW. The plants, located in Lombardy and Piedmont, all operate under the incentive scheme, under a feed-in tariff mechanism having an average maturity beyond 2033.

The parties agreed on the value of the plants, equal to Euro 24 million on 31st December 2021. The price paid on the closing date envisaged an adjustment mechanism aimed at settling the credit and debit items of the special purpose vehicles on the same date. The EBITDA expected for 2022 is approximately Euro 2.4 million.

The closing of the operation, which occurred on 21st December 2021, was conditional on certain requirements including the completion of the above-mentioned transfers, and the consideration was paid in cash through the use of the credit lines available to the Company.

The Board of Directors approves the Policy for maintaining relations with shareholders and other stakeholders

On 22nd December 2021, Ascopiave S.p.A. announced that the Company’s Board of Directors, as suggested by the Chairman and Managing Director, approved the “Policy for maintaining relations with shareholders and other stakeholders”, in order to comply with the principles and recommendations set forth in the Code of Corporate Governance, adopted by the Company, and best practices, and taking into account the

Company's corporate governance structure. The document is available on the Company's website, "Corporate Governance" section.

2022 financial agenda

On 22nd December 2021, Ascopiave, pursuant to Art. 2.6.2 of the Rules of the Markets organised and managed by Borsa Italiana S.p.A., announced the schedule of the main economic and financial events of the year 2022.

The consortium formed by Ascopiave, ACEA and Iren wins the tender for the acquisition from A2A of some gas distribution concessions

On 31st December 2021, the Consortium made up of Ascopiave (58%), ACEA (28%), and Iren (14%), subsequent to a successful bid for the purchase from A2A of some natural gas distribution concessions, signed an agreement with the A2A Group for the acquisition of the related assets.

The business acquired through the operation boasts about 157,000 users, distributed in 8 Italian regions, belonging to 24 Territorial Areas, and over 2,800 km of network.

The economic value of the transaction in terms of enterprise value, at 30th June 2021, was Euro 126.7 million. The expected average annual EBITDA, in the 2022-2024 period, is approximately Euro 12.8 million, while the 2020 RAB of the acquired assets is equal to Euro 108.9 million (including centralised RAB to the tune of Euro 6.2 million).

The consideration to be paid for the acquisition will be financed by operating cash flow and existing credit facilities available to the companies forming part of the Consortium.

The transaction is expected to close in the first half of 2022.

The assets involved in the transaction will be transferred by the A2A Group to a NewCo, whose capital will be acquired by the Consortium members in proportion to the shares held in the Consortium, on the understanding that the assets of interest to Acea and Iren will be demerged within 12 months of closing.

The assets of interest to ACEA consist of concessions in 5 Territorial Areas: 2 in the Abruzzi, 2 in Molise and 1 in Campania, totalling approximately 30,700 redelivery points. The enterprise value is Euro 35.8 million.

The assets of interest to Ascopiave consist of concessions in 15 Territorial Areas located in Veneto, Friuli Venezia Giulia and Lombardy, for a total of approximately 114,300 redelivery points.

The value of the acquired assets in terms of enterprise value is Euro 73.2 million, including the 79.37% investment in Serenissima Gas S.p.A., the holder of a portion of the concessions involved (about 41,700 redelivery points).

The assets of interest to Iren consist of concessions in 4 Territorial Areas (1 in Lombardy and 3 in Emilia-Romagna) totalling approximately 12,300 redelivery points. The enterprise value is Euro 17.7 million inclusive of Euro 1.3 million relating to the business unit owned by Retragas, whose sale is conditional on obtaining the authorisation for the reclassification of transport assets into distribution assets.

In the transaction, the Consortium was assisted by Lazard, as financial advisor, and Chiomenti, legal firm.

Information on Covid 19

The health emergency caused by the spread of the SarsCov2 virus, begun in the first months of 2020 and which struck the entire world, including severely Italy, is still underway albeit slackening, and also affected 2021. These 12 months were initially characterised by a radical change in dealing with the pandemic, thanks to the administration of vaccines, and ended with concerns related to the spread of yet another mutation.

The Group has carefully and constantly monitored, since the outbreak and throughout the emergency, the evolution of the situation in the area where its activities are located, but also the development of the pandemic at an international level, operating in absolute compliance with the decrees issued by the bodies in charge, both at national and local level, prioritising the health and safety of workers to such an extent that, a few days after the establishment of the lockdown by the Government, the necessary measures were quickly activated in order to enable almost all employees to work remotely in agile method, while guaranteeing business continuity in all permitted activities: this approach continued as needed based on changes in the transmission index of the infectious disease. The same level of attention and prevention adopted during the state of emergency, still underway, continued by providing instructions for combating the spread of the infection with the aim of disseminating greater knowledge among workers of the regulatory provisions, prescriptions and specific behaviours to be adopted to protect themselves and others. Likewise, the Group's Management has continued and continues to monitor, by using external indicators and internally processed values, the impacts of the epidemic in terms of performance, in order to be able to introduce any corrective measures aimed at mitigating any effects on the execution of the business. Thanks to the remedies already implemented in the previous financial year, the negative economic and financial effects due to Covid did not affect the final results of the Group, as they were offset by the positive effects deriving from the remedies implemented. Although in the industry where the Group operates the emergency is less critical, the

Management continues to constantly monitor the development of the situation, not only at the local but also at the national and/or international level, so as to be able to promptly respond if the crisis flares up.

Significant events subsequent to the end of 2021

Shareholders' Agreement – amendment to voting rights

On 5th January 2022, pursuant to current laws and regulations, Ascopiave announced that an updated version of the essential information relating to the Shareholders' Agreement signed on 16th March 2020 was published in the Corporate Governance section of the website www.gruppoascopiave.it. Only the number of the voting rights held by some signatory shareholders was updated due to the introduction of increased voting rights, as notified by Ascopiave on 7th October 2021 and 5th November 2021. Pursuant to Articles 65-*quinquies*, 65-*sexies* and 65-*septies* of the Issuers' Regulation, the document was made available to the public at the registered office, at Borsa Italiana S.p.A., on the authorised storage mechanism "eMarket Storage" (www.emarketstorage.com) provided by Spafid Connect S.p.A., as well as in the Corporate Governance section of the website www.gruppoascopiave.it.

The Ascopiave Group enters the wind power generation sector

On 21st January 2022, the Ascopiave Group announced that it had acquired, through the subsidiary Asco Renewables S.p.A., a 60% stake in the capital of Salinella Eolico S.r.l., belonging to Renco S.p.A.. Salinella Eolico S.r.l., whose remaining 40% stake is held by Renco S.p.A., plans to build a wind farm in the Province of Catanzaro with a rated capacity of up to 21 MW; the competent authorities have already granted part of the authorisations, while the pending permits are well underway. The wind farm will be erected by Renco S.p.A. and entail a total investment of approximately Euro 30 million.

Acquisition of the majority stake in Eusebio Energia S.r.l., a company operating in the energy field

On 28th January 2022, Ascopiave S.p.A. announced the finalisation of an additional investment in the renewable energy sector, specifically in the hydroelectric and wind power segments, as stated in the 2020-2024 Strategic Plan.

The investment consisted in the acquisition by Ascopiave of the 79.74% majority stake held by Supermissile S.r.l. in the share capital of Eusebio Energia S.r.l. ("Eusebio"), a company operating in the energy sector.

Eusebio has 22 plants for the production of electricity from renewable sources, of which 21 hydroelectric plants, for a total capacity of 44 MW, located in Lombardy and Veneto, and a wind farm, consisting of 14 turbines of 1 MW each, located in Campania.

The price paid upon closing for the acquisition of the above-mentioned majority stake is Euro 44.8 million, featuring an earn-out clause. Eusebio's estimated net financial position at 31st December 2021 is Euro 18.5 million. The company's preliminary EBITDA for 2021 is estimated at approximately Euro 13 million. In 2022, a profit in line with the figures of the previous year is expected, gross of the compensations introduced in recent regulations.

Ascopiave was assisted in the transaction by Lazard, financial advisor, and BonelliErede, law firm, while the seller availed itself of the services provided by Brera Financial Advisory, a Clearwater International partner, and Losa, law firm.

2021-2025 strategic plan

On 31st January 2022, the Board of Directors approved the Group's 2021-2025 strategic plan.

The plan confirms the strategic guidelines drawn up last year, outlining a process of sustainable growth both in the core business of gas distribution and in new areas, specifically in the renewable energy sector – which the Group has recently penetrated through the M&A operations finalised in the past two months – and in the green gas segment.

The Company announced that such development will not affect the balance of the financial structure, ensuring a stable and profitable distribution of dividends.

Economic and financial highlights:

- EBITDA in 2025: Euro 102 million (+Euro 36 million compared to 2021 preliminary figures)
- Net profit in 2025: Euro 46 million (+Euro 2 million compared to 2021 preliminary figures)
- Net investments in 2021-2025: Euro 599 million
- Net debt in 2025: Euro 608 million
- Financial leverage (Net financial position / Shareholder's equity) in 2025: 0.68
- Forecast of dividends distributed: 16.5 cents per share in 2021, with an increase of 0.5 cents per share in subsequent years until 2025.

The plan develops a scenario that will leverage the tenders won by the Group, if any, for the gas distribution service in the relevant minimum territorial areas. This opportunity, which depends, among other things, on

the actual publication schedule of the calls for tenders, involves a further estimated growth in EBITDA of Euro 16 million by 2025 and an increase in investments of Euro 59 million.

Announcement of the total amount of voting rights pursuant to art. 85-bis, paragraph 4-bis, of Consob Regulation 11971 dated 14th May 1999

On 7th March 2022, Ascopiave S.p.A. announced that the increase in the voting rights in relation to 7,149,505 ordinary shares of the Company became effective pursuant to art. 127-*quinquies* of Italian Legislative Decree 98/1998 and art. 6 of the Articles of Association of Ascopiave. Therefore, to date, Ascopiave ordinary shares with increased voting rights amount to 150,822,524 shares. Please remember that article art. 6 of the Articles of Association of Ascopiave attributes two votes to each share which has belonged to the same shareholder for an uninterrupted period of at least twenty-four months from the date of registration in the Special List established pursuant to art. 6.8 of the Articles of Association (the “Special List”).

For the sake of completeness, Ascopiave also announces that – pursuant to art. 6.11 of the Articles of Association of Ascopiave – in December 2021, 45,000 ordinary shares were cancelled from the Special List, subsequent to a communication from the intermediary of the shareholder Asco Holding S.p.A., received by the person in charge of managing the Special List, stating the loss of the right *in rem* legitimising the registration in the Special List. Such shares had been registered in the Special List on 26th March 2020.

The Company has published, on the basis of the information in its possession, the data relating to the outstanding shares and the number of voting rights that can be exercised.

Seasonal nature of operations

Since the execution of the partnership agreement with the Hera Group, finalised on 19th December 2019 with the transfer of the sales companies, the activity of the Ascopiave Group is not significantly affected by seasonality. The natural gas distribution business is in fact less influenced by the thermal trend recorded during the year, except for some minor items.

The Group is exposed to the effects of seasonality in relation to investments in associates which will be valued using the equity method and which are significantly exposed to seasonality, as they work in the natural gas sales sector. Gas consumption changes considerably on a seasonal basis, with a greater demand in winter in relation to higher consumptions for heating. This seasonality influences the trend of revenues from gas sales and of procurement costs, while other operating costs are fixed and incurred by the Group in a uniform manner throughout the year. Therefore, the data and the information contained in the interim financial statements do not allow for immediate indications to be drawn regarding the overall performance for the year.

Outlook for 2022

As far as the gas distribution activities are concerned, in 2022 the Group will continue its normal operations and service management and perform preparatory activities for the next invitations to tender for awarding concessions. Should the tender procedures of the Territorial Areas in which the Ascopiave Group is interested progress in 2022, in light of the time normally required for participants to submit bids and for the contracting authorities to evaluate and select them and announce a winner, the new managements, if any, are expected to start subsequent to the end of 2022, therefore without changes in the scope of the activities currently managed.

As regards the economic results, in 2019 the Authority adopted the new tariff regulation for the 2020-2025 five-year period. The new provisions envisage a significant reduction in the revenue components intended to cover operating costs.

Furthermore, at the end of 2021, the Authority redetermined the real pre-tax rate of return of the invested capital recognised for tariff purposes, which for the year 2022 will be equal to 5.6% (compared to 6.3% in 2021).

With regard to energy efficiency obligations, the Decree dated 21st May 2021 of the Minister of Ecological Transition determined the national energy saving objectives for the years 2021-2024. The objectives estimated for 2022 for the Group’s distribution companies are higher than the annual obligations envisaged in 2021.

The health emergency caused by the Covid 19 virus, in light of the Ascopiave Group’s focus on the distribution business, had a minor effect on profitability in 2021 and, as the peak of the emergency is behind us, limited impacts are currently expected also on future profitability, since adequate credit risk hedging mechanisms are contained in the Grid Code, which governs the activity of distributors. Although the industry where the Group operates is less critical, the Management will continue to monitor the pandemic at the national and international level so as to promptly respond if the crisis flares up.

As regards electricity and gas sales, Ascopiave will obtain the benefits of the consolidation of its quota of the result of the minority stake in Est Energy and the dividends distributed by Hera Comm – both companies are controlled by the Hera Group. Ascopiave has put options on these investments and it is possible that they will be exercised, in whole or in part, with a consequent impact on the Group's income statement and financial structure.

The actual results of 2022 could differ from those outlined above depending on various factors amongst which: the general macroeconomic conditions, the impact of regulations in the energy and environmental fields, the evolution of the on-going health emergency, success in the development and application of new technologies, changes in stakeholder expectations and other changes in business conditions.

Dividend proposal

Ascopiave S.p.A.'s Board of Directors, considering the profit for the period and the solidity of the Group's capital and financial structure, will suggest to the Shareholders' Meeting the distribution of a dividend of 0.165 Euro per share, for a total of Euro 35.8 million; this amount is calculated on the basis of outstanding shares at the end of 2021.

Ascopiave S.p.A. announces that, if approved on first call by the Meeting, the dividend will be paid on 4th May 2022, with ex-dividend date on 2nd May 2022 (record date on 3rd May 2022).

The Board of Directors will not propose the allocation of any amount to the legal reserve as it is already equal to one fifth of the share capital.

Authorisation to purchase and sell own shares

The Company's Board of Directors resolved to submit for the approval of the Ordinary Shareholders' Meeting the renewal of the authorisation, pursuant to articles 2357 and 2357-ter of the Italian Civil Code and 132 of the TUF, of the plan to purchase and sell own shares, subject to revocation (for the non-executed portion) of the previous authorisation granted by the ordinary Shareholders' Meeting on 29th April 2021, which, for the portion relating to the purchase of own shares, will expire in the coming months.

The Shareholders' Meeting will be called to authorise the Board of Directors to implement acts of purchase and disposition, on one or more occasions, on a revolving basis, of a maximum number of ordinary shares corresponding, as of today, to 46,882,315 shares with a nominal value of Euro 1.00 each, in such a way that the Company does not hold, at any given time, a stake exceeding 20% of the share capital of the Company itself, in compliance with the terms and conditions determined by the Shareholders' Meeting, as well as with the applicable laws and regulations.

The authorisation to purchase and sell own shares is requested, in general, in order to provide the Company with a valid instrument that enables the latter, among other things, in compliance with the applicable regulations, to perform investment operations consistent with the Company strategies, also through the exchange, swap, transfer, sale or other act of disposition of own shares, for the acquisition of equity investments or shareholdings or for other capital transactions involving the assignment or sale of own shares (including, but not limited to, mergers, demergers, issues of convertible bonds or warrants, etc.).

The authorisation is also requested in order to enable the Company, in compliance with the provisions that become applicable over time, to:

- implement actions, also through authorised intermediaries, aimed at stabilising changes in trading and prices, resulting from distortions related to excess volatility and/or poor trading liquidity;
- offer shareholders an additional tool for monetising their investment; and
- acquire treasury shares to be allocated, if necessary, to any share-based incentive plans intended for directors and/or employees and/or collaborators of the Company or other companies controlled by the latter or the parent company.

The purchase transactions will be performed on the market, on one or more occasions, on a revolving basis, in accordance with the operating methods established in the Rules of the Markets Organised and Managed by Borsa Italiana S.p.A., which exclude the direct combination of purchase trading proposals with predetermined disposition trading proposals, in compliance with the provisions of article 132 of the TUF and article 144-bis of the Issuers' Regulation or, in any case, in accordance with other methods permitted by the legislation, including regulatory provisions, which become applicable over time.

As regards the acts of disposition, the authorisation requested from the Shareholders' Meeting states that such transactions may take place, on one or more occasions, by adopting any procedure that is appropriate in relation to the purposes that will be pursued, including: (i) the sale on the market including for trading activities or block trade; (ii) the transfer to directors, employees, and/or collaborators of the Company and/or of its subsidiaries and/or of the parent company as part of incentive plans; (iii) any other act of disposition, in the context of transactions in relation to which it is appropriate to proceed with the exchange or sale of share packages, including through swap or contribution, or, finally, on the occasion of capital

transactions involving the assignment or disposition of own shares (such as, by way of example, mergers, demergers, issues of convertible bonds or warrants).

The proposal submitted for the approval of the Shareholders' Meeting envisages that the unit price for the purchase of the shares cannot be 10% higher or lower than the reference price recorded by the share in the trading session preceding each individual purchase transaction.

The unit price for the disposition of the shares will be established on a case-by-case basis for each individual transaction, it being understood that it cannot be 10% lower than the reference price recorded by the share in the trading session preceding each individual sale transaction (i.e. the date on which the commitment to sell is assumed, regardless of the date of its execution). This minimum payment limit shall not apply in the case of transfer to the directors, employees and/or collaborators of the Company and/or of its subsidiaries and/or of the parent company under incentive plans as well as in the event of transactions in relation to which it is appropriate to proceed with the exchange or sale of share packages, including through swap or contribution, or on the occasion of capital transactions involving the assignment or disposition of own shares (such as, by way of example, mergers, demergers, issues of convertible bonds or warrants).

Pursuant to art. 2357, first paragraph, Italian Civil Code, the purchase of treasury shares is permitted within the limits of the distributable profits and available reserves recorded in the last duly approved financial statements. The maximum disbursement for the purchase of own shares cannot exceed the amount of the distributable profits and available reserves recorded in the last regularly approved financial statements equal, as regards the draft financial statements at 31st December 2021, to Euro 507,693,803.37.

The authorisation to purchase own shares is requested for a maximum duration of 18 months from the date of issue of the authorisation by the Shareholders' Meeting.

The Shareholders' Meeting is also asked to authorise, without time limits, the disposition of the shares already held in treasury and those that will be possibly purchased in compliance with the current regulations.

On the date of this press release, the Company holds 17,701,578 treasury shares, for a nominal value of Euro 17,701,578 (equal to 7.551% of the share capital).

No subsidiary of the Company holds Ascopiave shares.

We hereby confirm that the purchase of treasury shares is not instrumental in the reduction of the Company's share capital.

For more information on this subject, please refer to the report prepared by the Board of Directors which will be published in the manner and within the terms stated in the laws and regulations in force.

Convening of ordinary Shareholders' Meeting

We hereby announce that, today, the Board of Directors of Ascopiave S.p.A. resolved to call the Ordinary Shareholders' Meeting on 28th April 2022 in first call and on 29th April 2022 in second call, at 3 pm, at the office of Notary Federico Tassinari, in Bologna (BO), Via Galliera, n. 8.

In ordinary session, the Shareholders' Meeting will be called to resolve (i) on the approval of the financial statements at 31st December 2021 and on the proposal for the distribution of the profits for the year; (ii) on the approval of the first section of the report on the remuneration policy and the emoluments paid, prepared pursuant to Article 123-ter of Italian Legislative Decree dated 24th February 1998, no. 58 (i.e. the remuneration policy for 2022) and consultative vote on the second section of the report on the remuneration policy and on the emoluments paid, prepared pursuant to Article 123-ter of the TUF (i.e. the report on the fees paid in 2021); and (iii) on the authorisation to purchase and sell own shares, subject to revocation of the previous authorisation granted by the Shareholders' Meeting on 29th April 2021 for the non-executed portion. The Company has decided to exercise the option stated in Article 106, paragraph 4, Italian Law Decree dated 17th March 2020, no. 18 containing "*Measures for strengthening the National Health Service and for the financial support of families, workers and businesses in order to counteract the COVID-19 epidemiological emergency*", converted into law with amendments by the Law dated 24th April 2020, no. 27, whose effectiveness was most recently extended by par. 1 of Art. 3, Law Decree 228/2021, converted into law with amendments by the Law dated 25th February 2022, no. 15 ("D.L. Cura Italia"). Specifically, as indicated in the notice of call which will be published within the terms of the law, the persons entitled may only attend the Shareholders' Meeting via a proxy (or sub-proxy) to the representative designated by the Company.

The notice of call of the Shareholders' Meeting will be made available to the public at the registered office, at Borsa Italiana S.p.A., on the authorised storage mechanism "eMarket Storage" (www.emarketstorage.com) provided by Spafid Connect S.p.A., as well as on the website www.gruppoascopiave.it, and the extract of the notice of call will be published in a national newspaper.

Finally, we announce that the additional documentation relating to the aforementioned Shareholders' Meeting will be made available to the public, within the deadline and in the manner set out in the applicable laws and regulations in force, at the registered office, on the Company's website www.gruppoascopiave.it and on the

authorised storage mechanism “eMarket Storage” (www.emarketstorage.com) provided by Spafid Connect S.p.A..

Statement by the manager in charge

The manager in charge of preparing the company accounting documents, Mr Riccardo Paggiaro, hereby states, under the terms of paragraph 2, article 154-*bis*, Consolidated Finance Law, that the accounting information contained in this press release corresponds to the official documents, accounting books and records.

Annexes

The consolidated profit and loss account, the balance sheet and the cash flow statement of the Ascopiave Group are hereby included together with similar documents of Ascopiave S.p.A..

We would like to point out that these documents and the relevant notes have been submitted to the Board of Auditors and to the Auditing Firm for the required assessments.

The Ascopiave Group is one of the leading operators in natural gas distribution in the country.

The Group owns concessions and direct assignments for the management of activities in 268 towns, supplying services to about 775,000 inhabitants, through a network which spreads over 12,000 kilometres. Ascopiave is also a partner of the Hera Group in the sale of gas and electricity, through a 48% stake in Estenergy, a leading operator in the field holding a portfolio of over 1 million sales contracts to end users, mainly in Veneto, Friuli Venezia-Giulia and Lombardy regions.

In addition, Ascopiave operates in the renewable energy field, through 28 hydro-electric and wind power stations, with a rated capacity of 62.5 MW. Through its subsidiary Salinella Eolico S.r.l., Ascopiave is about to undertake the erection of a wind power plant.

Furthermore, in the water sector, the Group is a shareholder and technological partner of Cogeide, which manages the integrated water service in 15 Towns within the Bergamo Province, serving a population of over 100 thousand with a network of 880 km.

Ascopiave has been listed under the Euronext Star Milan segment of Borsa Italiana since 12th December 2006.

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Pieve di Soligo, 10th March 2022

Ascopiave Group

Consolidated financial report charts

as of 31st December 2021

Consolidated assets and liabilities statement as of 31st December 2021 and 31st December 2020

(Thousands of Euro)	31.12.2021	31.12.2020
ASSETS		
Non-current assets		
Goodwill	49,272	49,272
Other intangible assets	598,007	577,413
Tangible assets	58,012	33,443
Shareholdings in Controlled and Affiliated companies	442,434	436,805
Shareholdings in other companies	78,925	78,925
Other non-current assets	3,604	4,154
Non current financial assets	2,864	2,226
Advance tax receivables	31,565	30,122
Non-current assets	1,264,683	1,212,359
Current assets		
Inventories	8,176	14,912
Trade receivables	26,786	33,587
Other current assets	25,575	75,964
Current financial assets	908	798
Tax receivables	1,621	3,583
Cash and cash equivalents	42,538	21,902
Current assets from derivative financial instruments	267	0
Current assets	105,872	150,747
ASSETS	1,370,554	1,363,106
Net equity and liabilities		
Total Net equity		
Share capital	234,412	234,412
Own shares	(55,423)	(55,628)
Reserves	689,555	675,119
Net equity of the Group	868,544	853,903
Net equity of the Minorities	(38)	0
Total Net equity	868,505	853,903
Non-current liabilities		
Provisions for risks and charges	1,474	2,412
Severance indemnity	4,491	4,770
Long term outstanding bonds	24,181	0
Medium and long term bank loans	161,488	195,999
Other non-current liabilities	29,066	26,905
Non-current financial liabilities	6,777	563
Deferred tax liabilities	13,228	12,984
Non-Current liabilities	240,706	243,632
Current liabilities		
Payables due to banks and financing institutions	199,631	165,747
Trade payables	34,401	66,774
Tax payables	1,284	5,174
Other current liabilities	24,043	26,263
Current financial liabilities	1,647	1,065
Current liabilities from derivative financial instruments	338	548
Current liabilities	261,343	265,570
Liabilities	502,049	509,203
Net equity and liabilities	1,370,554	1,363,106

Consolidated income statement

(Thousands of Euro)	Full Year	
	2021	2020
Revenues	134,911	163,896
Total operating costs	68,563	100,280
Purchase costs for other raw materials	2,063	1,782
Costs for services	38,728	36,776
Costs for personnel	17,017	17,132
Other management costs	11,327	44,700
Other income	571	109
Amortization and depreciation	32,509	34,465
Operating result	33,838	29,151
Financial income	3,526	3,558
Financial charges	1,994	1,711
Evaluation of subsidiary companies with the net equity method	19,892	18,310
Earnings before tax	55,263	49,308
Taxes for the year	(9,937)	9,394
Result of the year	45,326	58,701
Group's Net Result	45,326	58,701
Minorities' Net Result	0	0
Consolidated statement of comprehensive income		
1. Components that can be reclassified to the income statement		
Fair value of derivatives, changes in the year net of tax	708	(398)
Fair value of derivatives Affiliated companies, changes in the year net of tax of the companies held for sale	13,279	(0)
2. Components that can not be reclassified to the income statement		
Actuarial (losses)/gains from remeasurement on defined-benefit obligations net of tax	84	9
Fair value Shareholdings in other companies other companies	0	(1,807)
Total comprehensive income	59,397	56,505
Group's overall net result	59,397	56,505
Minorities' overall net result	0	0
Base income per share	0.209	0.271
Diluted net income per share	0.209	0.271

N.B.: Earnings per share are calculated by dividing the net income for the period attributable to the Company's shareholders by the weighted average number of shares net of own shares. For the purposes of the calculation of the basic earnings per share, we specify that the numerator is the economic result for the period less the share attributable to third parties. There are no preference dividends, conversions of preferred shares or similar effects that would adjust the results attributable to the holders of ordinary shares in the Company. Diluted profits for shares result as equal to those for shares in that ordinary shares that could have a dilutive effect do not exist and no shares or warrants exist that could have the same effect.

Statement of changes in consolidated shareholders' equity as of 31st December 2021 and 31st December 2020

(migliaia di Euro)	Share capital	Legal reserve	Own shares	Reserves IAS 19 actuarial differences	Other reserves	Profit/(loss) carried forward	Net result for the year	Group's net equity	Net result and net equity of others	Total net equity
Balance as of 1st January 2021	234,412	46,882	(55,628)	(527)	433,301	136,762	58,701	853,903	0	853,903
Result for the period							45,326	45,326		45,326
Other operations					708			708		708
Fair value of derivatives in other companies					13,279			13,279		13,279
Severance indemnity IAS 19 discounting of the financial period				84				84		84
Total result of overall income statement				84	13,987	(0)	45,326	59,397	0	59,397
Allocation of 2020 result						58,701	(58,701)	(0)		(0)
Dividends distributed to Ascopiave S.p.A. shareholders						(34,663)		(34,663)		(34,663)
Long-term incentive plans			204		(166)	36		75		75
Variation Affiliated companies' shareholdings					(10,169)			(10,169)	(38)	(10,207)
Balance as of 31st December 2021	234,412	46,882	(55,424)	(443)	436,954	160,836	45,326	868,543	(38)	868,505

(Thousands of Euro)	Share capital	Legal reserve	Own shares	Reserves IAS 19 actuarial differences	Other reserves	Profit/(loss) carried forward	Net result for the year	Group's net equity	Net result and net equity of others	Total net equity
Balance as of 1st January 2020	234,412	46,882	(26,774)	(535)	(10,470)	136,762	493,216	873,492	0	873,492
Result for the period							58,701	58,701		58,701
Other operations					(398)			(398)		(398)
Fair value of shareholdings in other companies					(1,807)			(1,807)		(1,807)
Severance indemnity IAS 19 discounting of the financial period				9				9		9
Total result of overall income statement				9	(2,205)	(0)	58,701	56,505	0	56,505
Allocation of 2019 result					493,216		(493,216)	(0)		(0)
Dividends distributed to Ascopiave S.p.A. shareholders					(47,442)			(47,442)		(47,442)
Long-term incentive plans					108			108		108
Other movements					94			94	(0)	94
Purchase of own shares			(28,854)		(0)			(28,854)		(28,854)
Balance as of 31st December 2020	234,412	46,882	(55,628)	(526)	433,302	136,762	58,701	853,903	0	853,903

Consolidated statement of cash flows

	Full Year	
	2021	2020
Net income of the Group	59,397	56,505
Cash flows generated (used) by operating activities		
Adjustments to reconcile net income to net cash		
Change in fair value of derivatives in other companies, change in the year net of the tax effect	(13,279)	0
Fair value of shareholdings in other companies	0	1,807
Fair value of derivatives, changes in the year	(708)	398
Companies held for sale operating result	(84)	(9)
Amortization	32,509	34,082
Svaluation of assets	1,253	1,322
Bad debt provisions	34	189
Variations in severance indemnity	(195)	(109)
Current assets / liabilities on financial instruments derivatives	5	52
Net variation of other funds	(1,155)	1,068
Evaluation of subsidiaries with the net equity method	(19,892)	(18,310)
Dividends from equity investments	(3,495)	(3,489)
Other variations of net income without financial effect	(1,278)	0
Interests paid	(1,653)	(1,396)
Taxes paid	(12,607)	(12,110)
Interest expense for the period	1,704	1,594
Taxes for the period	9,937	(9,394)
Total adjustments	(8,902)	(4,304)
Variations in assets and liabilities		
Inventories	6,737	(6,780)
Accounts payable	7,249	9,396
Other current assets	27,246	(29,333)
Trade payables	(8,593)	14,604
Other current liabilities	(2,244)	574
Other non-current assets	(188)	(858)
Other non-current liabilities	2,035	2,352
Total variations in assets and liabilities	32,241	(10,044)
Cash flows generated (used) by operating activities	82,737	42,157
Cash flows generated (used) by investments		
Investments in intangible assets	(51,469)	(43,417)
Investments in tangible assets	(1,393)	(1,015)
Disposal/(acquisitions) of shareholdings and avances	(12,933)	(68,598)
Dividends collected from subsidiaries	20,862	21,254
Cash flows generated (used) by investments	(44,933)	(91,776)
Cash flows generated (used) by financial activities		
Change in non-current financial liabilities	0	374
Net change in bank debt and short-term loans	(55,047)	(29,840)
Net variation in current financial assets and liabilities	22	(9,447)
Bond loans	24,181	0
Purchase/disposal of own shares	39	(28,854)
Ignitions loans and mortgages	288,000	336,700
Redemptions loans and mortgages	(239,700)	(217,000)
Dividends distributed to Ascopiave S.p.A. shareholders	(34,663)	(47,442)
Cash flows generated (used) by financial activities	(17,168)	4,491
Variation in cash	20,636	(45,129)
Cash and cash equivalents at the beginning of the year	21,902	67,031
Cash and cash equivalents at the end of the year	42,538	21,902

Ascopiave S.p.A.

Financial report charts

as of 31st December 2021

Assets and liabilities statement as of 31st December 2021 and 31st December 2020

(Thousands of Euro)	31.12.2021	31.12.2020
ASSETS		
Non-current assets		
Other intangible assets	10,192	10,013
Tangible assets	25,344,465	26,186,921
Shareholdings in Controlled and Affiliated companies	1,002,949,698	1,002,516,181
Shareholdings in other companies	78,923,328	78,923,305
Other non-current assets	508,481	1,264,439
Non current financial assets	2,864,272	2,225,705
Advance tax receivables	1,194,068	1,540,669
Non-current assets	1,111,794,503	1,112,667,233
Current assets		
Trade receivables	3,402,239	4,425,863
Other current assets	6,362,457	10,050,951
Current financial assets	59,835,424	46,252,984
Tax receivables	591,428	2,588,366
Cash and cash equivalents	39,489,427	20,568,118
Current assets from derivative financial instruments	264,933	
Current assets	109,945,909	83,886,282
Assets	1,221,740,412	1,196,553,515
Net equity and liabilities		
Total Net equity		
Share capital	234,411,575	234,411,575
Own shares	(55,423,270)	(55,627,661)
Reserves	648,677,298	629,502,581
Total Net equity	827,665,603	808,286,495
Non-current liabilities		
Provisions for risks and charges	320,119	1,142,073
Severance indemnity	261,459	258,110
Long term outstanding bonds	24,181,367	0
Medium and long term bank loans	155,368,135	195,998,756
Other non-current liabilities	10,690	8,800
Non-current financial liabilities	110,424	88,345
Deferred tax payables	5,588	5,588
Non-Current liabilities	180,257,782	197,501,673
Current liabilities		
Payables due to banks and financing institutions	199,630,621	165,741,781
Trade payables	2,559,797	2,391,613
Other current liabilities	4,390,383	2,954,898
Current financial liabilities	7,127,030	19,129,522
Current liabilities from derivative financial instruments	109,196	547,533
Current liabilities	213,817,027	190,765,347
Liabilities	394,074,809	388,267,020
Net equity and liabilities	1,221,740,412	1,196,553,515

Income statement

(Thousands of Euro)	Full Year	
	2021	2020
Revenues	72,794,827	53,413,259
Distribution of dividends from subsidiaries	58,957,802	41,078,595
Other revenues	13,837,025	12,334,664
Total operating costs	17,717,020	18,477,514
Purchase costs for other raw materials	0	12,468
Costs for services	10,603,439	9,693,390
Costs for personnel	6,511,294	6,781,747
Other management costs	997,037	2,041,573
Other income	394,750	51,665
Amortization and depreciation	1,498,114	1,542,417
Operating result	53,579,693	33,393,328
Financial income	202,869	266,935
Financial charges	1,954,553	1,681,108
Earnings before tax	51,828,008	31,979,155
Taxes for the year	1,424,425	3,952,531
Result of the year	53,252,433	35,931,686
Consolidated statement of comprehensive income		
1. Components that can be reclassified to the income statement		
Fair value of derivatives, changes in the year net of tax	708,385	(397,652)
2. Components that can not be reclassified to the income statement		
Actuarial (loss)/gain on defined-benefit plans	6,144	8,556
Fair value of shareholdings in other companies	(0)	(1,806,983)
Result of the comprehensive income statement	53,966,962	33,735,607

Statement of changes in shareholders' equity as of 31st December 2021 and 31st December 2020

(migliaia di Euro)	Share capital	Legal reserve	Own shares	Other reserves	Reserves IAS 19 actuarial differences	Net result for the year	Total net equity
Balance as of 1st January 2021	234,411,575	46,882,315	(55,627,661)	546,731,444	(42,864)	35,931,686	808,286,495
Result for the year						53,252,433	53,252,433
Discounting severance indemnity IAS 19 of the financial year					6,144		6,144
Other operations				708,385			708,385
Total result of overall income statement				708,385	6,144	53,252,433	53,966,962
Allocation of 2019 result				35,931,686		(35,931,686)	(0)
Dividends distributed to Ascopiave S.p.A. shareholders				(34,663,155)			(34,663,155)
Long-term incentive plans			204,390	(129,089)			75,301
Balance as of 31st December 2021	234,411,575	46,882,315	(55,423,270)	548,579,270	(36,720)	53,252,433	827,665,603

(migliaia di Euro)	Share capital	Legal reserve	Own shares	Other reserves	Reserves IAS 19 actuarial differences	Net result for the period	Total net equity
Balance as of 1st January 2020	234,411,575	46,882,315	(26,773,538)	75,004,152	(51,419)	521,265,698	850,738,782
Result for the year						35,931,686	35,931,686
Discounting severance indemnity IAS 19 of the financial year					8,556		8,556
Fair value of shareholdings in other companies				(1,806,983)			(1,806,983)
Other operations				(397,652)			(397,652)
Total result of overall income statement				(2,204,635)	8,556	35,931,686	33,735,607
Allocation of 2019 result				521,265,698		(521,265,698)	(0)
Dividends distributed to Ascopiave S.p.A. shareholders				(47,441,540)			(47,441,540)
Long-term incentive plans				107,769			107,769
Purchase of own shares			(28,854,122)				(28,854,122)
Balance as of 31st December 2020	234,411,575	46,882,315	(55,627,661)	546,731,444	(42,864)	35,931,686	808,286,495

Statement of cash flows

	Full Year	
	2021	2020
Net income of the Group	53,966,962	33,735,607
Cash flows generated (used) by operating activities		
Adjustments to reconcile net income to net cash		
Fair value of derivatives, changes in the year	(708,385)	397,652
Companies held for sale operating result	(6,144)	(8,556)
Fair value of shareholdings in other companies	0	1,806,983
Amortization	1,498,114	1,542,417
Svaluation of assets	5,330	0
Bad debt provisions	1,445	0
Variations in severance indemnity	9,492	(22,601)
Current assets / liabilities on financial instruments	5,115	51,709
Net variation of other funds	(951,043)	575,242
Interests paid	(1,643,998)	(1,391,678)
Interest expense for the year	1,681,231	1,561,710
Taxes paid	(3,984,314)	11,279,559
Taxes for the year	(1,424,425)	(3,952,531)
Total adjustments	(5,517,583)	11,839,907
Accounts payable	1,022,180	6,541,453
Other current assets	3,688,494	(1,675,072)
Trade payables	168,184	(2,427,785)
Other current liabilities	9,152,898	(17,984,095)
Other non-current assets	755,958	(7,078)
Other non-current liabilities	1,890	0
Total variations in assets and liabilities	14,789,604	(15,552,577)
Cash flows generated (used) by operating activities	63,238,983	30,022,936
Cash flows generated (used) by investments		
Investments in intangible assets	(3,150)	(7,550)
Investments in tangible assets	(658,016)	(818,009)
Disposal/(acquisitions) of shareholdings and avances	(14,329,405)	(68,598,197)
Cash flows generated (used) by investments	(14,990,571)	(69,423,757)
Cash flows generated (used) by financial activities		
Net change in debts due to other financers	22,079	24,264
Net change in bank debt and short-term loans	(55,041,781)	(29,070,022)
Net variation in current and non-current financial assets and liabilities	(325,143)	(8,529,678)
Net variation in loans to associated companies	(12,004,861)	(11,603,812)
Purchase/disposal of own shares	204,390	(28,854,122)
Bond loans	24,181,367	0
Ignitions loans and mortgages	288,000,000	336,700,000
Redemptions loans and mortgages	(239,700,000)	(217,000,000)
Dividends distributed to Ascopiave S.p.A. shareholders	(34,663,155)	(47,441,540)
Cash flows generated (used) by financial activities	(29,327,103)	(5,774,910)
Variation in cash	18,921,309	(45,175,731)
Cash and cash equivalents at the beginning of the year	20,568,118	65,743,849
Cash and cash equivalents at the end of the year	39,489,427	20,568,118

Fine Comunicato n.0887-12

Numero di Pagine: 24