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Oggetto : The Board of Directors has approved the Group's 2025-2028 strategic plan

Testo del comunicato

Vedi allegato



PRESS RELEASE

ASCOPIAVE: The Board of Directors has approved the Group's 2025-2028 strategic plan.

The plan outlines a path of sustainable growth in the core businesses of gas distribution and renewable energy, enhancing the impact of high visibility investment initiatives that have already been launched. Among these, the acquisition from the A2A Group of several gas distribution concessions in Lombardy, which should be finalised in July 2025 and will enable Ascopiave to further reinforce its presence in a regulated business with significant stability in profit margins.

The development will take place in conditions of financial balance, guaranteeing a remunerative and growing distribution of dividends.

Financial highlights

- EBITDA in 2028: 161 million euros (+66 million euros compared to the preliminary 2024 figure);
- Net result in 2028: 41 million euros (+9 million euros compared to the preliminary 2024 figure);
- Net investments 2025-2028: 871 million euros;
- Divestments of minority interests 2025-2028: 288 million euros;
- Net financial position at 2028: 690 million euros;
- Financial leverage (Net financial position / Shareholders' equity) in 2028: 0.76;
- Forecast of distributed dividends: 15 cents per share for the 2024 financial year, increasing by 1 cent per share in the following years until 2028.

The Board of Directors of Ascopiave S.p.A., which met today under the chairmanship of Mr Nicola Ceconato, has approved the Ascopiave Group's 2025-2028 strategic plan.

The Chairman and CEO, Nicola Ceconato, stated:

“The plan approved today by the Board of Directors indicates the main strategic objectives that will guide Ascopiave's actions in the coming years, updating the Group's prospects also taking into account the impacts of the acquisition operation recently agreed with A2A. Thanks to this acquisition, Ascopiave will further reinforce its position in the regulated gas distribution sector, making a significant leap in size that will place it on the top rung of the national operators in the market. The transaction should be finalised by July 2025 and will be financed in part through the divestment of minority interests in energy marketing companies and in part through the use of financial leverage. The plan also envisages significant organic investments in gas distribution networks, to ensure high standards of technical efficiency, continuity and safety of service and enable the transformation of networks in the face of the new scenarios opened up by the energy transition. Significant investments are also planned for the realisation of concrete projects in the renewable energy and green gas sectors, with an expected increase in the power of the managed generation park.

The plan's outlined development path is sustainable and will guarantee an improvement in the Group's economic and financial results, enabling the distribution of a higher and remunerative dividend”.

Strategic guidelines

The plan is based on four fundamental strategic pillars: growth in core businesses, diversification in synergistic sectors, economic and operational efficiency, innovation.

The strategy of the Group is to pursue sustainable business success, integrating aspects of environmental, social and economic sustainability, oriented towards the goal of a stable creation of value for shareholders, developing a profitable relationship with other relevant stakeholders.

Growth in the core business of gas distribution

The Group's positioning and expertise in natural gas distribution provide a solid foundation for supporting growth in the scope of managed operations. The sector's consolidation process represents an opportunity that Ascopiave will seize by leveraging its solid industrial capabilities and the availability of adequate financial resources.



The growth plans will be achieved through M&A operations and participation in tenders for the award of concessions.

In July 2025, when the previous conditions set out in the preliminary sales agreement signed in December 2024 are met, the Group will finalise the acquisition of a number of concessions from the A2A Group in Lombardy, with approximately 490 users and an associated 2024 RAB of 458 million euros. The operation will allow Ascopiave to increase its user base by 56% and become, in perspective, the second or third operator on the national market.

The acquired plants are located in the provinces of Bergamo, Brescia, Cremona, Lodi and Pavia, in ATEMs not previously managed by the Group, creating the opportunity to expand and diversify its territorial footprint. Ascopiave has identified a set of ATEM tenders where it intends to compete, defining priorities and level of interest, with the goal of establishing a portfolio of concessions for the management of the service in adjacent territories, paying particular attention to reinforcing its current position in Northern Italy.

The possibility of implementing the growth strategy through the acquisition of new concessions depends, among other things, on the timing of the publication and awarding of calls for tenders.

The strategy of participating in tenders could also be pursued through the possible establishment of partnerships, with the goal of enhancing competitiveness and diversifying financial and operational risks, with the participation in the results of a wider portfolio of concessions.

Given the complexity and uncertainty of the underlying assessments, the economic and financial projections do not provide an estimate of the possible impacts of such a further growth option, nor of the possibility of seizing new opportunities in the M&A field.

Diversification into the renewable energy and green hydrogen production business

Thanks to the company acquisitions made in 2021-2022 and the commissioning of a new wind farm, completed at the end of 2023, the Group currently manages a fleet of hydroelectric and wind power plants with a nominal capacity of over 84 MW.

The Group also has plans for the green field development of other photovoltaic plants, some of which are already under construction and others that will soon be at the site preparation stage.

Diversification into new sectors

The Group believes it is advisable to monitor the evolution of technology, the regulatory framework and the market context of other sectors, with the possibility of making investments that have not, however, been included in the economic-financial plan.

These are the innovative sectors of synthetic gas and other network services, in particular the water and electricity distribution sectors, which have significant potential for synergies with the core business of gas distribution, even if they are characterised by significant barriers to entry.

The evaluation of possible investments in the sectors indicated must take into account not only the potential synergies and the operational risk profile, but also the financial sustainability.

Economic and operational efficiency

Ascopiave has achieved significant results in terms of management efficiency, implementing organisational and technological solutions that improve the quality and reliability of the service, as well as containing costs.

Enhancing efficiency is at the core of Ascopiave's management policies, whose goal is to build on the excellent results obtained over the past few years.

In this context, company policies and practices functional to the purpose will be confirmed and reinforced, such as the continuous monitoring of process efficiency through the use of operating systems and dedicated organisational resources, and the staff incentive remuneration system.

The efficiency measures will be based on the adoption of innovative digital technology solutions, on the control of internal processes, staff training and on careful management of relations with external vendors, with the ultimate goal of maintaining a streamlined and flexible cost structure.



In January 2025 the Group's corporate structure was rationalised, with the unification of the distribution companies into two legal entities, each with a defined territorial presence, with the goal of further streamlining processes and achieving consequent organisational and managerial synergies.

Ascopiave has solid experience in the post-acquisition integration of companies, which will be useful for the effective consolidation of the assets acquired by the A2A Group.

The integration will allow for further improvement of the standards of economic efficiency, thanks also to the complementarity of the newly acquired branches with the current organisation of the Group.

Ascopiave and A2A are collaborating in the pre-closing stage to ensure the best conditions for the start-up of the operations of the Newco to which the assets have been transferred, with the goal of operating from the outset with the systems and organisational methods adopted by the Ascopiave Group and of enhancing the skills and professionalism of the human resources involved.

Innovation

Innovation management is a crucial goal for Ascopiave, which aims at both short and medium-long term goals. Innovation pursues objectives of enhancing economic efficiency and the quality of services provided, which are essential elements for maintaining an adequate competitive capacity with respect to other operators in the sector, also in view of the competitive comparison in tenders for the awarding of concessions.

In the long term, technological innovation of business models is fundamental to respond positively and in an economically sustainable way to the transformation processes induced by both European and national environmental and energy policies.

In 2025-2028, Ascopiave, in the gas distribution sector, will implement a comprehensive programme of innovative interventions aimed at expanding the infrastructure and improving its safety and functional efficiency.

Such interventions will be particularly focused on the energy efficiency of the Remi substations and on preparing the networks and plants for the future introduction of 'green' gas.

Economic and financial projections

The strategic development hypotheses have been analysed in depth, estimating their economic and financial impact over the entire period of the plan, taking into account both the main risk elements typical of the sectors of reference, and the particular characteristics of the Group.

The economic and financial projections reflect reasonably achievable objectives, focusing on the initiatives in progress that are concretely feasible and for which there is a high degree of visibility. On the other hand, no assumptions have been made regarding further development, for example in relation to the potential award of future ATEM tenders, given the uncertainty of the timing of the start-up and award of the related concessions.

Investments

In the four-year period 2025-2028, the Group plans to make a significant volume of investments, for a total amount of 871 million euros. The needs will be partly financed through divestments in the shareholdings in EstEnergy and Hera Comm for a total of 288 million euros.

Investments in gas distribution

Investments in the distribution sector amount to 803 million euros over the period of the plan, of which 580 million are due to growth through external lines and 224 million to the current management perimeter.

With reference to the latter, investments of approximately 144 million euros are planned for renewal and extraordinary maintenance on 199 km of pipelines, on user branches and on reduction and measurement groups and systems. Development investments, consisting of the laying of over 41 km of new pipelines and the construction of new connections, are estimated at approximately 22 million euros.

The installation of approximately 255,300 electronic meters and other metering infrastructure is also planned, for a total investment of approximately 43 million euros.



Finally, investments in digitisation, efficiency and innovation amount to approximately 13 million euros. The latter include investments for the digitisation of business processes (5 million euros), for the digitalisation of the network (1 million euros), for the improvement of the energy efficiency of the REMI substations (1 million euros), for the energy recovery on the REMI substations through turbo-expansion combined with high-efficiency cogeneration (5 million euros) and for the implementation of a bidirectional distribution system (1 million euros).

The investments governing the expansion of the perimeter (580 million euros) are related to the Enterprise Value of the acquisition of the concessions from the A2A Group (460 million euros) and, for the remaining part (120 million euros), to the expected investments in networks and plants of the acquired perimeter.

Investments in electricity generation from renewable sources and in the production and distribution of green hydrogen

The investments planned for diversification over the course of the plan amount to 51 million euros, of which 36 million euros are for the expansion of the electricity generation from renewable sources and 15 million euros for a project for the production and distribution of green hydrogen.

The investments in the renewable energy sector are related to the construction of new photovoltaic plants located in the Veneto region with a total nominal power of 38 MW, which will be completed and will become operational within the time frame of the plan.

With the project relating to the production and distribution of hydrogen, Ascopiave intends to contribute to the diffusion of this energy carrier in the Veneto region, also capitalising on the opportunities deriving from any support provided by the PNRR. The main outlet market for the hydrogen produced will be the transport sector, both public and private. The plant's hydrogen production, expected to start in 2028, will however reach full capacity at a later date.

Divestment of minority shareholdings in companies active in the sale of natural gas and electricity

The investment plan will be partly financed through resources deriving from the exercise of the put options on the equity investments held in companies operating in the commercial sector of gas and electricity sales. The divestments generate cash to the amount of 288 million euros, of which 234 million euros for the sale of the investment in EstEnergy and 53 million euros for Hera Comm.

Evolution of EBITDA and net profit

The Group's EBITDA is expected to grow from 96 million euros in the preliminary balance for 2024 to 161 million euros by 2028.

The increase in EBITDA by 2028 is due to the assets acquired from the A2A Group (56 million euros) and to the growth in results of the current scope of gas distribution operations currently held (12 million euros), due to both the realisation of the investment plan on existing plants and the efficiency of operating costs. These improvements are partly offset by the reduction in tariff revenues due to the decrease in the rate of return on recognised invested capital, which is 6.5% in 2024, falling to 5.9% in 2025 and, as assumed in the plan, remaining constant at this level in subsequent years. Finally, the contribution to margin growth of both the renewable energy sector and the management of services at corporate level is positive, increasing overall by 3 million euros, also thanks to the expansion of the generation fleet.

The net result forecast for 2028 stands at 38 million euros, corresponding to a weighted average annual growth of 6% over the plan period.

The results generated by 2028 are due almost entirely to the activities controlled by the Group, whose margins will be able to compensate for the decrease in income from minority interests, which will be significantly reduced from 2026, due to the sale of EstEnergy shares and therefore of Hera Comm.

Evolution of invested capital and net financial debt

Net invested capital over the period of the plan increases from 1,263 million euros (preliminary balance for 2024) to 1,602 million euros (forecast for 2028), with an expected growth of 27% and a substantial change in



its composition. In fact, 84% of the uses by 2028 are related to gas distribution and 10% to the renewable energy and green hydrogen sector, while both the weight of investment in non-controlling interests over which the Group does not exercise control (3%) and that of other activities (3%) are reduced.

Compared to 31 December 2024, financial debt at 2028 increases, reaching 690 million euros and determining an efficient and sustainable financial structure consistent with the risk profile of the assets held.

Dividend

The plan provides for an attractive and sustainable shareholder remuneration, with a dividend of 15 cents expected to be distributed in 2024, increasing by 1 cent per share in the following years until 2028.

Summary of prospective economic and financial data and main operating indicators

The following table shows the prospective economic and financial data and main operating indicators of the gas distribution and renewable energy sectors as set out in the plan.

The amounts are expressed in millions of euros.

Highlights - economic and financial	Preliminary balance 2024	Projection 2028
Revenues	193	309
EBITDA	96	161
EBIT	44	81
Net profit	32	41
Net invested capital	1,263	1,602
Shareholders' equity	869	912
Net financial position	394	690
Gas distribution KPIs	Preliminary balance 2024	Projection 2028
RAB	836	1,463
Users served / 1,000	870	1,355
Network km / 1,000	15	20
Electricity production KPIs	Preliminary balance 2024	Projection 2028
Installed power (MW)	84	123
Energy produced (GWh)	215	268

The Ascopiave Group is one of the leading national players in the country's natural gas distribution field, managing operations in 301 towns in Northern Italy, providing service to approximately 870,000 users through a network of over 14,700 kilometres.

The Group is also active in the field of renewable energy and integrated water supply; it holds a minority stake in energy marketing enterprises and public services.

In the renewable energy sector, Ascopiave manages 29 hydroelectric and wind power plants in operation, with a nominal installed capacity of 84.1 MW.

The Group holds a minority stake in energy marketing businesses (EstEnergy S.p.A. ed Hera Comm S.p.A.), in the field of utilities (Acinque S.p.A.) as well as in the Information and Communication Technology Services (Acantho S.p.A.).

Ascopiave has been listed on the Euronext Star Milan segment of the Italian Stock Exchange since 12 December 2006.



Contact: Community Group
Giuliano Pasini
Gianandrea Gamba
Tel. 0422 / 416111
Mob. 335 / 6085019

Ascopiave
Tel. 0438 / 980098
Roberto Zava - Media Relator
Mob. 335 / 1852403
Giacomo Bignucolo – Investor Relator
Mob. 335 / 1311193

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